

Senate Health and Human Services Committee

Sophie Walsh 271-3469

SB 245-FN, prohibiting surprise ambulance billing and regulating ground ambulance reimbursement.

Hearing Date: February 12, 2025

Time Opened: 11:57 a.m.

Time Closed: 12:27 p.m.

Members of the Committee Present: Senators Rochefort, Avard, Birdsell, Prentiss and Long

Members of the Committee Absent: None

Bill Analysis: This bill prohibits health carriers and providers from balance billing for ambulance services and establishes parameters for reimbursement of ground ambulance services by participating and non-participating ambulance service providers.

Sponsors:

Sen. Prentiss

Who supports the bill: Sen. McGough, Rep. Julie Miles, Cole Boggis (NHTI Paramedic Emergency Medicine), James Beaudoin (Gilmanton FD), Jordan Lippmeier (NHTI Paramedics), Everett King (NHTI Paramedics), Keith Wilding (NHTI Paramedics), Ed Walker (NH Fire Chiefs), Eric Schelberg (Milford Ambulance), Sarah Burke Cohen (NHMA), Chris Lemelin (McGregor Ambulance), Chris Stawasz (NH Ambulance Association), Vicki Blanchard (GB EMS), Michael Woronka (Acton EMS), Justin Van Etten (Stewart's Ambulance Municipal Resources), Nathan Borland (NH Ambulance Association), Janet Lucas, Sophie Kellam, Sarah McCarthy, Shawn Buck, and Steven Sebastian.

Who opposes the bill: Cam Lapine (Cigna), Paula Rogers (AHIP), Sabrina Dunlap (Anthem), Peter Bragdon (Harvard-Pilgrim), Chris Kennedy (Centene & Ambetter Health Plans), Curtis Howland, James Gardner, Remy Daigler, Anthony Ferrantello, and Aubrey Freedman.

Who is neutral on the bill: Michael Sitar (NHAFC), Michelle Heaton & Alex Feldvebel (NH Insurance Department).

Summary of testimony presented:

Senator Suzanne Prentiss, Senate District 5

- As background for the bill, Senator Prentiss stated that she is a former ambulance administrator, former Chief of Emergency Medical Services for the State of New Hampshire, and is currently a paramedic.
- She has named this bill the Emergency Medical Services No Surprises Billing and Systems Stabilization Act.
- This bill prohibits balance billing, and doing that will stabilize the system.
- It requires a process of agreeing on a percentage or rate and asking the private insurance carriers to lean into the system.
- Prohibiting balance billing is all about consumer protections.
- In 2020, when the federal government passed the No Surprises Act, they exempted EMS.
- Congress recognized that billing for ambulance medical services is a complex system depending on where care is delivered and what model of care is used.
- They set up the Ground Ambulance Patient Billing Committee through Medicare and Medicaid Services, so that experts could write recommendations and submit them to Congress.
- Recommendations have been submitted to Congress and the language in this bill largely reflects those recommendations.
- The high points of this legislation are that it will prohibit balance billing, take the consumer out of the middle, respect the guardrails set by the towns and cities or pay 325% of Medicare, and sets a \$100 copay for the patient which aligns with federal recommendations.
- SB 407 was fully amended into an actuarial study that the NH Insurance Department ushered through the process.
- They have come up with the number of about 200% which equates to .36 cents, per member, per month.
- She believes that this is a reasonable number and the discussion can be had about what that looks like at 325% of Medicare.
- Colorado, Louisiana, Mississippi, Oklahoma, Texas, and Washington are in the group that went with 325%.
- The state of Maine went with 200% and had to dip into General Funds to help with payments and stabilize the system.
- The legislature has been making steps at stabilization and she sees this legislation as the final horizon.
- In early December, Senator Prentiss and former Senator Bob Guida hosted a meeting in Warren, NH and representatives of four towns showed up.
- They wanted to know who would come to help them if their ambulance service closed.
- They all agreed that there are a number of ways to address the issue and one is supporting fair reimbursement among commercial insurers.

- Taxpayers continue to support Fire and EMS operations in their communities.
- Considering what they already pay for now it would be unfair to shift more of the cost to taxpayers.
- She is not opposed to ambulance services going in network with insurance carriers.

Ed Walker and Michael Sitar, NH Association of Fire Chiefs

- They want to make sure that more cost is not transferred to the taxpayers.
- The study done by the NH Insurance Department maintains that the taxes being paid now are going to continue to support services at their current level.
- The insurance companies should be paying their fair share.
- As stated in SB 133, emergency medical technicians need to be identified as first responders, which creates that position as an essential service.
- Maine, New York and Vermont also provided studies that show we are starting to fail residents in EMS services.
- Nationwide there is a significant decrease in the capacity for Emergency Medical Services to deliver.
- They believe there will be negative outcomes.
- This legislation is a great opportunity, with everyone coming to the table, to come up with a system that will ensure the residents of the state have access to the appropriate emergency medical care.

Michelle Heaton, NH Insurance Department

- They helped the NH Health Plan in contracting with PCG to conduct the cost study.
- The rate that they came up with is the rate that would cover costs assuming that all payers pay that rate.
- The fiscal note for this bill is the same estimate as the cost study.
- The aggregate cost for this rate is at least 15 million dollars more, which equates to \$1.13 to \$1.38 per member, per month.
- They would estimate that 325% would be the minimum fiscal impact.
- Setting the cost sharing cap at \$100 will inadvertently cause other services to have an increase in cost sharing.
- There is some confusing language in the bill on page 2, starting with paragraph 5, regarding prompt pay and clean claims.
- New Hampshire already has prompt pay laws that would apply to these services.
- The prompt pay language in this bill sets a different standard which would be difficult to operationalize.
- There is some clean up that needs to be done with the language regarding adjudicating clean claims.

- In paragraph 6 she believes what is being referenced is to identify whether it is a fully funded or a self-funded plan.
- The Insurance Department has no jurisdiction to require a self-funded plan to identify itself that way.

Chris Kennedy, Centene & Ambetter Health Plans

- He agrees with Senator Prentiss that we need a resolution on this.
- He has some concerns with the policy remedy that is proposed in this legislation.
- There should be some cost based analysis done on the 325% rate.
- The Insurance Department did the cost analysis and he believes it should be considered in the overall resolution of this issue.
- He represents a smaller individual market only health plan that has about 25,000 members in New Hampshire.
- Half of his members already receive a federal subsidy towards payment of their premium.
- He questions the fairness of putting the \$15 million dollar cost burden on 30% of the overall commercial population.
- It is important to consider network as Senator Prentiss brought up.
- If you set a floor negotiation rate at 325% with a cap on cost sharing, there is no incentive for an ambulance provider to come into his network.
- HB 316 is a thoughtful approach at solving this.
- It sets a fair rate that will ultimately result in a net increase for ambulance providers.

Chris Stawasz, NH Ambulance Association

- They support SB 245 because it would end the need for balance billing by ground ambulance providers in New Hampshire.
- It will also fill the revenue gap that would be created by ending balance billing.
- This will hopefully put an end to ambulance services closing their doors, putting pressure on an EMS system already in distress.
- There are also 3 House Bills trying to solve the problem of over 80% of New Hampshire ambulance providers not being able to afford to be in network due to low reimbursement and one sided regulations.
- SB 245 provides several important protections not seen in the other bills.
- It prohibits insurers from requiring pre-authorizations for emergencies or unscheduled ambulance needs.
- The study done by the Insurance Department statistically proved that New Hampshire's ambulance services are currently reimbursed below cost by commercial ambulance providers as well as Medicaid and Medicare.
- This forces ambulance providers to balance bill their patients to recoup some of their costs.

- The study did not reveal what the collective cost of all the balance billing is.

Sabrina Dunlap, Anthem

- They are opposed to this bill for a number of reasons.
- The Insurance Department pointed out all of the technical problems she has with the bill.
- She believes that the language in the bill does not clearly prohibit balance billing.
- Anthem recognizes the unique challenges facing ambulance providers.
- Her concern is that this sets a floor of 325% of Medicare.
- She believes this creates an incentive for providers to stay out of network.
- This undermines the cornerstone of managed care and creates its own out of network model.
- The fully insured market is a really small piece of the ambulance services pie.
- SB 245 only addresses that segment which increases costs for the smallest part.

Nathan Borland, NH Ambulance Association

- He believes that the study getting referenced is very flawed.
- It looked at costs in the time frame of the study which were already bare bones with ambulance providers failing.
- The number they came up with is not sustainable.
- The rate recommended in the study is what they would need to scrape by while the legislature fixes the problem.