**HB24-1218 Talking Points**

**Our Ask:**

Please support HB 24-1218, Ground Ambulance Service Rates and Billing, by Representatives McCormick and Soper, and Senators Mullica and Baisley. HB-1218 would prohibit all ambulance agencies from balance billing patients for emergency and non-emergency transports.

The legislation would also require commercial insurance carriers (carriers) to pay:

* Locally set rates for ambulance service, provided that the city, county, or district has reported the rates to the state for publication in a public database held by the Division of Insurance.
* Where locally set rates for ambulance service don’t exist or haven’t been reported, the lesser of the ambulance agency’s billed charges or 325% of the Medicare rate.
* Ambulance agencies directly after a transport. Many carriers issue checks to patients – and expect patients to then reimburse ambulance agencies – which is confusing, inefficient, and not friendly to consumers.

Though few are able to do so, ambulance agencies could still enter into contracts with carriers directly.

**Background:**

* Insurance carriers often fail to pay ambulance rates because carriers unilaterally determine what is allowed and how much they’ll pay – even when cities, counties, and publicly accountable officials set rates for their communities.
* When this happens, a balance bill (equaling the difference between a health care provider’s actual billed charges and the allowable amount determined by the carrier) may be sent to the patient.
* Current balance billing protections ([HB19-1174](https://leg.colorado.gov/bills/hb19-1174)) prohibit private ambulance agencies from issuing balance bills, but publicly funded fire or governmental agencies still balance bill patients for emergency transports.
* Non-emergency ambulance services such as interfacility transports are still subject to balance bills.

**Why This Matters**

* Coloradans need sustainable ambulance services when it matters most.
* Ambulance agencies need different balance billing solutions because paramedics and EMTs on ambulances must be ready to serve and have a duty to act, serving all patients regardless of their ability to pay.
* HB-1218 protects patients from “surprise” balance bills and establishes clear reimbursement rates for sustainable ambulance services in all Colorado.
* Contracting with carriers rarely works in the ground ambulance space because:
  + There are so many different ambulance agencies – 205 in Colorado alone – with which carriers would have to negotiate.
  + 63% of ambulance agencies are very small and don’t generate enough claims (100 or fewer claims per carrier, per year) to interest carriers into fair contracting.
  + Most ambulance agencies lack the expertise and capacity needed to understand and negotiate with multiple insurance carriers.
* HB- 1218 is a fiscally responsible solution that also protects taxpayers.
  + Ambulance agencies are funded almost exclusively through transport revenue and taxpayer subsidies which vary community by community.
  + Under current law, carriers aren’t required to reimburse ground ambulance services at their locally set rates.
  + The bottom line is less transport revenue means higher taxes at the local level.
* HB- 1218 is a best practice being considered nationwide.
  + California, Texas, and Louisiana all adopted similar legislation last year.
  + At least four additional states are considering similar legislation this year.
  + The federal Advisory Committee on Ground Ambulance and Patient Billing adopted recommendations – which will soon be presented to Congress – that include carriers pay locally set rates for ambulance service.
* Healthcare spending will be impacted minimally, if at all, by HB- 1218.
  + The states that adopted similar legislation last year projected cost impacts ranging from 0.00% to 0.06% and no related premium increases for state employees.
  + Ground ambulance service comprises less than 0.2% of carriers’ health care spending.
  + Carriers may realize cost efficiencies, as they’ll spend less time working to resolve payment disputes and patient complaints.

HB-1218 provides sustainable revenue to ambulance agencies, solves the lingering surprise billing problems, and protects local taxpayers. Please support HB24-1218!