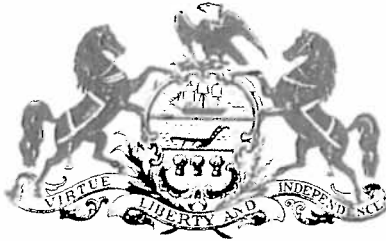


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MEMORANDUM

TO: All House Members
FROM: Representative Bernie O'Neill *BSL*
DATE: January 11, 2011
Subject: EMS/911 Insurance Reimbursement – former HB 867

I will be re-introducing the insurance reimbursement process for ambulance service providers throughout the state.

When an ambulance service provides emergency care to a patient covered by health insurance with which the ambulance service does not participate, the insurer sends the reimbursement directly to the patient. The ambulance provider is then forced to bill the patient directly. This causes long delays for the provider in receiving payment, creating a cash flow problem. More significantly, there are many times that patients fail to forward the reimbursement to the provider and they receive no payment at all.

The legislation will implement two changes to address this problem. **First, the legislation will require health insurers to accept any ambulance provider who wishes to join its network.** In some parts of our state, ambulance service providers who are willing to join an insurer's provider network to ensure direct receipt of payment have not been permitted to do so by the insurer. Considering the valuable service provided in our communities by ambulance service providers, I believe this scenario is very unfair.

The second change would require health insurers to pay out-of-network ambulance service providers directly when the ambulance service is dispatched to an emergency 911 call. An ambulance service provider does not represent a typical business because it does not have a choice when responding to such emergency calls – they are legally obligated to respond to a 911 call under Act 78 of 1998. Because of this statutory obligation, and the crucial 911 service provided, I believe they should be entitled to direct payment, regardless of whether they are a part of the insurers network.

If you would like to co-sponsor this legislation, please contact Connie McClure in my Harrisburg office at 705-7170 or by e-mailing cmclure@pahousegop.com.

Thank you for your consideration and support of this very important piece of legislation.