



August 10, 2017

The Honorable Kel Seliger, Dist. 31	The Honorable Eddie Lucio, Dist. 27
The Honorable Brian Birdwell, Dist. 22	The Honorable José Menéndez, Dist. 26
The Honorable Dawn Buckingham, Dist. 24	The Honorable Borris Miles, Dist. 13
The Honorable Donna Campbell, Dist. 25	The Honorable Robert Nichols, Dist. 3
The Honorable Brandon Creighton, Dist. 4	The Honorable Charles Perry, Dist. 28
The Honorable Craig Estes, Dist. 30	The Honorable José Rodríguez, Dist. 29
The Honorable Bob Hall, Dist. 2	The Honorable Carlos Uresti, Dist. 19
The Honorable Sylvia R. Garcia, Dist. 6	The Honorable Kirk Watson, Dist. 14
The Honorable Juan Hinojosa, Dist. 20	The Honorable Royce West, Dist. 23
The Honorable Bryan Hughes, Dist. 1	The Honorable John Whitmire, Dist. 15
The Honorable Lois Kolkhorst, Dist. 18	The Honorable Judith Zaffirini, Dist. 21

RE: Biennial Review of Ambulance Services (Proposed to Effective
October 1, 2017)

Dear Senators:

Thank you for your recent letter dated August 7, 2017, regarding the proposed Medicaid reimbursement rates for ambulance services. In accordance with the Texas Administrative Code, all acute care Medicaid reimbursement rates are reviewed at least once every two years. While several rates were adjusted in 2013, most Texas Medicaid ambulance reimbursement rates have not been changed since 2009.

The Medicaid reimbursement rate proposal updates reimbursement rates for Advanced Life Support and Basic Life Support Transport services and supplies, but proposes no change to procedure codes for mileage reimbursement for either air ambulance or ground ambulance. The proposed reimbursement rates are based on the median reimbursement rate of other Medicaid states.

The Health and Human Services Commission held a public hearing on proposed rate changes on August 8th. Staff are reviewing all comments that were received at the hearing, via email, or via fax. Ensuring client access to medically necessary services and maintenance of an adequate network of providers is an important consideration that is being evaluated.

As requested by your letter, I can assure you that the proposed ambulance rates will receive reconsideration.

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Please let me know if you have any questions or need additional information.

Ms. Greta Rymal, Deputy Executive Commissioner for Financial Services, is serving as the lead staff on this matter and can be reached by telephone at (512) 462-6339 or by email at Greta.Rymal@hsc.state.tx.us.

Sincerely,



Charles Smith

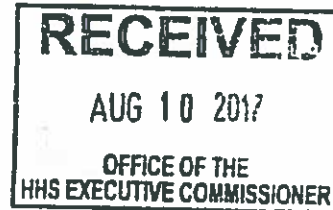
Attachment



*The Senate of
The State of Texas*

August 7, 2017

Charles Smith, Executive Commissioner
Texas Health and Human Services Commission
4900 North Lamar Boulevard
Austin, TX 78751-2316



Dear Commissioner Smith:

We are writing to express our concern with the proposed Medicaid cuts for ground ambulance services in the biennial review. Ambulances provide vital 911 services to our communities, and in many rural areas, ground ambulances serve as a safety net by providing their only access to emergency medical care. As such, we strongly believe that it is critical for the Health and Human Services Commission (HHSC) to, at minimum, keep Medicaid ambulance rates stable.

Medicaid covers the cost for many ambulance services across the state. It makes up approximately twenty percent of the payer mix in most urban communities, and over thirty percent in rural communities. The current Medicaid payment rates for ground ambulances, which are already well below Medicare payment rates (Texas Medicaid pays sixty-seven percent of Medicare ground ambulance rates), do not even cover the cost to transport a Medicaid patient. Therefore, the proposed rates, which include one proposal to cut a Basic Life Support emergency transport by nearly thirty-five percent, could be catastrophic to many Texas EMS agencies.

Many EMS agencies in Texas already operate on slim margins. When they are unable to recover operating costs through payments made by government and commercial health insurance plans, EMS agencies must turn to local taxpayers to pick up the balance. Otherwise, EMS agencies are forced to make budgetary cuts, such as reducing the number of ambulances and staff members. These operational reductions not only lead to slower response times, but also limit access to care in already underserved areas.

The 85th Legislature did not propose to cut Medicaid payments to ground ambulance. In fact, we believe that the Legislature demonstrated concern for the future of ground EMS when it passed House Bill 1407, which recognizes the need to help both urban and rural EMS agencies through local project grants and focuses on adding more paramedics in rural areas.

Given the importance of this critical service, we, the undersigned members of the Texas Senate, urge HHSC to reconsider the proposed cuts to ground ambulance and carefully consider how overall access to 911 services will be impacted.

Sincerely,

Senator Kel Seliger, District 31

Senator Eddie Lucio, District 27

Senator Brian Birdwell, District 22

Senator José Menéndez, District 26

Senator Dawn Buckingham, District 24

Senator Borris Miles, District 13

Senator Donna Campbell, District 25

Senator Robert Nichols, District 3

Senator Brandon Creighton, District 4

Senator Charles Perry, District 28

Senator Craig Estes, District 30

Senator José Rodríguez, District 29

Senator Bob Hall, District 2

Senator Carlos Uresti, District 19

Senator Sylvia R. Garcia, District 6

Senator Kirk Watson, District 14

Senator Juan "Chuy" Hinojosa, District 20

Senator Royce West, District 23

Senator Bryan Hughes, District 1

Senator John Whitmire, District 15

Senator Lois W. Polkhorst, District 18

Senator Judith Zaffarini, District 21