



House Bill 562

Health Insurance - Ambulance Service Providers – Direct Reimbursement – Repeal of Termination Date

MACo Position: **SUPPORT**

Date: February 26, 2014

To: Health Government and Operations Committee

From: Natasha Mehu

The Maryland Association of Counties (MACo) **SUPPORTS** HB 562. This bill removes the sunset on a provision of law that requires insurers, health maintenance organizations, and nonprofit health services to directly reimburse ambulance service providers.

Many local jurisdictions provide emergency response, treatment, and transport services to deal with critical, life-threatening emergencies. Currently, an insurance provider must directly reimburse any ambulance service provider that is owned, operated, under the jurisdiction of, or contracted with a political subdivision of the State, or a volunteer fire company or rescue squad for their services if the ambulance company is not a participating provider. MACo supports HB 562 as it protects the current fair process.

Before the current process was put in place, the insurance companies would send the reimbursement directly to the individual that was assisted. The ambulance service providers would be burdened to track down the individual to receive the insurance company's reimbursement for the services provided. When county and volunteer ambulance services were unable to recoup the funds paid, the service would go uncompensated. County ambulance services (in varying degrees) rely on billing revenue to support operations and assure citizens that these services are available should a life threatening emergency occur. For example, the billing in Caroline County alone was over \$1.25 million last year.

HB 562 ensures an efficient system in which the insurance providers reimburse local and volunteer ambulance services directly to ensure they receive payment for their services. For these reasons MACo urges the committee to issue a FAVORABLE report on HB 562.