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Emergency Medical Services Task Force Attn: Chairs Representative Huot and Senator Seeberger

Subject: Testimony on Rural EMS Sustainability

Dear Chairpersons,

I am writing to provide testimony regarding the financial stability of Emergency Medical Services (EMS) in Minnesota. As a director of a rural ALS ambulance service, I would like to bring attention to the critical and increasing challenges facing rural EMS providers across the state.

I have worked with Perham Area EMS for 9 years, and during that time I have seen the huge impacts we have on the people of Minnesota. The reward of this work is seeing the relief cross a patient's or family's face when we arrive to provide emergency care. The burden of this work is knowing that these essential services are not guaranteed to be available in future emergencies.

Perham Area EMS, along with many other rural ambulance services, has experienced year over year losses that have depleted our cash stores. The increasing cost of medical supplies, labor, and equipment has greatly outpaced reimbursement from state, federal and commercial payers. This comes at a time when we are seeing an aging and medically-needy population and increasing requests for ambulance services. Ambulances are no longer able to cope with Medicaid and Medicare Reimbursement at 30-35% and each 911 call digs us deeper into the hole.

Due to the widening gap between costs to provide services and the reimbursement received, our ambulance service has tried to defer major capital costs, such as purchasing new medical equipment, cardiac monitors, and ambulances. Functional and modern equipment is critical to an ambulance's ability to provide life-saving care and to protect our first responders. For example, equipment like video laryngoscopes vastly increase success in managing a patient's airway during emergencies, but are costly to purchase and maintain and automatic stretchers lead to a safer transport experience for patients and protect responders against strain and injury. Soon, these deferred purchases will come to call, and the payment will be in lives and livelihoods.

In 2023 we are project to have losses exceeding \$200,000 for Perham Area EMS. If we include the 8 ambulance primary services areas in Otter Tail County, the losses are more than \$1.5 million.

In light of these challenges, I urge the Minnesota State Legislature to consider the following recommendations to support the financial stability of EMS in our state:

- Review and Adjust Reimbursement Rates: Conduct a comprehensive review of EMS
 reimbursement rates and consider adjustments to ensure they reflect the true cost of providing
 emergency medical services. Consider modified reimbursement models, similar to Colorado that
 reflect the rural challenges of longer response times, lower call volume per vehicle, and difficulty
 in recruiting and retaining staff.
- Explore Funding Opportunities: Explore additional funding sources or grants that can be allocated specifically to support EMS agencies, helping them cover operational expenses, readiness costs, and invest in necessary resources.
- Address Uncompensated Care: Develop strategies to address the financial impact of uncompensated care on EMS providers. This could include uncoupling transport from payment.
- Invest in technology and innovation: Allocate funds to support acquisition of modern technology and equipment, enhancing the overall quality of emergency medical care in Minnesota. Provide grants to revitalize and restructure how rural EMS operates.

In conclusion, the financial stability of EMS is crucial for ensuring the safety and well-being of our communities. I appreciate the Minnesota State Legislature's attention to this matter and the commitment to finding solutions that will bolster the effectiveness and sustainability of EMS services across the state.

Thank you for your time and consideration.

Sincerely,

Rebecca Huebsch Perham Area EMS