

## **The Insurance Federation of Pennsylvania, Inc.**

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**Samuel R. Marshall**  
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To: The Honorable Members of the House Committee on Veterans Affairs and  
Emergency Preparedness

From: Samuel R. Marshall

**Re: House Bill 1113 - Expanding the use of ambulances beyond  
emergency treatment in providing health care**

We're here not to give a firm critique of the bill, but to learn and to join the dialogue. I'll emphasize the learning: The pilot programs we've seen in the Pittsburgh, Harrisburg and Lancaster areas haven't been part of broad-based insurance coverage and involvement, so that's an education we need.

Our approach – with this bill and with health insurance initiatives generally – is to make sure our policyholders get the care they need in the most effective and affordable way possible. We recognize that greater use of ambulances and paramedics can be part of that, and we welcome the chance to work with other providers and the ambulances and paramedics to explore how they can be used to provide not just emergency care, but the services envisioned in this bill.

The community paramedicine programs we've seen have shown promise, as with the Safe Landing program following hospital discharges to avoid readmissions. That's a "win/win/win" outcome: Most important, patients get better care – and hospitals don't get penalized for high readmissions, insurers don't get stuck with more bills, and ambulances have a new service to provide.

Again, though, we're still learning: We just completed a long legislative dialogue with ambulances on direct payment to improve their finances and viability, but this never came up from either side.

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The bill is unique in that it combines three elements under one bill:

- First, it expands the scope of practice for ambulances and all EMS providers well beyond emergency care, as it allows EMS providers to perform “community paramedicine services.” The services listed are broad and potentially broader, since the Health Department can expand them by regulation.
  
- Second, it mandates that all health insurance policies cover these services, so long as they are ordered by the EMS’s medical director or by the patient’s provider.
  
- Third, it mandates that the Department of Human Services determine which services it wants covered under Medicaid, and at what rates.

That may be better done by dividing the bill so that it amends the appropriate laws. For instance, the scope of practice for all EMS providers is part of the Emergency Medical Services System Act in Title 35. Insurance mandates are generally covered under the Insurance Company Law in Title 40. At least as to insurance, that’s not just a matter of style: It ensures the Insurance Department has regulatory authority in enforcing and implementing the law as to insurers.

**Turning to the insurance part of the bill:**

You’ve heard this from us before on health insurance mandates: We recommend any legislative mandate truly improve the quality of care and minimize, or even reduce, any new costs.

We recognize that is Rep. Bizzarro’s goal: Ambulances and EMS providers may be qualified and staffed do more than respond to emergencies, and expanding their practice parameters may lead to better care and financial savings for consumers.

Let’s make sure both ends of that equation happen. Providers often tell us that mandating coverage of their services will save us money and improve care for our policyholders. Sometimes they are right – although in those cases, you probably don’t need an insurance mandate: We’re pretty aggressive in looking for ways that save money and improve our policyholders’ care.

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But sometimes that's not the case: A mandate can lead to over-utilization, with the insurer becoming a blank check rather than a partner with the provider and the patient. We've gotten to know the Ambulance Association over the past few years, and we respect that's neither its goal nor that of Rep. Bizzarro.

That's where the learning and the dialogue come in: How can we make sure the expanded use and insurance coverage of ambulances and paramedics improve patient care and hold down costs, not result in over-utilization that costs consumers more money without improving care?

On the insurance end, that's where the use of networks, prior approval and utilization review come in. We'll need to make sure all sides are ready for that here, if the Commonwealth is going to provide a potentially ground-breaking expansion of the role ambulances and EMS providers have traditionally had in providing health care.

We look forward to working with Rep. Bizzarro, the ambulance community and others on this. Some of our members have been part of the pilot programs, and we're encouraged that with proper coordination, this can be expanded in a way that achieves that often elusive "win/win/win" we mentioned before.

Thank you for the opportunity to be here, and we are happy to answer any questions.