

Ambulance Associates of Canton, Inc.  
114 Clarendon Ave NW  
Canton, OH 44708-4695

Dear Chairman Burke, Vice Chairwoman Manning, Ranking Member Cafaro and members of the Senate Medicaid Committee,

Thank you for the opportunity to provide written testimony regarding the state of the Ohio ambulance and medical transportation industry. I am Richard Babb and I serve as Chief Financial Officer of Ambulance Associates, a firm I started in 1969 at the age of 26.

While serving the medical transportation needs of my community in 2015, our firm lost over \$51,000. The loss would have been even greater if fuel costs had not plummeted. The website, Candid Medicine, <http://www.candidmedjicine.com/medicaid-ambulance-reimbursement-rates> graphically demonstrates the seriousness of the current situation. In reviewing the rank order of all fifty states, one can see that Ohio's Medicaid reimbursements for ambulance transport rank seventh from the bottom. Yes, 43 states have higher ambulance Medicaid reimbursement levels than Ohio.

The fee schedule that Medicaid utilizes to reimburse us dates back 14 years. Even the most dedicated providers find these reimbursements unsustainable. Absent profitability, providers are struggling to maintain quality. The Government Accountability Office (GAO) has verified in two separate reports that the Medicaid reimbursement for ambulance service is typically below cost.

In January, 2014, Ohio Medicaid dealt ambulance providers a serious blow by taking away our 20% co-pays for those dual-eligible recipients who had both Medicare and Medicaid coverage. Supposedly our state shifted these savings to offset the cost of expanding the Medicaid base to include many more individuals. Yet, this expansion via the Affordable Care Act was heavily subsidized by federal, not state, monies.

We offer one example of the difficulties in meeting the needs of one of Ohio's vulnerable populations – those residents of Skilled Nursing Facilities. On March 10, 2016, we transported a patient from a Canton facility 65 miles to the Cleveland Clinic. When we reached the Cleveland Clinic, we learned that the patient had multiple appointments through the day. From the time our ambulance crew left the quarters enroute to the nursing home for the pick-up until the call was completed and the crew returned to quarters involved a total time frame of nine and one-half hours. For this particular call, we will receive approximately \$340, as ODJFS refuses to recognize waiting time as reimbursable. This amount barely covered even the

hourly wages of the two staff members, notwithstanding the other costs involved in a 130-mile round trip. When we expressed our frustration to the nursing home administrator, she simply called other ambulance companies and invited their marketing representatives to call on her.

Will the Ohio Senate accept the imperative to help our industry, and rescue the vital infrastructure of this essential community service? I hope so. Senate Bill 248 should curtail any erosion of quality, professional care rendered by our state's dedicated EMT's, Paramedics, and support staffs. We view S.B. 248 as our light at the end of the tunnel.

I thank you for your time and consideration.

Sincerely,  
AMBULANCE ASSOCIATES OF CANTON, INC.

Richard Babb  
Chief Financial Officer