



## **Ensuring a Healthcare Safety Net for All Mississippians**

On behalf of the Mississippi Ambulance Alliance, I am writing to commend the Mississippi Legislature and Governor Tate Reeves for joining several other states in protecting patient's access to emergency and non-emergency medical care by passing and enacting the new Mississippi law that sets minimum standards for fair compensation for ambulance providers by insurance companies.

At a time when many insurance companies are enjoying record profits, many ambulance providers are facing extreme financial and operational challenges. This legislation, which became effective July 1, is a crucial step towards ensuring that Mississippi communities continue to have access to professional and reliable medical care. In an overwhelming show of bipartisan support, the bill passed the Mississippi House by a vote of 119-0 and the Mississippi Senate by a vote of 50-0.

Prior to the enactment of this law, insurance companies had the discretion to determine reimbursement rates for ambulance services without considering the actual costs associated with providing these critical services. This often led to inadequate compensation levels that did not cover the costs of the services rendered by ambulance providers.

The law also benefits patients by helping to ensure access to emergency medical transportation and care by providing adequate reimbursement rates from insurance providers without any further financial burden on the patient.

The legislation also requires insurance providers to pay for a policyholder's care if ambulance transport isn't medically necessary if their level of injury or illness would be better treated at an alternate care facility, such as an urgent care clinic, instead of a hospital emergency room. This "alternate destination" model has been adopted by many other states because it helps alleviate ER overcrowding and allows the patient to receive care, often quicker and less expensive, at a facility best suited for their medical needs.

State Health Officer Dr. Daniel Edney backed the measure. In a letter to legislature members, he outlined many of the services ambulance companies provide and described them as vital in providing immediate medical assistance during emergencies. He wrote, "While providing these (EMS) services are crucial for Mississippians, EMS agencies are facing unprecedented challenges."

He also concluded that the "models of reimbursement are not sustainable and that the current model (before the legislation passed and law became effective) was negatively impacting our system of care services by reimbursing as a transportation services. EMS reimbursement must mirror healthcare reimbursement in order to be sustainable,"

He added that "the EMS workforce is dangerously thin with EMS training programs struggling to enroll students each year. Less workforce equates to longer response times in our rural communities. Many of these citizens face disparate healthcare challenges which often result in poor outcomes due to lack of services."

To address the issues Dr. Edney raised and to help ensure the availability of sustainable ambulance service throughout Mississippi, the new law introduces a minimum payment formula to establish a fair baseline for reimbursement. However, even with the new formula in place, it is essential to recognize that many ambulance providers still face significant financial challenges.



The costs involved in maintaining an ambulance service are substantial and include the vehicle itself, specialized equipment, highly trained emergency medical technicians (EMTs), and paramedics who are on-call 24/7/365. This “cost of readiness to respond” continues to rise and often places unsustainable financial burdens on ambulance services.

Ambulance services play a vital role in our healthcare system, often being the first point of contact in medical emergencies. They provide critical care and transportation that can make a decisive difference in patient outcomes. Therefore, it is imperative that these services receive adequate compensation to sustain their operations and continue delivering high-quality medical and emergency care to our communities.

By ensuring fair reimbursement, the new law supports the sustainability of ambulance services, regardless of whether they are fire-based, hospital-based, or operated by private companies.

The members of the Mississippi Ambulance Alliance applaud the Mississippi legislature and Governor Reeves for safeguarding the well-being of our communities and ensuring that citizens in need of emergency medical assistance receive prompt and effective care.

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