

Testimony of:

United New York Ambulance Network (UNYAN)

on the

FY 2024-25 New York State Executive Budget Proposal Health & Mental Hygiene Article VII Bill

Tuesday, January 23, 2024

Albany, New York

Introduction

My name is Timothy Egan, and I am chairman of the United New York Ambulance Network (UNYAN), Executive Director of Rockland Paramedic Services and CEO of Rockland Mobile Care. On behalf of UNYAN's members, I am honored to submit testimony for today's hearing. UNYAN is a professional trade association representing more than 40 commercial and not-for-profit ambulance providers across New York State, from Long Island to Watertown, from Albany to Buffalo, and everywhere in between. Our mission is to promote the delivery of high-quality and timely emergency medical care in a cost-effective manner whenever and wherever our members are called upon to provide emergency medical services (EMS). The association views pre-hospital care as a critical component of the entire medical care system and values the integral services that allow the residents in the communities we serve to receive access to quality, affordable, and advanced aid when it matters the most. Our member services provide nearly 80% of all critical and non-critical interfacility transports across the state and handle nearly 50% of all 9-1-1 emergency calls for ambulance service.

Ambulance service providers have been dealing with the same workforce shortage and reimbursement issues as other sectors in healthcare. On top of that, the industry has been faced with years of inadequate funding, putting many operators in peril.

We are deeply grateful to the Legislature and Governor Kathy Hochul for passing and signing S.1466/A.250-A into law last year. No matter if an ambulance service provider is "in-network" or "out-of-network," reimbursement for every response will come directly from the health insurance company. Patients are no longer forced to be the middleman in a broken payment process that oftentimes left out ambulance providers. We get the payment that we've earned. However, this direct payment structure doesn't start until January 2025.

Looking to the coming year, we are glad to see EMS included in the FY 2024-25 Executive Budget Proposal but are deeply concerned about the lack of proposals that would directly benefit ambulance service providers and address the serious challenges we are facing. There is a severe EMS personnel shortage, and help getting and keeping workers in EMS is a necessity, not just for us, but for the state.

Worsening Workforce Crisis

Nearly every industry in the healthcare sector is dealing with staffing shortages. However, the emergency medical services (EMS) system is facing crippling staffing challenges that threaten the provision of crucial 9-1-1 emergency healthcare services to residents of local communities and the medical response to public health emergencies statewide. Unfortunately, this budget does nothing to address the workforce crisis.

A 2022 American Ambulance Association study¹ of employee turnover found that 29% of EMT positions and 30% of paramedic positions went unfilled because of a lack of qualified candidates.

For most, low wages are forcing EMS providers out of their jobs. The current low wages are a function of the current low reimbursements rates. Our inability to pay wages commensurate with the level of training and responsibility is a function of inadequate reimbursement. It hampers our ability to attract and keep good paramedics. They leave to become firefighters; they leave to become doctors, nurses, and PAs; or leave the healthcare industry all together. That trend can only be reversed by paying better, more competitive wages.

There also needs to be an investment in more on-the-ground training.

We should also be addressing the workforce shortage from a perspective that allows us to pull EMS providers from other states – and even other countries. We ask that the same reciprocity that was allowed during the COVID-19 pandemic be made permanent. Our members should be able to attract EMTs and paramedics from neighboring states if the talent is there. Some of our members are taking a more innovative approach and have been looking outside of the United States for personnel. Australia is currently experiencing a surplus of paramedics. By revising

¹ https://ambulance.org/2022/10/17/4th-annual-study-shows-worsening-ems-turnover/

certain clinical and registration hurdles, New York could allow paramedics from outside the country to work in the state.

We urge Governor Hochul and the Legislature to make this a priority in the FY 2024-25 State Budget.

Inadequate Medicaid Reimbursement

UNYAN members take pride in providing top-tier care to the communities they come from. Many of the communities our members serve are primarily covered by Medicaid or Medicare. As mentioned above, the rate at which the state reimburses first responders for Medicaid-related calls is currently far too low, causing a financial strain on everyone in the industry. Providers have long struggled with low reimbursement rates. Medicaid reimbursement typically covers less than 65% of their cost per transport. Medicaid rates remain as low as 30-40% of Medicare rates for comparable services.

The private ambulance sector provides the majority of the ambulance services in the state. We are an essential component of the healthcare system. We are the safety net that the public relies upon. Yet, somehow, we are expected to get by on reimbursements that are far less than cost for the majority of our work.

The number of patients, who depend on Medicaid as their primary coverage, is increasing at an alarming rate, especially in our urban and rural markets. Our Medicaid losses grow proportionally.

Medicaid also only reimburses ambulance service provides for transports. This is an antiquated model and no longer fits the way that EMS operates. During the COVID-19 state of emergency, EMS was routinely utilized for patient treatment in place and reimbursed for their service without transporting the patient to the hospital. Not every patient needs to be transported to a hospital. EMS providers routinely treat patients and patients then refuse transport to hospital, Medicaid will not reimburse EMS for their services. EMS providers can use enormous resources to treat patients who ultimately succumb to their injuries on the scene. Medicaid will not reimburse providers for their services when a deceased patient is not transported to a hospital. UNYAN and many of our EMS provider partners are seeking Medicaid reimbursement for treatment in place and transport to alternative destinations, such as mental health crisis centers and substance abuse treatment centers.

Just as hospitals need and deserve Medicaid reimbursement rates to increase to the Medicare rates, so do ambulance service providers. Medicaid – Medicare rate parity would allow EMS providers to increase wages for employees, and to further grow the EMS system. Medicaid reimbursement for treatment in place and alternative destination would provide effective and efficient patient care and allow EMS and the healthcare system to best utilize healthcare resources.

It is paramount we see Medicaid rate increases in the FY 2024-25 State Budget.

Considering EMS an "Essential Service"

The average person would probably be surprised to learn that emergency medical services are not considered an "essential service." UNYAN members are on the front lines of the front lines, playing a vital role in public health and safety services across New York State.

While we conceptually agree that our members do provide an essential service – and our members would like to be officially recognized as essential – there is an enormous cost associated with this level of EMS service and this level of EMS readiness. The cost of having available EMS staff and vehicles waiting to respond to emergency calls is not reimbursable under the current payment for service structures. This level of readiness and compensating providers to be ready to respond must be factored into the essential services model.

The Executive Budget Proposal would allow every county to have a county-wide certificate of need for ambulance service. This puts every county into the ambulance business. UNYAN has deep concerns that this proposal would displace existing ambulance service providers. County run EMS has the ability to funnel incoming 9-1-1 emergency dispatch to their county EMS provider and away from existing ambulance providers – usually private and volunteer providers are left out.

There are currently not enough EMTs and paramedics to cover the service demands. The addition of new county wide ambulance services or the proposed state operated 'EMS Zones' will further dilute the existing employee pool, weakening existing service providers until EMS is borne solely on the backs of local and state taxpayers.

Strengthening and sustaining the existing ambulance service providers will allow for a more robust EMS system in the most cost effective manner. This concept is supported by not only UNYAN but by the Rural Ambulance Task Force. The rural areas of the state have some of the greatest struggles with EMS coverage. We do not need to replace existing services, we need to fund them to allow EMS to truly operate as an essential service.

Government entities must work with the holders of EMS operating authority within their jurisdictions to incorporate their capabilities into the EMS response system. Government entities must recognize the strengths of existing system partners and consider and address the operational needs of these EMS organizations. This includes currently established not-for-profit, commercial, and municipal ambulance CON holders.

The Executive proposes licensure and certification for 9-1-1 dispatch and dispatchers. While UNYAN agrees that dispatch protocols and standards should be more uniform across the state, this proposal should be focused only on the primary 9-1-1 public safety answering points (PSAP) and not the secondary dispatch centers of ambulance service providers. These secondary dispatch centers are generally for non-emergency transports and run by providers.

The Executive proposes the credentialling of field training officers and EMS administrators. It's likely that will exacerbate the existing staffing crisis by inserting more bureaucratic functions and functionaries between certification and actually being able to work as an EMT.

As the discussion of EMS as an essential service evolves, private ambulance services providers must be at the negotiation table to ensure further financial burden isn't placed on their operations.

Expanding Community Paramedicine

Community paramedicine is an umbrella term describing all of the potential innovative and expanded roles that EMS can perform. We support the governor's proposal to expand community paramedicine for ambulance service providers during nonemergent situations across New York State. Last year's passage of the community paramedicine pilot program showed that the program is innovative and works. UNYAN supports allowing that pilot to continue to 2031. UNYAN supports the innovative healthcare delivery collaboration program in the Executive proposal.

UNYAN supports the Executive proposal for the expanded definition of EMS. This definition is a truer representation of what EMS is currently doing, we are no longer just transport to a hospital and statute should reflect that.

We are not interested in going outside our scope, but simply interested in serving our patients when they need it and helping to keep them out of emergency departments. Engaging in community paramedicine, and being reimbursed for it, can help offset the cost of readiness in EMS. In other words, EMS professionals could provide these services while waiting for emergencies, which could reduce the cost of maintaining a ready-to-respond environment. It would also contribute to employee retention. We urge you to consider these concepts for inclusion in the FY 2024-25 State Budget.

Conclusion

As we look to the year ahead, it is important to remember that UNYAN members represent an overwhelmingly cost-effective option for municipalities in New York to ensure that high-quality emergency medical care is provided for all residents. However, our workforce is in desperate need of financial support and improvement.

UNYAN members will continue to serve the communities in which they operate to the best of their abilities, despite the many constraints they face. The future of our agencies remains at risk, and we are calling on the Governor and the Legislature to support and secure our budget and legislative priorities during the 2024 legislative session.

We look forward to continuing to work with Governor Hochul, Chairperson Paulin, Chairperson Weinstein, Chairperson Rivera, Chairperson Krueger, and all members of the New York State Assembly and Senate to ensure the FY 2024-25 State Budget delivers our members the critical resources needed to continue doing their jobs safely and effectively, delivering the best possible outcomes for patients across the state.

Thank you.
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