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Chairman Burke, Vice Chair Beagle, Ranking Members Tavares, and members of the Ohio Senate Health, Human Services, and Medicaid Committee. Thank you for the opportunity to provide opposition testimony on Senate Bill 218.

My name is Dave Richards and I am the Chief Financial Officer at LifeCare Ambulance. We are a family owned business founded in 1986. We are located in Lorain County and we operate emergency services for Lorain, Elyria, Amherst, South Amherst, Amherst Township, and Carlyle Township. In addition, we contract out with our local hospital systems.

LifeCare has testified before this Senate Committee in the recent past on the untenably low Medicaid reimbursement rates for transportation services and the high cost of regulatory compliance to operate in the state, so we were extremely disappointed when Senator Lehner stated in her testimony that medical transportation providers are "overpaid" and "often uncertified". This shows a clear lack of basic understanding of the industry that this bill seeks to further regulate.

Ohio's Medicaid reimbursement rates for transportation services are among the lowest in the country, and we incur large losses performing these transports. Our paramedics, EMTs, and wheelchair attendants all must meet the rigorous state certification process, satisfy continuing education requirements, and strive to provide the highest level of service to all our patients. Many medical transportation companies are losing these highly trained, qualified professionals to UPS and Fedex. Losses endured transporting the growing Medicaid population mean companies like ours often cannot afford to pay our staff the salaries they deserve. Further increasing the cost of the regulatory burden on these already struggling companies will exacerbate the issues that we are already seeing around the state: medical transportation companies shuttering their doors, transportation service deserts, and ridiculously long wait times for patients.

Our company, and the other upstanding companies like us around the state, have a strong interest in promoting integrity in the industry and reducing fraud. The bad players and fly by night operations that crop up tarnish the reputation of the entire industry, and ill gotten gains by these companies come at the expense of legitimate providers. However, I do not believe that the surety bond requirement contained in SB 218 will prevent these bad players and will only serve to further penalize the law abiding, already well regulated business that are struggling to do business in this state.

In an environment where legislatures around the country are looking to reduce unnecessary regulations stifling businesses, it is disappointing that legislation like Senate Bill 218 is being considered here. Medical transportation providers in this state are already struggling to operate under the high cost of regulatory compliance coupled with low reimbursement rates. The complex and extensive regulations including oversight by multiple state agencies, and inability to cover costs on Medicaid runs will stifle and eventually stamp out the industry in this state. This will only further reduce accessibility to safe, quality transportation for the most vulnerable populations that companies like ours currently serve.

Thank you for your consideration and I'd be happy to answer any questions you have.