

Opposition Testimony- SB 218 Ohio Senate Health, Human Services, and Medicaid Committee June 5, 2018

Chairman Burke, Vice Chairman Beagle, Ranking Member Tavares, and members of the Senate Health, Human Services, and Medicaid committee, thank you for the opportunity to provide testimony on SB218. My name is Julie Rose and I am the founding CEO of the Community Care Ambulance, a not for profit EMS & Mobile Healthcare company serving 8 counties in Northeast Ohio. We employ over 275 people and serve over 80,000 patients a year.

We are an organization that was created in cooperation with two renowned hospital systems as they recognized that quality 911 and mobile healthcare is essential to the continuum of care and meeting quality healthcare outcomes. Rural areas are particularly at great risk of inadequate accessibility to quality mobile health needed to transport critically ill and injured patients from community based hospital ERs to hospitals with higher levels of care for services not commonly provided by community hospitals.

The intended "fix" to the problem of fraud- the proposed bill to add to the cost of regulatory compliance and issuing additional unfunded mandates on an already struggling mobile healthcare industry is akin to using a band-aid on a gushing wound and then putting it on upside down. The answer is for the state to establish Medicaid rates paid for services rendered to be tied to the cost to provide the service, thereby supporting quality providers to provide the essential services our state constituents. Adding to the already high losses suffered on Medicaid transports will create further difficulties for companies like ours that are transporting vulnerable populations, especially in rural areas of the state. Access to care to quality medical transportation will be reduced as more legitimate companies are forced to cancel contracts with facilities that have high Medicaid transport populations or close their doors entirely-like 30 of my colleagues have done in the past few years, costing the state jobs and money – and most importantly putting patients at risk. Far from meeting the objective of reducing Medicaid fraud, I believe this legislation will put a further strain and disincentive to the legitimate providers to serve the Medicaid population, which will further open the door for the bad players who evade regulatory compliance and cheat the state and taxpayers.

Ohio has one of the lowest reimbursement rates of any of our contiguous states, and the lowest for a state of its size. Ohio's ambulance reimbursement ranks in the bottom 15% in the nation. Our ambulance reimbursements are 1/3 of the Medicare payment- which has been determined by the GAO twice to be below cost- validating that our Medicaid rates are below 1/3 of the cost of providing services.

Not only have we not received any meaningful increase from Medicaid in decades, the Medicaid populations we serve have grown and managed care plans and brokers have further complicated the reimbursement issue. We were already forced to cancel our contract with the Managed Care organizations serving MyCare Ohio because we could not afford the losses that were compromising our ability to serve all our patients. Further, we have also had to take legal action to get those Managed Care payors to pay us for services rendered.

Legitimate providers cannot continue to bear the burden of low reimbursement rates and ever increasing regulation. I ask you all to reject this haphazard legislation and look for comprehensive solution to the issues facing our industry.

Thank you for your consideration.