



Testimony for Public Hearing

For the

Public Hearing on House Bill 2427

House Veterans Affairs and Emergency Preparedness Committee

September 30, 2014

Good afternoon Chairman Barrar, Chairman Sainato and members of the House Veterans Affairs and Emergency Preparedness Committee, I am Dean Bollendorf, President of the Ambulance Association of Pennsylvania (AAP). With me today is Heather Sharar, our Executive Director.

The AAP is a member organization that advocates the highest quality patient care through ethical and sound business practices, advancing the interests of our members in important legislative, educational, regulatory and reimbursement issues. Through the development of positive relationships with interested stakeholders, the AAP works for the advancement of emergency and non-emergency medical services delivery and transportation and the development and realization of mobile integrated healthcare in this evolving healthcare delivery environment.

Our nearly 250 members are based throughout the Commonwealth and include all delivery models of EMS including not-for-profit, for-profit, municipal based, fire based, volunteer, and air medical. Our members perform a large majority of the patient contacts reported to the Department of Health.

“Emergency” is defined in House Bill 2427 as “an incident that requires responsive, coordinated action to protect an individual, the environment, critical infrastructure or property”. The Commonwealth’s “emergencies” are handled consistently on a daily basis by a mix of volunteer, combination and paid public safety services. This responsive and coordinated action is so dependable that the

public has become complacent in the reality that if they call 911, help WILL be on the way.....any time of the day or night.....fire, police and EMS.

Today in the Commonwealth, the 911 call is coming from the very public safety community who efficiently and selflessly serve their fellow man. Immediate help is needed by our public safety community to ensure we may continue to provide these essential services in Pennsylvania.

In the era of an overburdened tax payer and poor economy, cuts to municipal budgets; decreases in volunteerism and donations; increases in insurances, fuel and equipment; denials and lack of direct pay coupled with low reimbursement from third-party insurance and government programs and compliance with regulatory and occupational standards; the cost to our public safety agencies to field that responsive coordinated action when 911 is called is becoming increasingly difficult to sustain. Legislative intentions like HB 2427, HB 2001 and HB 179 are among a few bills that are small pieces to a larger puzzle that may assist us.

Simply stated, state and local government, insurers and the general public demand this responsive and coordinated action, but honestly, when the bills come due to fund emergency service readiness or pay for actual services rendered everyone seems to pass on their obligation.

Emergency services need remedies to recoup cost associated with readiness and response. HB 2427 appears to be one possible solution but some additional language may be needed to improve this bill.

This bill is directed solely at recouping actual reasonable response costs for fire companies. While we support our brothers and sisters in the fire service, EMS Agencies also incur costs on calls where there is no patient care. EMS Agencies routinely support fire companies on the fire ground providing firefighter rehabilitation services and medical support for injuries and illness.

HB 2427 places basically a “use fee” on a person involved in an emergency and makes them liable for actual and reasonable response costs unless they have paid a tax which funds at least part of the fire companies services to the municipality or made a monetary contribution to an annual fund drive of the fire company. If the person submits this claim to an insurance company, and the insurance company actually pays, that remittance will go to the beneficiary where the fire company will now face the direct pay issue that EMS providers face that HB 179 has been introduced to correct.

There may also be legal precedence for insurers to deny these claims as seen in the case Safe Auto v. Berlin of March 5, 2010 where the denial of payment costs for a fire company’s services during an accident were affirmed and upheld on appeal.

One may also ask how are actual and reasonable response costs recouped from incidents that do not involve a “person” or involve multiple “persons” as in a multiple vehicle accident or apartment building fire? What “person” is responsible for payment? What if someone calls 911 for another person who did not desire assistance as in the “fender bender” where the individual only required police?

Let me offer a current example of the non-person response. Since September 12th, multiple Fire Departments and EMS Agencies have been supporting the

Pennsylvania State Police in the current manhunt for Eric Frein, the accused killer of State Police Corporal Bryon Dickson and wounding of Trooper Alex Douglas. EMS Agencies, Fire Companies and Tactical EMS elements have been on standby and performing other functions daily in support of law enforcement officers involved in the manhunt at the sole cost to THEIR organizations without promise of reimbursement. Under the circumstance these services are willingly donating their resources for this cause but my point is there are services performed by public safety agencies like this that involve no "person" where actual and reasonable response costs can be recouped.

Additionally, HB 2427 sets a cap on actual and reasonable response costs to \$1000.00. It requests the Office of the State Fire Commissioner to establish actual and reasonable cost guidance to assist fire companies. FEMA, under 44 CFR §206.228 *Allowable Costs*, already has a schedule of equipment rates for major disasters. On a major incident and using charges from this guidance of \$32.50/hr for an Ambulance, \$85.00/hr for a 1500 gpm Pumper and \$125.00/hr for a 75 foot Ladder truck, this \$1,000 cap could be easily eclipsed by equipment costs alone.

While we raise these points regarding HB 2427 we are in support of the sponsor and the General Assembly's efforts to find avenues to assist the public safety community in helping us fund the cost of readiness and response. HB 2427 is one small piece in a larger puzzle that includes other efforts such as HB 2001 – EMS Reimbursement for Non-Transport Services and HB 179 – Direct Payment for ambulance services.

Mr. Chairmen and Committee members, the time has come to find common ground in all avenues to guarantee that an essential function of government –

public safety – is adequately provided for. This includes local and state government support, adequate reimbursement for medical treatment provided from both third-party insurers and Medicaid, the ability to recoup actual and reasonable response costs and the support from the general public through in-kind services and donations.

Thank you for this opportunity for the AAP to provide our thoughts on HB 2427. We would be happy to answer any questions you may have.