THE OFFICE OF ATTORNEY GENERAL
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Examination of Health Care Cost Trends

OFFICE OF THE ATTORNEY GENERAL
COMMONWEALTH OF MASSACHUSETTS

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EXECUTIVE SUMMARY

This is the Office of the Attorney General's ("AGO") report of its 2023 examination of health care cost trends conducted pursuant to Section 11N of Chapter 12 of the Massachusetts General Laws. In this report, we examine ground ambulance services in Massachusetts, an area of the health care sector that continues to draw widespread attention due to the financial burden many consumers incur after an ambulance ride. Potential policy fixes require balancing provider costs, reasonable reimbursement for services, system sustainability and consumer protection interests, among others.

The findings and other observations in this report are meant to assist policymakers as they engage with these complex issues and provide transparency to a system that may benefit from structural change. This report is based on data and other information provided to the AGO from Massachusetts municipalities, private ambulance companies and commercial health plans.

In Section III of the report, we describe the landscape of ground ambulance services in Massachusetts. Specifically, we find that while the majority of Massachusetts municipalities, including Boston, provide their own ambulance service to respond to emergency calls, approximately one-third of Massachusetts municipalities outsource their ambulance service, typically to a "private" provider. With respect to utilization, ambulance transports from both municipal-based and private providers largely involve individuals with Medicare or MassHealth insurance; municipal providers, for instance, report that "75%-85% of EMS patients are insured by Medicare, Medicaid, or have no insurance at all." Ambulance providers have cited this payer mix—and low reimbursement rates from public payers—as a significant barrier to covering their operational costs. We also highlight another financial issue ambulance providers regularly encounter: they are not often reimbursed for services provided when a response does not result in a transport. While various scenarios may be involved in "treat no transport" situations, to the extent ambulances are responding to non-emergent physical and mental health care needs, there may be opportunities for increased system efficiencies.

In Section IV, we discuss the extent to which commercially-insured residents receive "out-of-network" ("OON") ambulance services, meaning ambulance services from providers who are not in-network with the patient's health insurance plan. Our analysis of claims data provided by Massachusetts commercial health plans indicates that 67% of emergency ground ambulance transports in 2022 involved OON ambulance providers. Municipal providers, in particular, do not typically participate in commercial health plan networks; nearly 80% of municipal providers reported that they are not in-network with any commercial health plan in Massachusetts. Further, responses provided by both health plans and providers suggest that, in the current landscape, a meaningful uptick in network participation, at least by municipal providers, is unlikely. Nearly seventy-five percent (75%) of municipal survey respondents, for instance, cite a need to "make up" for lower reimbursement rates from public payers as a primary reason they do not contract with commercial health plans.

In Section V, we examine out-of-pocket expenses incurred by commercial health plan members in Massachusetts for ambulance rides. Generally, patients receiving OON health care may be vulnerable to "balance bills"— a bill an OON provider may send for the difference that remains between the provider's total charge and the amount a health plan determines the provider is "allowed" to be paid by the plan and/or the patient under the terms of the patient's cost share responsibility (e.g., the deductible). We find that the vast majority of commercial health plan members transported by municipal ambulance providers are at risk of receiving a balance bill when their health plan does not allow the provider's full charge: only 4% of municipal providers reported that they "never" balance bill patients. Moreover, balance billing data and records provided by private ambulance providers suggest that Massachusetts consumers who receive balance bills from ambulance services often do not pay them. In some instances, consumers with sufficient time and health care literacy may have success in requesting their health plans re-process claims to eliminate the balance bill. Moreover, data suggests that thousands of Massachusetts consumers are likely sent to collection agencies by ambulance providers for unpaid balance bills on an annual basis.

Finally, we raise concerns about the medical debt individuals utilizing ambulance services incur. Approximately 29,000 accounts—totaling nearly $23.4 million—were sent to collections by four private providers combined for ground ambulance services provided in 2021. Those amounts trended upward in 2022: nearly 31,000 accounts—totaling nearly $27.5 million—were sent to collections by these same providers for ground ambulance services provided in 2022. In the aggregate, these providers are in-network with most Massachusetts commercial health plans, and the volume of transports they provided to OON commercial health plan members in 2022 compared to overall transports is relatively low. The magnitude of collection activity in 2022 suggests that individuals with OON commercial health plans are not the only consumers struggling to pay ambulance bills. Rather, the unaffordability of ambulance services in today's landscape likely extends to individuals with in-network cost-sharing obligations and/or coverage limitations under commercial and public plans and to individuals who are uninsured. While policy discussions and legislative proposals often focus on protecting commercial health plan members from large OON bills, a larger discussion concerning the affordability of ambulance services is warranted.

Based on our findings, we make the following recommendations in Section VI:

1. Commercial health plan members in Massachusetts should be protected from unaffordable ambulance bills through the use of a fair and reasonable default rate when ambulance services are provided OON and a prohibition on balance billing.

2. A working group should study ground ambulance costs in Massachusetts and the adequacy of current EMS funding models in meeting these costs.

3. The Commonwealth should continue to study, promote and facilitate health care models, including community paramedicine and mobile crisis response, that provide more cost-effective alternatives to an ambulance response in appropriate circumstances.

I. INTRODUCTION

Massachusetts residents continue to receive—and struggle with—unaffordable ambulance bills. Since 2018, the Massachusetts Attorney General's Office ("AGO") has received nearly 250 consumer complaints concerning ambulance billing, including 30 received over the period during which this Cost Trends Examination was conducted. Complainants include a consumer who, feared to be having a stroke, was transported four miles to a hospital emergency department ("ED") and later received a $3,299 "balance bill"[1] from the ambulance provider. Another complaint came from a consumer sent to collections for a $4,400 ambulance bill, all of which was applied to the deductible under her health plan. A number of complaints reflect the burgeoning mental health crisis in Massachusetts, including one from the parents of a child with suicidal ideation who was transferred from a hospital ED to a behavioral health hospital. They received a $4,785 bill from an ambulance provider not in their insurance network—a bill nearly equal to the entire bill for the child's in-network hospital stay, according to the complaint. A second complaint involves an unemployed man suffering from depression who received a $2,540 bill for an ambulance transport after a relative requested a mental health wellness check.

While some ambulance complaints concern coverage issues under Medicare or MassHealth plans, the bulk of complaints come from consumers in Massachusetts who have commercial health insurance. Many of these consumers received a bill that was at least $1,000 if not several thousand dollars or more, even after insurance contribution. Given that a substantial number of American adults would have trouble covering a $400 emergency expense,[2] it is not surprising that ambulance bills often exceed consumers' ability to pay. Consumers on the receiving end of these bills describe the bills as "obscene"; "deceptive"; "unconscionable"; "insane"; "price gouging at its worst"; "a money making scam"; and "outright illegal, since the consumer has no way of knowing that they will be charged enough money to wipe out their savings, or put them in debt for years."

Health care consumers who incur these expensive and often unexpected ambulance bills face a financial strain that has been well-reported[3]. It is an issue that policymakers at both the state and federal level have grappled with in recent years, particularly in the context of bills consumers receive for out-of-network ("OON") ambulance rides. The federal No Surprises Act protects

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[1] As used herein, a "balance bill" refers to a bill for amounts that remain unpaid on the provider's total charge after a health plan has determined the amount an out-of-network provider is "allowed" to be reimbursed from the health plan and/or the patient pursuant to that patient's cost sharing responsibility (e.g., deductible, co-payment and/or co-insurance). Section V of this report discusses balance billing in further detail and provides illustrative examples of balance bills received by Massachusetts consumers.

[2] The Federal Reserve conducts annual surveys concerning the Economic Well-Being of U.S. Households. The Surveys have consistently included a question asking if respondents could cover a $400 emergency expense. In the most recent survey, conducted in October 2022, nearly 40% of respondents indicated they would have difficulty meeting this expense. Additionally, 28% of respondents stated that they had forgone medical care due to cost, an increase of 4% from the previous year. See Federal Reserve Board, "Economic Well-Being of U.S. Households in 2022," at 31, 34 (May 2023), available at https://www.federalreserve.gov/publications/files/2022-report-economic-well-being-us-households-202305.pdf

consumers from "surprise bills" related to OON hospital and physician-provided emergency services and non-emergency services provided by an OON health care provider at an in-network facility. However, Congress has required further study of how to protect individuals using ground ambulance services from OON bills[4], likely in part because ambulance services tend to be provided locally and are part of a complex system of regional, or, as in Massachusetts, municipal-based Emergency Medical Services ("EMS") delivery.

Policymakers must balance the need to protect consumers from high-cost ambulance bills with EMS providers' reliance on health insurance payments to fund a system that counts on the availability of ambulances to reach patients quickly. Policy measures that aim to protect consumers may reduce health insurance-based payments to EMS providers in the aggregate, potentially impacting EMS delivery. As policymakers consider proposals intended to protect consumers and ensure the viability of the EMS system, it is our hope that this report will contribute to the ongoing public discourse about ambulance billing and consumer harm and bring transparency to a system that may benefit from structural changes.

Section II of this report describes our methodology. Section III begins with an overview of the ground ambulance landscape in Massachusetts, including identifying who provides ambulance services in the Commonwealth and the payer mix of the population utilizing those services. Section III then concludes with a general overview of how ambulance services are funded in the Commonwealth. Section IV builds on past work from the Health Policy Commission ("HPC"), providing data on the scope of OON ground ambulance services in Massachusetts and reasons why ambulance providers and health plans in our state generally do not contract with each other. Relatedly, in Section V, this report provides information concerning balance billing practices that contribute to unaffordable ambulance bills. This section also makes clear that cost sharing responsibility, including deductibles, can be similarly pernicious and, accordingly, must be factored into any policy solution. Section V presents data indicating that Massachusetts consumers are incurring significant medical debt in relation to ground ambulance services and in numbers that suggest affordability of ambulance bills is an issue that goes beyond the expensive bills sent to OON commercial health plan members.

This report concludes with policy recommendations in Section VI.

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[3]See, e.g., Sean P. Murphy, An Ambulance Bill Could Make You Sick, Boston Globe (Oct. 14, 2021); Doug Fraser, Cape Cod Ambulance Fees Take Patients By Surprise, Cape Cod Times (Aug. 1, 2020); see also Anna Werner, Ambulance Rides Can Be Costly— And Consumers Aren't Protected From Surprise Bills, CBS News (Aug. 29, 2023); Krutika Amin et al., Ground Ambulance Rides and Potential for Surprise Billing, Peterson-KFF Health System Tracker (June 24, 2021), https://www.healthsystemtracker.org/brief/ground-ambulance-rides-and-potential-for-surprise-billing; and Charlotte Morabito, Why Taking An Ambulance Is So Expensive in the United States, CNBC (July 10, 2020).

[4]The Advisory Committee on Ground Ambulance and Patient Billing ("GAPB") held meetings in May and August 2023, and on October 31 and November 1 discussed findings and voted on recommendations. The GAPB is expected to report its recommendations to Congress in early 2024. See CMS.gov, "Advisory Committee on Ground Ambulance and Patient Billing (GAPB)," https://www.cms.gov/medicare/regulations-guidance/advisory-committees/advisory-committee-ground-ambulance-and-patient-billing-gapb.

II. METHODOLOGY

The findings in this report stem from a three-part Cost Trends Examination undertaken pursuant to the AGO's authority under M.G.L. ch. 12, § 11N. Through this Examination, we reviewed information provided to the AGO by municipalities (including municipal ground ambulance providers), private ground ambulance providers and commercial health plans.

In the spring of 2023, the AGO issued an online survey to each of the 351 Massachusetts municipalities[5] in their capacity as ground ambulance service providers under Massachusetts law (the "Survey"). The Survey asked each municipality to identify the "primary ambulance service" it had designated to provide EMS response at both the "Basic Life Support" ("BLS")[6] and "Advanced Life Support" ("ALS")[7] levels in that municipality. Municipalities that contract with an outside service—a private company or another municipality, for instance—as their primary service were asked to identify the service and provide any applicable contract. Municipalities that operate their own ambulance service for EMS response (BLS and/or ALS) provided information on their participation in commercial health plan networks; billing and collection practices and policies; utilization (including number of transports in 2022 and transportees' health plan membership); and financial information and costs (including 2022-2023 charges and funding sources). Some Survey respondents answered optional questions concerning staffing, general challenges some face and issues to flag for policymakers considering reforms. The Survey is appended to this report as Appendix 1.

The AGO received 259 completed Surveys. Respondents represent a substantial swath of Massachusetts' population, including, on one end of the spectrum, the most populous cities and, on the other, over 100 municipalities with approximate populations under 10,000 residents. Surveys were received from municipalities in each Massachusetts county. Of the 259 respondents that completed a Survey, 73 respondents (28%) indicated that they contract with an ambulance service outside their municipality to provide primary EMS response and, typically, did not respond to the full set of Survey questions. One hundred fifty-three respondents (59%) indicated they provide their own primary ALS and BLS response, and 33 respondents (13%) operate under a hybrid system, where, for instance, the municipality may provide its own BLS response but contract with another entity for ALS response; both of these groups that provide some level of their own ambulance service (186 respondents in total) generally responded to the full set of Survey questions that were not optional.

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[5] See Executive Office of Technology Services and Security, "Massachusetts city and town websites" (last accessed Oct. 4, 2023), https://www.mass.gov/lists/massachusetts-city-and-town-websites.

[6] BLS services may typically involve patients experiencing mental health issues and medical patients who require interventions that do not puncture the skin, such as cardiopulmonary resuscitation (CPR), wound care, spinal immobilization, burn care and splinting. See Health Policy Commission, "Emergency Ground Ambulance Chartpack" at 7 (Mar. 2023), available at https://www.mass.gov/doc/emergency-ground-ambulance-utilization-and-payment-rates-in-massachusetts-chartpack/download.

[7] ALS services may involve a higher level of and more invasive care relative to BLS services, including the administration of intravenous medicine, nasotracheal intubation, needle decompression and manual defibrillation. See id.

In addition to the Survey, the AGO used its authority under M.G.L. ch. 12, § 11N and M.G.L. ch. 12C, § 17 to issue civil investigative demands ("CIDs") to eleven commercial health plans offering private insurance in the Commonwealth (herein, the "Commercial Health Plans"). We obtained and reviewed information concerning these plans' contracted networks of ground ambulance providers in Massachusetts; methodologies used to determine reimbursement of OON ground ambulance providers; payment policies; coverage of ground ambulance services; and extensive claim-level data reflecting reimbursement of both in-network and OON ground ambulance providers in Massachusetts, including plan payment and member cost share, for ground ambulance transports provided from September 1, 2021 through December 31, 2022.

The AGO also issued CIDs to four private ambulance companies (herein, the "Private Provider CID-Recipients") that provide emergency ground ambulance services in the Commonwealth. From these entities,[8] we obtained and reviewed information similar to that requested in the Survey, including commercial health plan network participation; utilization; billing practices; and charges/fee schedules. Additionally, we sought and reviewed data and billing records concerning balance bills sent to consumers relating to OON ground ambulance services provided from September 1, 2021 through Dec. 31, 2022 and total accounts and amounts sent to collection agencies in relation to ground ambulance services provided in Massachusetts in 2021 and 2022.

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[8]One Private Provider CID-Recipient included in its response data from an affiliated ambulance provider.

III. THE LANDSCAPE: GROUND AMBULANCE SERVICES IN MASSACHUSETTS

To understand the ground ambulance landscape in Massachusetts, and the complexities therein, we sought information to answer three basic questions:

- What entities are providing ground ambulance services to Massachusetts residents, and where? See Subsection III(A).
- Given that individuals generally rely on health plan coverage to pay for ambulance services, from the lens of health plan membership, who is utilizing ambulance services? See Subsection III(B).
- How are ground ambulance services funded in Massachusetts? See Subsection III(C).

A. MASSACHUSETTS AMBULANCE PROVIDERS

Emergency transports may be provided by municipal-supported ambulance services and/or private providers; non-emergency transports are generally the domain of private providers.

As of April 2023, there were 314 ambulance services (including air ambulances) licensed to operate[9] in Massachusetts (licensed ground ambulance services herein "Ambulance Providers" or "Providers").[10] The vast majority of Ambulance Providers are part of Massachusetts' EMS system.

Pursuant to Massachusetts law, municipalities designate a "primary ambulance service" to respond to an EMS call. As the phrase suggests, a "primary" service is the Ambulance Provider that is "first in line" to be dispatched in response to a 911 call. Survey responses and other research conducted by the AGO show that to meet this obligation, municipalities generally fall into three categories:

(1) A municipality may provide its own primary ambulance service to respond to EMS calls (herein, a "Municipal Provider"), most often through its fire department, though there is some amount of variation. For an example of the latter, the City of Boston's primary ambulance service, Boston EMS, is a public safety agency operating separately from the Boston Fire Department.

(2) A municipality may designate another entity to serve as its primary ambulance service, typically through a contract with a "private" (non-municipal) provider. These private providers include small, non-profit public safety organizations, hospital-based ambulance services and for-profit companies with millions of dollars of annual revenue (herein, "Private Providers"). Survey results indicate that many of the most populous Massachusetts municipalities, including Worcester, Cambridge, Lawrence and Brockton, rely on such Private Providers for their primary EMS response.

(3) A municipality may employ a "hybrid" model for primary ambulance response, using both municipal and private ambulance services depending on the level of response needed. For example, a municipality may designate its Fire Department to provide BLS services but have a contract with a Private Provider or another municipality to provide primary ALS services.[11]

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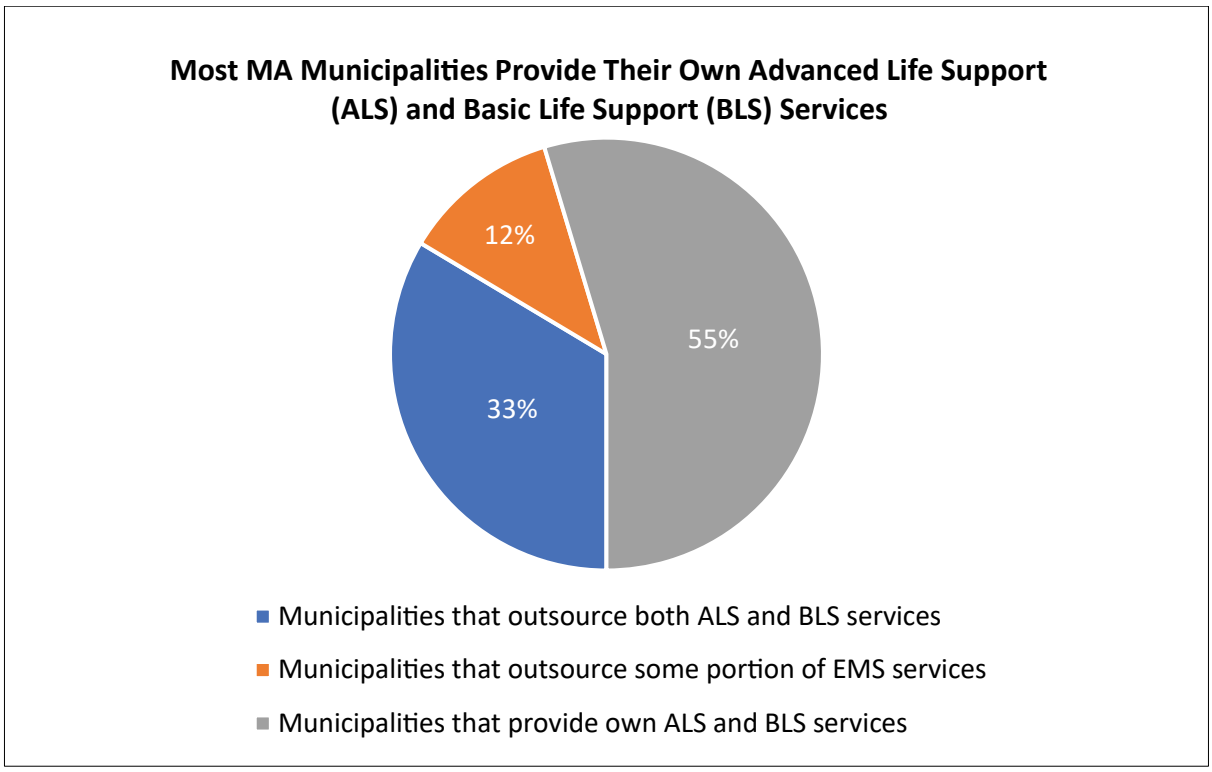
[9]The Department of Public Health through the Office of Emergency Medical Services licenses ambulance services in Massachusetts.

[10]See Executive Office of Health and Human Services website, "Find an ambulance service in Massachusetts" (last accessed on Oct. 4, 2023), https://www.mass.gov/info-details/find-an-ambulance-service-in-massachusetts.

[11]Survey responses include other permutations that do not fall neatly within these broader categories and also reflect regional cooperation in some instances. For example, the towns of Deerfield, Sunderland and Whately operate under an Inter-Municipal Agreement, through which South County EMS, a municipal EMS agency of the Town of Deerfield, provides primary EMS response to all three towns. Tri-Town Ambulance, a regional tax-supported service, is the primary ambulance service for the small towns of Chilmark, Aquinnah and West Tisbury on Martha's Vineyard. And at least one Massachusetts town is part of a "consortium" with six towns in Connecticut that have contracted with a private provider for certain EMS services.

Based on Survey responses and independent research, and as reflected in Figure 1, we found that most municipalities (55%) provide their own primary ambulance response; another 12% fall into the "hybrid" category described above.[12]

Figure 1



Notes: Percentages based on AGO's identification of the primary BLS and ALS Provider in 280 Massachusetts municipalities.

To add further complexity, municipalities have "back up" and mutual aid agreements with other (non-primary) Ambulance Providers to step in as needed. In short, there is limited predictability—and no consumer choice—as to which Ambulance Provider will provide transport in the event of a medical emergency in any given municipality at any given time.

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[12]The AGO did not collect data on the volume of transports undertaken by Municipal versus Private Providers. As noted above, several of the largest Massachusetts municipalities outsource their primary ambulance response. Accordingly, it is not necessarily the case that, by volume, most emergency transports are provided by Municipal Providers, even though most municipalities provide their own primary response. The HPC observed in its 2023 report, for example, that "[i]n 2019, private and municipal ambulance services accounted for similar shares of ALS 1 Emergency and BLS Emergency transports among commercially-insured patients." See Health Policy Commission, "Emergency Ground Ambulance Chartpack" at 18, ***supra*** note 6.

In addition to EMS, ambulance services may also provide non-emergency transport for individuals who are not experiencing medical emergencies, including transport of individuals with special health care needs to scheduled appointments and facility-to-facility transfers in non-emergent situations. Municipal Providers very rarely provide non-emergency transports. Private Providers, on the other hand, may provide primary EMS response in one or more municipalities and also have contracts with, for example, rehab facilities, nursing homes and hospitals for non-emergency transport. And, some private ambulance companies may not provide primary EMS response at all, but rather focus on non-emergency transport services. The chart in Figure 2 below summarizes and differentiates certain characteristics of Municipal Providers and Private Providers. As discussed later in this report, differences include sources of funding and may influence the Provider's likelihood of contracting with commercial health plans and, accordingly, reimbursement for services.

Figure 2

Common Characteristics of Municipal and Private Ambulance Providers

MUNICIPAL PROVIDERS	PRIVATE PROVIDERS
➢ Includes Fire Departments/ EMS Agencies	➢ Includes non-profit and for-profit companies, including providers operating within hospital system
➢ Generally linked to municipal budget; taxpayer support is common	➢ No direct taxpayer funding
➢ EMS/emergency transport focus	➢ Emergency and/or non-emergency (e.g., scheduled) transports

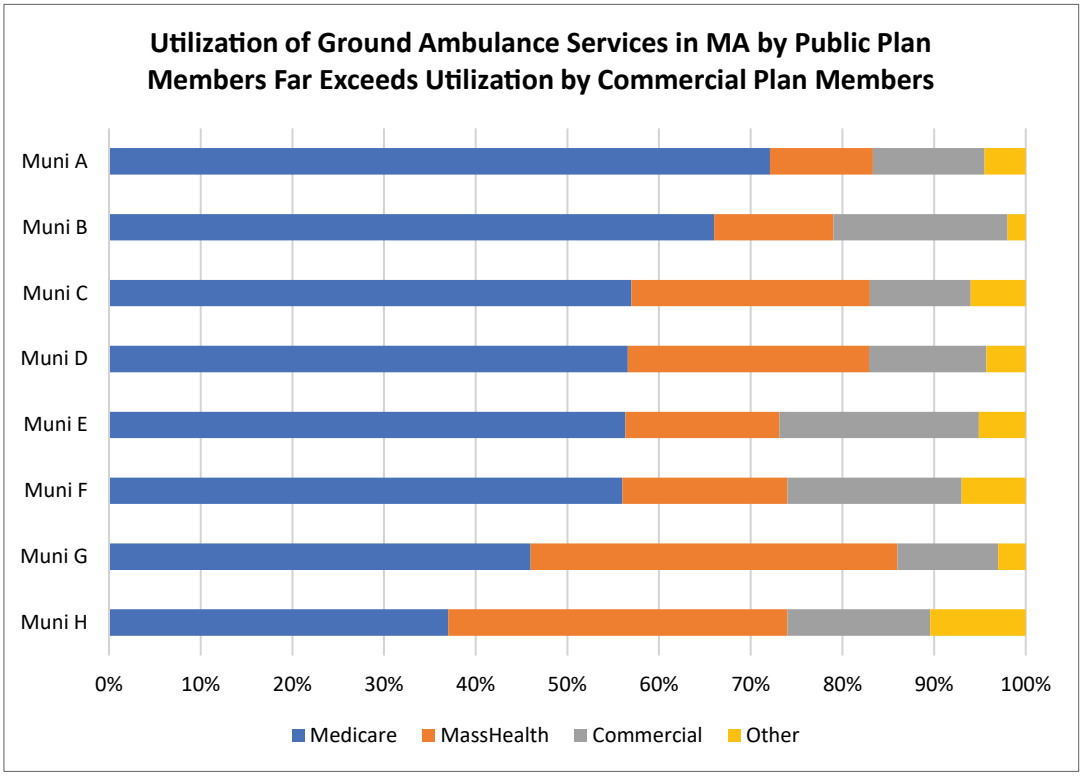
B. AMBULANCE UTILIZATION

The majority of emergency ambulance transports in Massachusetts are for MassHealth or Medicare patients.

To assess the health plan membership of individuals utilizing ground ambulances in Massachusetts, the Survey requested Municipal Providers provide an estimate of the percentage of 2022 transports that involved (1) MassHealth members, (2) Medicare members and (3) commercial health plan members. Similar data was requested from the Private Provider CID-Recipients. The data show that transports for public health plan members—individuals that are covered by Medicare and MassHealth plans—far exceed transports involving commercial health plan members. One Private Provider CID-Recipient reported that, in the aggregate, 83% of its transports in 2022 involved Medicare and/or MassHealth patients; a second reported 73% of its 2022 transports involved public plan members. While multiple Survey respondents (i.e., Municipal Providers) observed that, on the whole, "75%-85%[13] of EMS

patients are insured by Medicare,[14] Medicaid, or have no insurance at all," there is some amount of regional variation. For example, several Municipal Providers from Cape Cod indicated that patients with Medicare plans alone constitute over 80% of their transports. At least thirteen Municipal Providers, including Boston and multiple Gateway Cities, indicated that over 25% of their transports involve MassHealth patients. Figure 3 below reflects plan member utilization as reported by eight Municipal Providers of varying sizes across the Commonwealth. As discussed later in this report, the high percentage of transports involving public payer members, combined with Medicare and MassHealth reimbursement rates that, according to Ambulance Providers, do not cover their costs, have ostensibly led Providers to rely on reimbursement from commercial health insurance plans and their members to help meet funding needs.

Figure 3



[13]The AGO is unaware of a single data source that collects complete information on the health insurance member... ship of all individuals transported by a Massachusetts Ambulance Provider. EMS personnel are required to enter specified data related to every ambulance call they attend into the Massachusetts Ambulance Trip Record Infor... mation System ("MATRIS"). While there are MATRIS data fields that pertain to payment, including a field where personnel are instructed to select from a list of payer types (including Medicare, MassHealth and private payers), MATRIS data is primarily focused on demographics, clinical details and services rendered, and the AGO under... stands that, for a meaningful number of encounters, payer information is not entered into the MATRIS database.

[14]A September 14, 2023 report issued by FAIR Health, a national nonprofit organization that houses a repository of private healthcare claims, including claims for Medicare Advantage enrollees, sets forth its analysis of ground ambulance transports occurring across the nation in the period 2018 to 2022. Within the data set analyzed, it found that individuals 65 years and older were the largest age group associated with both ALS and BLS ground ambulance services. See FAIR Health, "A Window Into Utilization and Cost of Ground Ambulance Services– A National Study of Private Healthcare Claims," at 2 (Sept. 2023), available at https://s3.amazonaws.com/media2.... fairhealth.org/brief/asset/A%20Window%20into%20Utilization%20and%20Cost%20of%20 Ground%20Ambu... lance% 20Services%20-%20A%20FAIR%20Health%20Brief.pdf.

C. FUNDING FOR AMBULANCE SERVICES[15]

Financing and budgeting for EMS services vary from one municipality to the next. Here, we present a general overview of how Ambulance Provider services are funded (or, sometimes, not funded) in the Commonwealth.

i. Health Plan Payment For Ambulance Services

- Payment for the same type of ambulance transport involving the same level of service and priority varies significantly among payers.

- Commercial Health Plans use a widely disparate set of methodologies to determine reimbursement for OON ambulance transports.

Statewide, ambulance services are funded in part through health insurance-based reimbursement. Ambulance providers, in the first instance, generally seek payment for transport services from a patient's health plan,[16] even where the provider does not participate in the health plan's network.[17] Most typically, ambulance providers bill and, where coverage criteria are met, health plans pay for two types of charges related to an ambulance transport: (1) mileage (reimbursed at a per-mile rate and based on the distance traveled to transport a patient), and (2) a "base rate," which varies according to the level of service and priority involved with the transport, i.e., whether it is an "emergency" or "non-emergency" transport, and whether it was at an ALS, BLS or special care transport level.[18]

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[15]The discussion of how services are funded, of course, may beg the question: are Ambulance Provider services adequately funded in the Commonwealth? This report does not include any specific findings on the adequacy of current funding mechanisms, which requires a complex analysis of costs that is beyond the scope of this Examination. However, this Subsection does present observations from Survey respondents and other stakeholders concerning the adequacy of current funding models, particularly in the face of cost increases brought on by staffing shortages across the Commonwealth.

[16]While the AGO did not collect specific data on this issue, a small number of ambulance transports may also be paid through auto insurance coverage or workers' compensation insurance coverage.

[17]The Survey asked respondents whether, for patients with OON health plans, it is their practice to submit a claim to the health plan for reimbursement before sending a bill to a patient. Ninety-five percent (95%) of respondents answered in the affirmative.

[18]There are generally six distinct levels of ground transport that are reimbursed by health plans, associated with the following Healthcare Common Procedure Coding System (HCPCS) codes: A0426 (ALS non-emergency transport); A0427 (ALS 1-emergency transport); A0428 (BLS non-emergency transport); A0429 (BLS-emergency transport); A0433 (ALS 2 transport); and A0434 (specialty care transport).

While there is some variation in billing practices and payer coverage policies,[19] ambulance providers are not often directly reimbursed[20] for services unless there is a transport of the patient—even when EMS personnel provide an evaluation and health care services at the response scene but the patient declines transport. One Private Provider-CID Recipient roughly estimated that 25-35% of its emergency responses do not include transport, including responses where there is treatment on the scene—for example, administration of Narcan, EKGs for patients experiencing chest pain or a medical response to a patient's diabetic complications. That Provider does not bill or seek reimbursement from a health plan for these non-transport services, given "likely" denial from payers. Information provided by Ambulance Providers suggests "treat no transport" scenarios may be especially prevalent in higher-poverty areas where residents may face barriers in accessing underlying primary and preventive health care, and thus are more prone to seek out emergency care when needed. To the extent Ambulance Providers are responding to non-emergent physical and mental health care needs,[21] there may be opportunities for increased system efficiencies.

As part of our inquiry into funding, we also examined health plan reimbursement methodologies and practices. As explained below, we found that actual reimbursement for the same type of ambulance transport (i.e., transports billed with the same billing code), varies significantly, depending on a host of intertwining factors, including the type of health plan (e.g., whether the payer is a private or public payer); whether the Ambulance Provider participates in a patient's health plan network; whether the patient's health plan product is fully-insured or self-insured; to what extent the amount "allowed" by a health plan is paid by the health plan and/or is subject to some amount of cost sharing responsibility (which Ambulance Providers may not be able to collect); and, for at least one Commercial Health Plan, whether the provider is a Municipal Provider or Private Provider.

Medicare pays for medically necessary ambulance transports meeting certain conditions according to the Ambulance Fee Schedule ("AFS"), which sets forth the fixed allowable amounts for specified ground ambulance services on a nationwide basis. The AFS includes a base rate payment that varies based on the intensity of ambulance services rendered along with a geographical adjustment factor and a separate payment for mileage, with add-ons for rural transfers.[22] The Centers for Medicare & Medicaid Services ("CMS") is statutorily required to update the AFS annually based on an annual inflation factor established by law. [23]

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[19] Ninety-eight percent (98%) of Survey respondents reported that they do not have a practice of seeking payment from patients in situations involving an ambulance response and, when applicable, treatment but no transport. Two Private Provider CID-Recipients reported that they may seek payment in situations where there is no transport; two others reported that they do not do so. While reimbursement for treat no transport services billed under code A0998 ("ambulance response and treatment, no transport") varies among Commercial Health Plans, MassHealth and Medicare typically do not reimburse for such services.

[20] The unreimbursed costs may be built into charges for transports of commercial health plan members.

[21] As one Municipal Provider observed in its Survey response, "[a] huge majority of what we do now is non-emergent. Mental Health calls are increasing all the time and only making it harder to provide emergency services to people having ... actual life threatening emergenc[ies]." Another echoed: "We have a[] large increase in calls that require assessment and care but do not require transportation."

Under traditional Medicare, the payment for an ambulance transport is the lower of the actual billed amount or the AFS amount; Medicare Part B pays for 80% of the approved amount while the patient pays a 20% co-insurance after his or her deductible has been met.[24] Ambulance Providers are typically not allowed to balance bill Medicare patients.[25]

Since November 2002, MassHealth has reimbursed ambulance transports at approximately 80% of Medicare rates.[26] Municipal Providers enrolled in MassHealth would also be eligible to participate in the MassHealth Certified Public Expenditure program, through which additional Medicaid funding may be available.

Compared to public plans' reimbursement rates and methodologies, there is less transparency around Commercial Health Plans' reimbursement policies and practices for ambulance services, particularly with respect to OON transports. As part of this Examination, we sought to assess variations in reimbursement practices between Commercial Health Plans. And, within an individual Health Plan, we sought to evaluate differentials in what that Commercial Health Plan, on average, "allows" for in-network transports as compared to OON transports. First, we reviewed and analyzed claims-level data provided by Commercial Health Plans for ground ambulance transports from a Massachusetts Provider for which the Plan received a claim with a date of service in 2022. Based on our data analysis, Figures 4 and 5 below set forth the average allowed amounts determined for transports billed under A0429 (BLS emergency) and A0427 (ALS 1-emergency) by six Commercial Health Plans for both in-network and OON Providers. As the charts show, there are significant disparities in reimbursement as between Commercial Health Plans, ranging from average allowed amounts nearly five times Medicare rates for OON transports to average allowed amounts below Medicare rates for both in-network and OON transports.

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[22]42 CFR § 414.610(a). See also Medicare Payment Advisory Committee ("MedPAC"), "Ambulance Services Payment System," at 2-4 (Nov. 2021), available at https://www.medpac.gov/wp-content/uploads/2021/11/medpac_payment_basics_21_ambulance_final_sec.pdf.

[23]42 CFR § 414.610(f).

[24]Centers for Medicare & Medicaid Services ("CMS"), "Medicare Coverage of Ambulance Services," at 9 (Jan. 2022), https://www.medicare.gov/Pubs/pdf/11021-Medicare-Coverage-of-Ambulance-Services.pdf.

[25]Id.

[26]See generally 101 CMR 327 (2023). Providers who are enrolled in MassHealth cannot balance bill. The AGO understands that all licensed ambulance services providing emergency response in Massachusetts are enrolled in MassHealth.

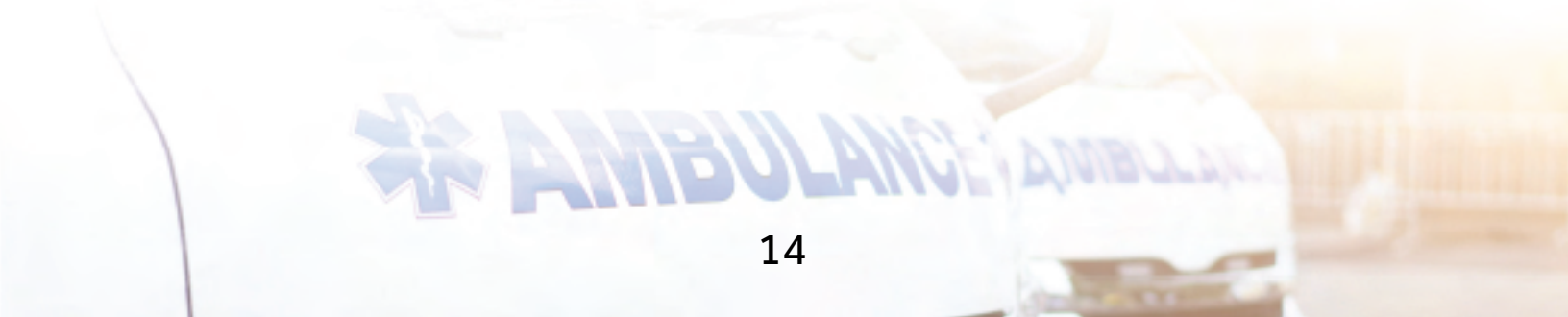
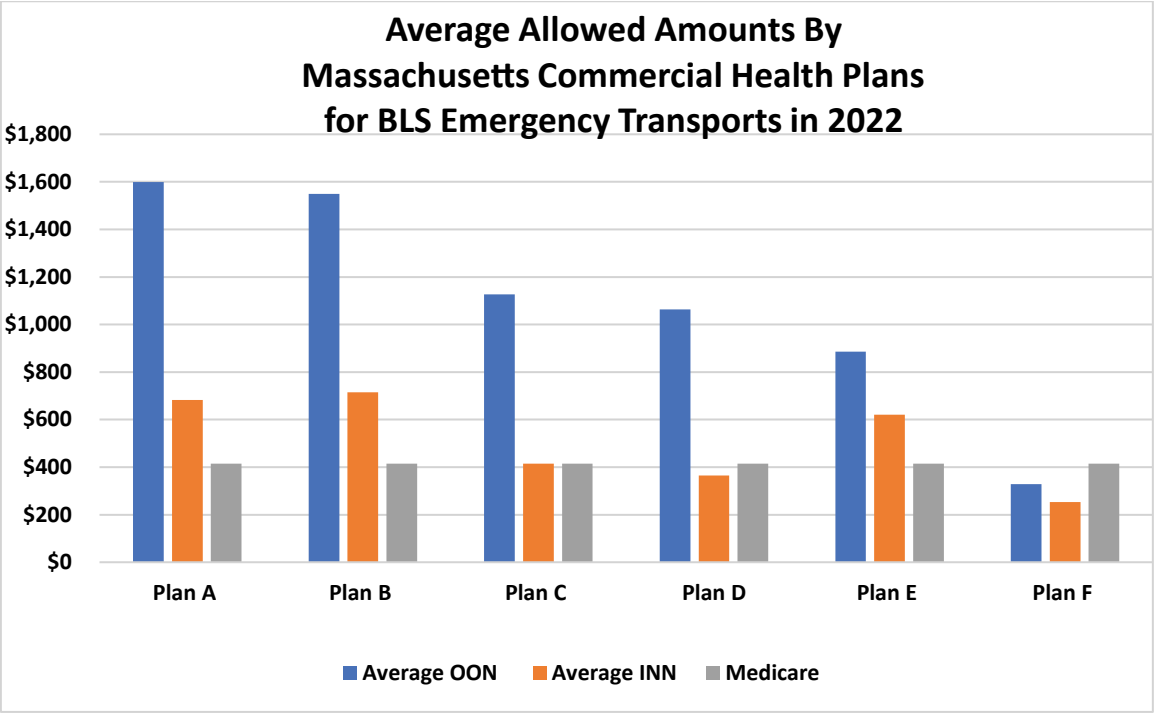
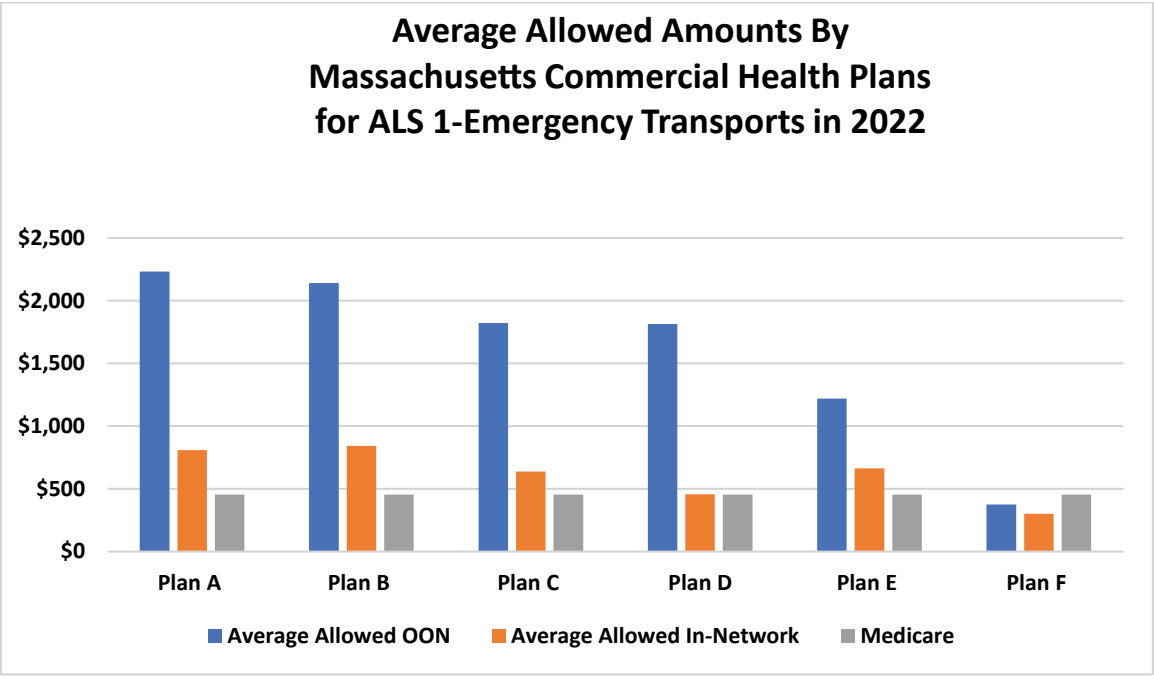


Figure 4



Notes: The Medicare rate is the 2022 rate for areas outside metro Boston (i.e., "the rest of Massachusetts"). Data is based on Commercial Health Plans' reporting of claims received for BLS emergency (A0429) transports provided by Massachusetts ground ambulance providers in 2022 and excludes the mileage component.

Figure 5



Notes: The Medicare rate is the 2022 rate for areas outside of metro Boston (i.e., "the rest of Massachusetts"). Data is based on Commercial Health Plans' reporting of claims received for ALS 1-Emergency (A0427) transports provided by Massachusetts ground ambulance providers in 2022 and excludes the mileage component.

Additionally, given the prevalence of OON ambulance transports in Massachusetts (see Section IV), we also requested information from the Commercial Health Plans concerning the methodology each uses to determine reimbursement of OON ground ambulance transports. While Massachusetts law requires coverage of OON emergency services[27] on the part of fully-insured plans, including emergency transport by ambulance, there is currently no requirement concerning how much of a Provider's charge should be paid by the health plan. As may be inferred given the variation in average allowed amounts set forth in Figures 4 and 5, Commercial Health Plans' approach to paying OON Ambulance Providers for transports of plan members varies, both amongst plans and, in some cases, between the products offered by a Commercial Health Plan. For reimbursement of OON emergency transports, reimbursement methodologies reported include:

- Setting rates at 100% of MassHealth rates
- Setting rates at 100% of Medicare rates
- Setting rates at 150% of Medicare rates for fully-insured plans
- Using variable rates depending on the Provider; variations include allowing a Municipal Provider's full charge; using a fee schedule set at a percentage of Medicare for Municipal Providers; and, for Private Providers, using a second fee schedule set at a lower percentage of Medicare relative to the Municipal Provider fee schedule
- Generally allowing full charges
- Using various third-party vendors to "price" ambulance claims or to seek to negotiate discounted Provider charges

Several Commercial Health Plans indicated that reimbursement methodologies (1) for self-insured products may be different than methodologies typically used for fully-insured products, and (2) reimbursement methodologies for OON non-emergency transports may differ from those used in relation to OON emergency transports.

Notably, most Commercial Health Plans highlighted that they routinely deviate from set rates under certain circumstances, particularly when a member complains about a balance bill or the claim is appealed.

ii. Ambulance Providers Report Health Plan Reimbursements Often Do Not Cover Full Costs of EMS.

In Survey responses, Municipal Providers on the whole indicated operating costs are not being covered and attributed the shortfalls in large part to low reimbursement from public payers.

[27] See, e.g., M.G.L. ch. 176G, § 5(e); M.G.L. ch. 176B, § 4U(e); M.G.L. ch. 176A, § 8U(e).

To assess whether health-plan based reimbursement is "adequate" to meet Ambulance Providers' costs in providing services, there needs to be an understanding, in the first instance, of what those costs are. However, determining costs for ambulance services, and EMS delivery, in particular, is challenging for various reasons. For one, in some municipalities, costs attributable to EMS may not readily be separated from other services. As one Survey respondent observed:

"[It is] [v]ery difficult to exact a figure on the actual operating expenses for ground ambulance services provided because we are [a] municipal fire department providing the service. Our members are cross-trained in fire/EMS. Training expenses, injury expenses, salary and OT expenses all become very difficult to delineate between fire vs. EMS-related expenses."

Moreover, variations in call volume and geographic coverage areas can complicate adequate funding of ambulance services. All Ambulance Providers involved in EMS response must expend costs to have the appropriate staff and equipment available in the right areas to respond to calls in a timely manner—the "cost of readiness." An Ambulance Provider with a relatively low volume of calls must still be ready to respond; because the overhead costs to run a service are spread over fewer calls, the "cost-per-call" for this Provider may be higher than for an Ambulance Provider with a higher call volume. Correspondingly, Providers with low call volume may need a relatively higher rate of reimbursement from health plans to meet costs.

While Provider-specific costs may vary, Survey responses are resolute that health plan-based reimbursements—particularly from Medicare, MassHealth and lower-paying commercial health plans—are not covering the full cost of providing EMS services. A multitude of Surveys highlighted significant cost increases over the last several years that are not being met, often in relation to staffing, including the following summaries offered by several Municipal Providers (and echoed by others):

"Personnel costs have increased with new union contracts and the need to be competitive. Departments are fighting over the few EMS trained personnel and need to entice them and retain them once hired."

"Our costs have increased substantially in the last three years due to an increased demand for service resulting in increased overtime of current staff members . . . . [O]ur inability to hire and retain additional personnel have compounded the cost increase. Instead of being able to offer a shift to a new employee at a lower hourly rate, we are forced to pay current employees overtime to fill open shifts."

"Equipment, vehicle, and supply costs have increased due to 'supply-chain issues,' inflation, rising fuel costs, and supply/demand stocking."

"Rate of increase of operational costs far out paces rate of increase of revenue, especially from Medicare/Medicaid/MassHealth."

Federal regulators[28] and state policymakers,[29] likewise, have expressed concerns that Medicare payments for ground ambulances may not be adequate to compensate ambulance providers for operation costs. However, a general paucity of data, and limitations in the data that do exist, have to date impeded assessment of ambulance operating costs and the adequacy of Medicare payment rates.[30]

To address these problems, Congress included in the Bipartisan Budget Act of 2018 a requirement that CMS establish a system to collect data on costs, utilization volume, organizational type and revenue from a representative sample of ground ambulance providers nationwide.[31] Congress further directed that the purpose of this data collection is to permit the Medicare Payment Advisory Commission ("MedPAC"), a non-partisan federal body that advises Congress on Medicare policy, to develop and submit a report to Congress analyzing "the adequacy of payments for ground ambulance services . . . and geographic variations in the cost of furnishing such services."[32] CMS's data collection was due to begin in 2020 but was postponed because of the COVID-19 Public Health Emergency.[33] CMS has since begun collecting data, and the MedPAC report has likely been delayed to 2025, at the earliest.[34] Accordingly, it may be several years at least before Congress addresses changes in Medicare reimbursement for ground ambulance transport services.

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[28] See, e.g., Middle Class Tax Relief and Job Creation Act of 2012, Public Law 112-96, § 3007(d)-(e)126 Stat. 190 (directing the GAO and MedPAC to produce updated reports on ambulance costs nationwide, the adequacy of Medicare payments for ambulance services and the need for ongoing add-on payments); National EMS Advisory Council ("NEMSAC") Committee Report and Advisory, "EMS Funding and Reimbursement," at 1 (Dec. 2016), available at https://www.ems.gov/assets/NEMSAC_Final_Advisory_EMS_System_Funding_Reimbursement.pdf.

[29] For example, a "Blue Ribbon Commission" in Maine, established at the direction of the Maine legislature, observed in its December 2022 report that "reimbursement through Medicare and Medicaid is antiquated and woefully inadequate . . . ." Report of the Blue Ribbon Commission to Study Emergency Medical Services in the State, 2nd Sess., at 8 (Me. 2022), https://www.maine.gov/ems/sites/maine.gov.ems/files/inline-files/Maine-State-Blue-Ribbon-Commission-Report-On-EMS-final.pdf. Likewise, a February 2021 report issued in response to a legislative mandate requiring Maine's Emergency Medical Services' Board to convene a group to review reimbursement for ambulances, stated that "in most instances, government payers are reimbursing below the cost of providing care." Me. LD2105 Subcommittee, "Final Report of the Maine EMS LD2105 Subcommittee," at 6 (Feb. 2021), https://www.maine.gov/ems/sites/maine.gov.ems/files/inline-files/20210201-LD2105-Committee-Final-Report.pdf.

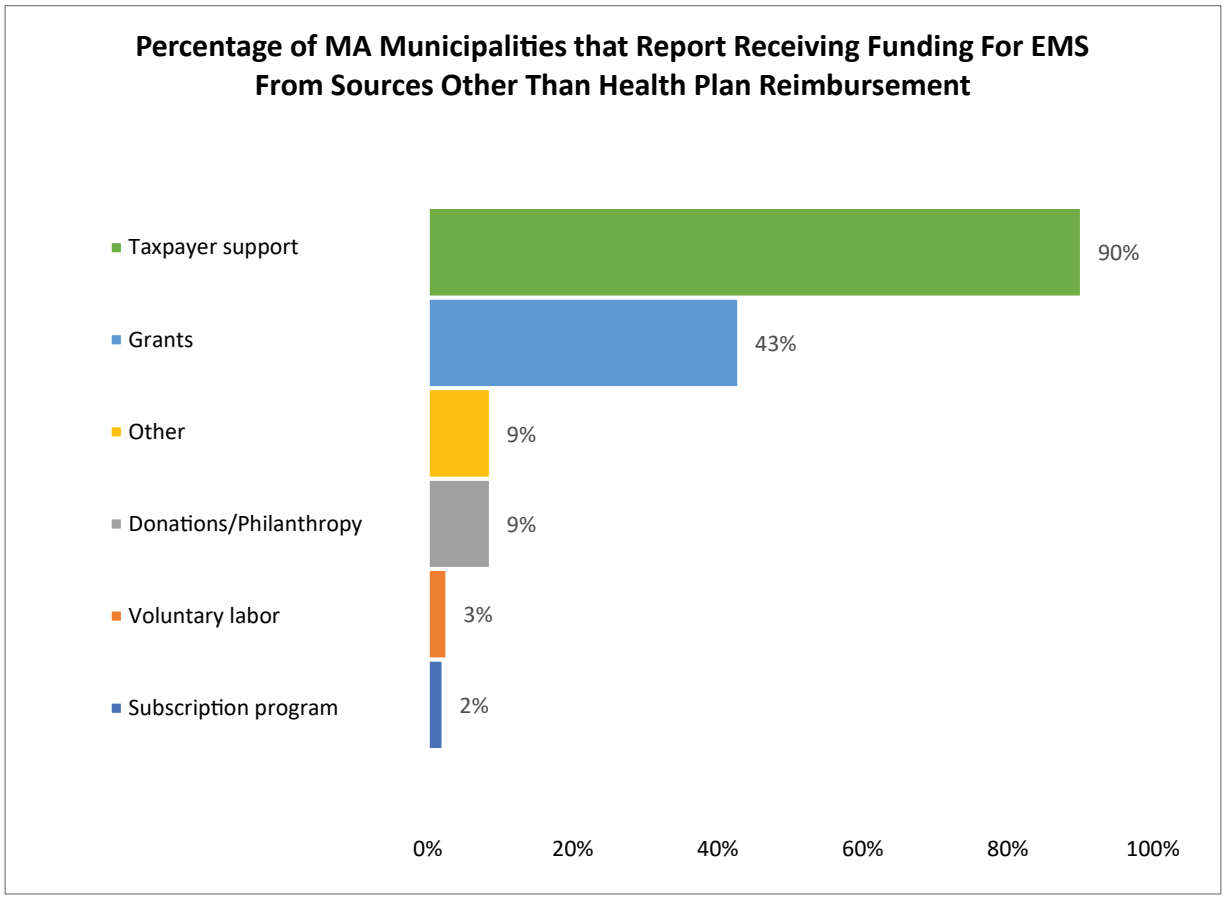
[30] See, e.g., National EMS Advisory Council ("NEMSAC") Committee Report and Advisory, "EMS Funding and Reimbursement,", at 1 (Dec. 2016), https://www.ems.gov/assets/NEMSAC_Final_Advisory_EMS_System_Funding_Reimbursement.pdf. See also NEMSAC Committee Report and Advisory, "EMS System Performance-based Funding and Reimbursement Model," at 1 (Sept. 2019), https://www.ems.gov/assets/NEMSAC_Advisory_EMS_System_Funding_Reimbursement_Sep_2019.pdf ; U.S. Gov't Accountability Off., GAO-13-6, "Ambulance Providers: Costs and Medicare Margins Varied Widely; Transports of Beneficiaries Have Increased" (Oct. 2012), https://www.gao.gov/assets/gao-13-6.pdf; and MedPAC, "Report to the Congress: Medicare and the Health Care Delivery System," at 183-84 (June 2013), https://www.medpac.gov/wp-content/uploads/import_data/scrape_files/docs/default-source/reports/chapter-7-mandated-report-medicare-payment-for-ambulance-services-june-2013-report-.pdf.

[31] Bipartisan Budget Act (BBA) of 2018, Public Law 115-123, § 0203(b), 132 Stat. 180, (adding paragraph (17) to Sec. 1834(l) of the Social Security Act (42 U.S.C. § 1395m(l))).

iii. Funding Outside Health Plan Reimbursement

In addition to reimbursement for services, many Municipal Providers rely on other sources of funding. Boston EMS, for example, reported that nearly 50% of its FY2022 and FY2023 budgets have been covered through a subsidy from the City of Boston. As shown in Figure 6 below, 90% of Survey respondents indicated that they receive some level of tax-based support. Smaller percentages reported receiving funding through grants (43%) and donations or philanthropy (9%). Finally, a small number of municipalities reported financial support through use of voluntary labor or a subscription service.[35]

Figure 6



Notes: Percentages are based on 184 Survey responses.

[32] Id.

[33] See CMS, "Medicare Ground Ambulance Data Collection System Frequently Asked Questions (FAQ)," at 2 (Nov. 2022), https://www.cms.gov/medicare/medicare-fee-for-service-payment/ambulancefeeschedule/downloads/medicare-ground-ambulance-faqs.pdf.

[34]Consolidated Appropriations Act, 2022, Public Law 117-103, § 311, 136 Stat. 808 (amending Section 1834(l)(17)(F)(i) of the Social Security Act (42 U.S.C. § 1395m(l)(17)(F)(i))).

[35] For an example of an ambulance subscription service, see, e.g., Town of Ludlow Ambulance Service, "2023 Ambulance Form," https://www.ludlow.ma.us/DocumentCenter/View/1557/2023-Ambulance-Subscription-Form-PDF#:~:text=A%20%2450%20subscription%20is%20a,an%20ambulance%20is%20ever%20needed.&text=For%20Bill%20Information%20Call%3A,00%20a.m.%20%2D%204%3A00%20p.m.

As discussed above, compared to Municipal Providers, Private Providers, in general, provide a broader array of services, including non-emergency transports and wheelchair van transports, for which they are reimbursed. In lieu of seeking reimbursement from health plans, in some instances they may be paid directly by facilities for services provided to facility patients. Private Providers providing EMS services in a municipality sometimes receive a subsidy from the municipality. Additionally, some Private Providers report revenue from restricted or unrestricted grants, gifts, donations and/or investment income.[36]

IV. PARTICIPATION IN COMMERCIAL HEALTH PLAN NETWORKS

In May 2020, HPC published a report observing that, based on the 2017 data set it analyzed, nearly 50% of ground ambulance encounters likely resulted in at least one OON claim.[37] We sought to build on that report and better understand the volume of OON ground ambulance transports in Massachusetts, including any potential variation in whether a transport is OON depending on the type of Provider. Additionally, we sought to understand why Ambulance Providers do not participate in health plan networks.

A. Sixty-seven (67%) percent of emergency transports of Commercial Health Plan members in 2022 were provided by Out-of-Network Massachusetts Ambulance Providers.

To assess the volume of OON transports relative to in-network transports, we first analyzed claims data provided by nine Commercial Health Plans relating to emergency transports provided by Massachusetts Ambulance Providers in 2022 associated with codes A0427 and A0429, a total of approximately 64,000 transports. Based on the data set reviewed, 67% of emergency transports were provided by an OON Ambulance Provider in 2022.[38]

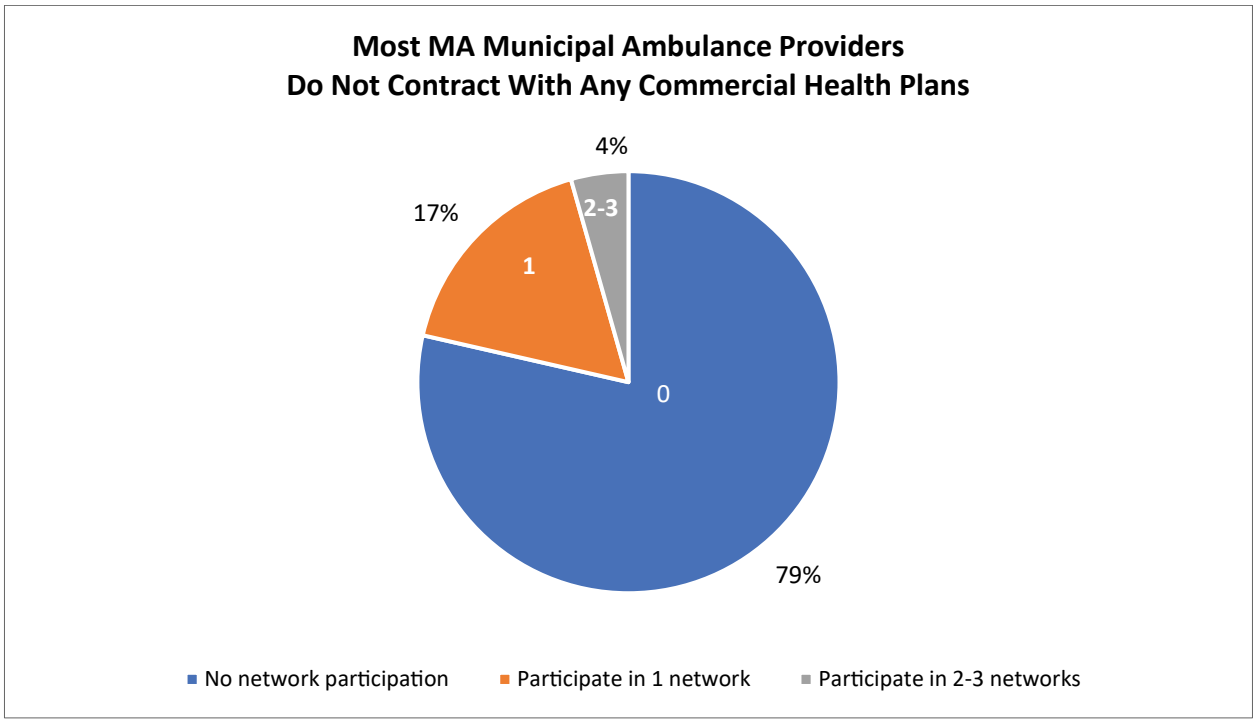
Additionally, to understand network composition, we asked Survey respondents to identify the Massachusetts commercial health plans with whom they were participating providers, if any. As reflected in Figure 7, 79% of the Municipal Providers that answered questions concerning their health plan network participation indicated that they are not in-network with any commercial health plan in Massachusetts, including several of the most populous such as Boston, Fall River and New Bedford. Further, of the Municipal Providers that do have contracts, most report contracting with just a single plan, as reflected in Figure 7.

[36] Non-municipal ambulance and wheelchair van providers that received more than $100,000 in MassHealth revenue are required to submit cost and revenue information to the Center for Health Information and Analysis (CHIA). The most recent reporting, for FY2022, was due in August 2023. See CHIA, "Information for Data Submitters: Ambulance and Wheelchair Van Cost Reports" (last accessed on Oct. 10, 2023), available at https://www.chiamass.gov/information-for-data-submitters-ambulance-and-wheelchair-van-cost-reports/.

[37] See, e.g., Health Policy Commission, "Out-of-Network Billing in Massachusetts Chartpack," at 13 (May 2020), https://www.mass.gov/doc/out-of-network-billing-in-massachusetts-chartpack/download.

[38] FAIR Health's September 14, 2023 brief reports similar results from its analysis of nationwide claims data: in 2022, 59.4% of ground ambulance rides were OON, with variation between emergency transports (62% OON) and non-emergency transports (48.7%). See "A Window Into Utilization and Cost of Ground Ambulance Services– A National Study of Private Healthcare Claims," supra note 14, at 3, 22-24.

Figure 7

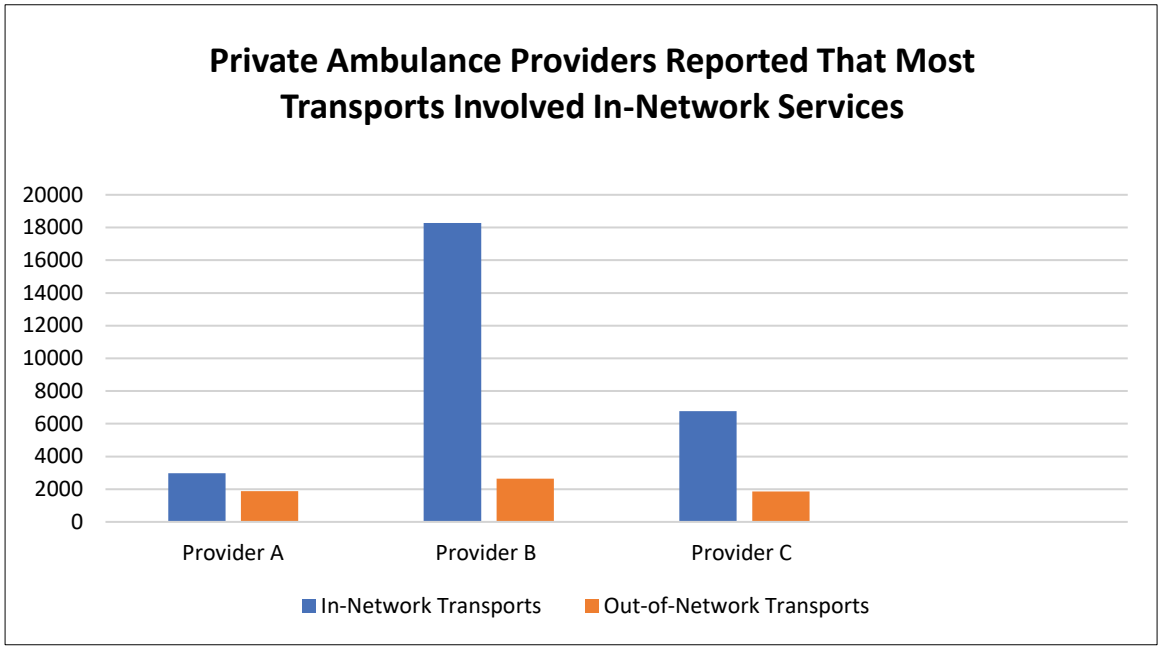


Note: Percentages are based on responses in 182 Survey responses.

Correspondingly, we asked the Commercial Health Plans to identify all Massachusetts Ambulance Providers who were contracted providers for them in 2022 and 2023 and, additionally, to describe any efforts they have made to add ground ambulance providers to their networks in the last five years. In alignment with Survey results, responses from the Commercial Health Plans reflect a paucity of contracts with Municipal Providers: in particular, nine Commercial Health Plans identified 0-2 Municipal Providers in their network—and in some of these instances, a Survey response did not match the Commercial Health Plan's response (e.g., a Commercial Health Plan identified a Municipal Provider as in-network but a Municipal Provider Survey did not identify the Commercial Health Plan as a plan with which the Municipal Provider was in-network). Multiple Plans, moreover, indicated that attempts to contract with Municipal Providers have been unsuccessful; one, for instance, identified specific efforts to recruit "high dollar claim ambulance providers" to their network only to be told by three large Municipal Providers that they do not contract with health plans.

By contrast, Commercial Health Plans that provided responsive information each identified five or more Private Providers in their networks. At least two Private Providers commonly identified participate in most Massachusetts Commercial Health Plans; these two cumulatively provide primary EMS response in at least 26 Massachusetts municipalities—meaning that emergency transports originating from these municipalities are, on average, more likely to be in-network with a Commercial Health Plan than OON. Finally, as reflected in Figure 8, data provided by three Private Provider CID-Recipients shows that, for each, the majority of transports provided to Commercial Health Plan members in 2022 involved in-network services:

Figure 8



Notes: Chart reflects data reported by three Private Provider CID-Recipients concerning the number of ground ambulance transports provided in Massachusetts in 2022 for patients with Commercial Health Plans and the number of such transports involving an OON Commercial Health Plan.

The findings above may help explain, in part, HPC's findings in 2023 that "commercial payers paid municipally-owned services about twice as much per transport as they paid privately-owned services" for emergency transports. Because reimbursement for OON ambulance transports generally tends to be substantially higher than for in-network transports across Commercial Health Plans (see Section III), it follows that Municipal Providers—who are almost universally OON with Commercial Health Plans—are reimbursed at higher rates relative to Private Providers, who are more likely to participate in Massachusetts health plans.[39]

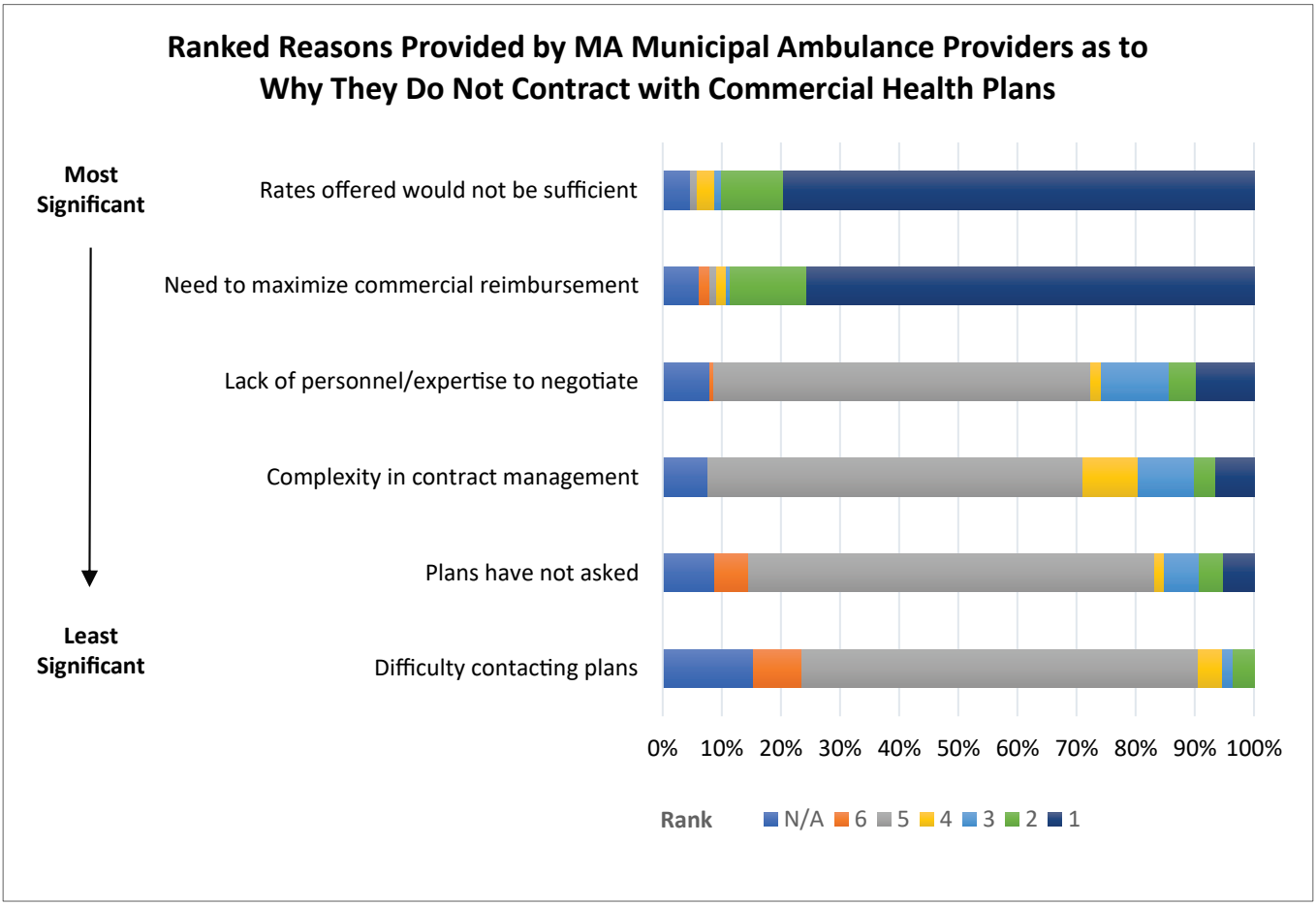
B. Municipal Providers and Commercial Health Plans alike identify reimbursement rates as an insurmountable barrier to contracting in the current landscape.

In this Subsection, we report on the results of our Examination into the primary reasons why Ambulance Providers and Commercial Health Plans do not contract with each other. As reflected below, Commercial Health Plans and Providers appear to uniformly agree that reimbursement is the most significant barrier. Responses provided by both the Commercial Health Plans and Providers further suggest that in the current landscape a meaningful uptick in network participation is highly unlikely.

[39] As discussed above, the AGO asked Commercial Health Plans to provide information on the methodology used to determine reimbursement for OON Ambulance Providers, and whether the methodology differed as between Municipal and Private Providers. Only one Commercial Health Plan indicated that different methodologies were used; specifically, this Plan uses one fee schedule for Municipal Providers and a separate fee schedule for Private Providers. Under these fee schedules, reimbursement rates are higher for Municipal Providers.

To understand these barriers, we asked Survey respondents (i.e., Municipal Providers) to rank applicable reasons for not contracting with commercial health plans and also provided an opportunity for a further narrative response. Survey results are reflected in Figure 9:

Figure 9



Notes: Survey respondents were asked to rank the reasons they do not participate in commercial health insurance plans, as applicable, with "1" being the most significant reason, "2" being the second most significant reason, etc. For each reason, the chart reflects the percentage of respondents that ranked the reason as a "1", "2", etc. Some respondents ranked multiple reasons as a "1", i.e., "the most significant."

As shown in the graph, nearly 80% of Municipal Providers indicated that the most significant reason for not contracting with health plans is that the rates offered would not be sufficient. This response may reflect concerns relating to certain health plans whose reimbursement for OON transports is at the lower end of the spectrum. Even assuming that contracted rates would be similar to what these plans now allow for OON ambulance services, aggregate reimbursement for Municipal Providers from such plans would be significantly lower, as Ambulance Providers would no longer be able to balance bill members to supplement health plans' allowed amounts (or have the leverage to negotiate higher allowed amounts from plans wishing to protect their members from balance billing).

Nearly the same percentage of Municipal Providers (approximately 75%) cited a need to offset lower payment from public payers as the most significant reason for not contracting with health plans. Numerous Municipal Providers provided further explanation in responses to several Survey questions: (1) "Medicare covers less than half of what the actual cost is for the delivery of EMS, including transport. Medicaid reimburses far less than Medicare. Patients with no insurance are typically unable to reimburse anything," and (2) "Commercial health insurance plans need to reimburse EMS at a rate that keeps the system operating and sustainable."

Again, from a Provider viewpoint, this response may be understandable, particularly in relation to Commercial Health Plans that are currently allowing full, or nearly full charges. Given that negotiated network rates with these Commercial Health Plans would most likely be well below Providers' charges, Providers going in-network would lose significant revenue. As one Municipal Provider stated: "It is clear to all that if we were to enter into a contract with commercial insurance providers it would only serve to lower the payment for services we receive …." Added another: "Our goal, like any business/service is to maximize our collections and revenue."

Moreover, some Municipal Providers observed that, as EMS responders, they were differently positioned than Private Providers, who provide non-emergency transports and stand to benefit from health plan contracts that would bring them more of that business. As one Municipal Provider explained: "We do not do non-emergent transfers, [so there is] no need to negotiate rates ahead of time." Similarly, several Municipal Providers emphasized: "Entering into a contract with commercial insurance carriers at this time does not provide any benefit to the provider itself."

V. CONSUMER FINANCIAL RESPONSIBILITY

This Section examines the consumer-facing issues highlighted in the Introduction: the unaffordability of ambulance rides in Massachusetts for many health care consumers. Even when services are covered by their health plan, consumers can incur significant out-of-pocket expense in two distinct ways: (1) as discussed in Subsection A, Ambulance Providers can—and do—balance bill OON patients, and (2) as discussed in Subsection B, ambulance transports are often subject to cost sharing responsibility, particularly deductibles, under Commercial Health Plans. Our review of claims data and billing records have made clear that, while Commercial Health Plan members who receive transports from OON Ambulance Providers face the highest out-of-pocket costs—because of balance bills, higher cost sharing and, sometimes, both—in-network consumers may likewise struggle with large ambulance bills they cannot afford because of cost sharing. Subsection C concludes with a summary of high-level findings concerning medical debt incurred in relation to ground ambulance services in Massachusetts.

A. The vast majority of Commercial Health Plan members transported by Municipal Providers are at risk of receiving a balance bill when their Health Plan does not allow the Provider's full charge.

Balance billing of OON ambulance patients has long been an area of concern for policymakers and consumer advocates. While the HPC and other researchers have used claims databases to estimate potential balance bills, claims data cannot be used to determine whether a balance bill was actually sent and, if sent, whether a consumer paid it.[40] For example, as noted above, a health plan and Ambulance Provider may negotiate an agreed-upon allowed amount, with the Provider agreeing to write off and not bill the balance—a result that would not be captured looking at claims data alone.

Using its Cost Trends authority to obtain information from Providers, the AGO sought to build on past analyses by (1) assessing the extent to which Ambulance Providers in Massachusetts are actually sending balance bills to ambulance patients; (2) collecting data "snapshots" on the volume and amount of balance bills sent by select Private Providers; and (3) providing insight into consumers' ability to pay these balance bills.

As part of this inquiry, we asked Survey respondents whether they balanced billed commercial health plan members. Of the 188 Survey respondents answering this question, only eight (4%) answered that they "never" balance bill; 73 (39%) "always" balance bill; and 107 (57%) balance bill "sometimes." For municipalities that outsource primary EMS response, we also requested their contracts with Private Providers to examine contractual provisions around billing. Of the contracts produced and reviewed, we found a single one that included language prohibiting the Provider from balance billing patients. Finally, three Private Provider CID-Recipients affirmed that they balance bill patients, with one reporting that it does so only after submitting appeals to the patient's health plan.[41]

B. Data suggest that Massachusetts consumers who receive OON balance bills from Providers often do not pay them; rather, many Massachusetts consumers are likely sent to collection agencies for unpaid balance bills on an annual basis.

We also examined data and billing records provided by three Private Provider CID-Recipients (all of whom balance bill patients) to get further insight into both the volume of balance bills sent out and what happens once the bill is sent. In particular, we explored the extent to which patients are paying these bills or, in the alternate, potentially incurring medical debt.

Figure 10 illustrates common outcomes after patients receive balance bills, as reflected in the billing records of one Private Provider CID-Recipient, with specific examples taken from account statements represented below the diagram.

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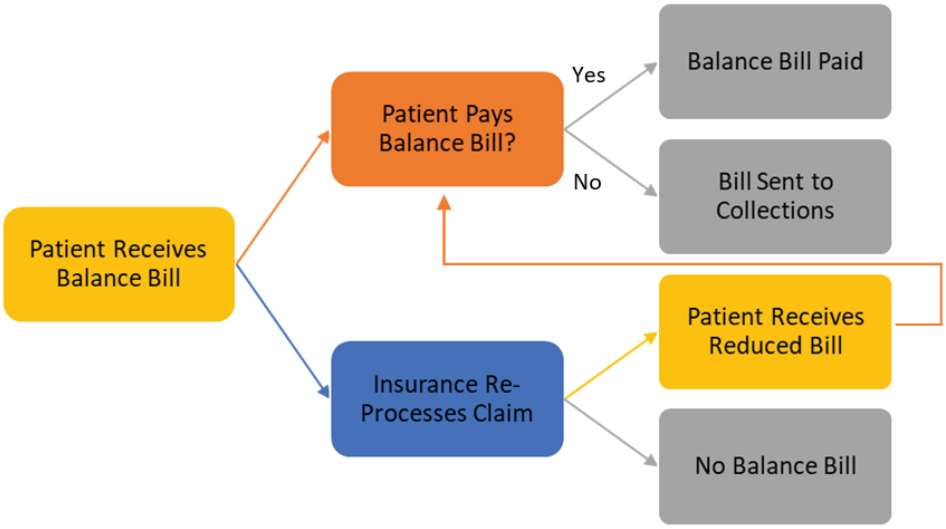
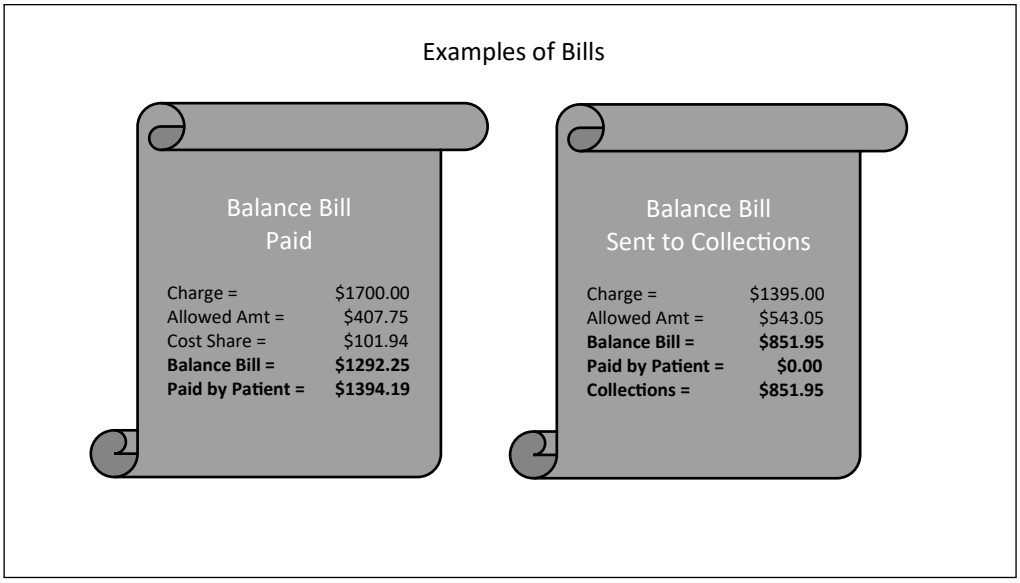
[40] See, e.g., "Out-of-Network Billing in Massachusetts Chartpack," supra note 37, at 5, 17, 24.

[41] A fourth Private Provider CID-Recipient, which reported participation in nearly all Commercial Health Plans, stated that it did not generally balance bill.

Figure 10

Balance Bill Outcome Scenarios

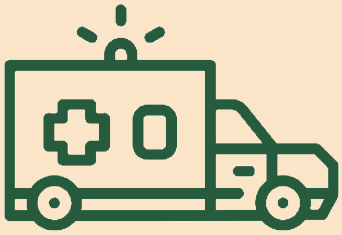




As Figure 10 shows, there are a multitude of outcomes that may occur when a balance bill is sent. For example: a patient may pay it in its entirety; if no payment is received, the account may be sent to collections; or a patient may request their health plan "reprocess" and/or the health plan may ask the Ambulance Provider for a negotiated discount with some portion of the bill written off. If there is re-processing, a health plan may determine it will pay the entire charge (such that there is no balance bill) or may adjust the allowed amount, with a reduced balance bill sent to the patient.

The following snapshots summarize different types of balance billing outcome scenarios based on the data provided by two Private Provider CID-Recipients[42]:

[42] Data for Provider B is based on approximately 60% of the transports it provided in the relevant time period; aggregate balance billing data was not provided for the remainder of the transports.



PROVIDER A: For ambulance transports with dates of service from September 2021 through December 2022, Provider A identified 904 balance bills sent to patients totaling approximately $1,425,000. In approximately 70 instances, after a patient received the balance bill, their health plan appears to have reprocessed the claim and paid the full amount so that the patient no longer had any balance bill responsibility. In other instances, a health plan reprocessed the claim so that the original balance bill amount was reduced. Ultimately, 308 consumers paid nearly $217,000 attributable to balance bills. Additionally, of the 904 patients that were sent balance bills before any re-processing, approximately 455 of these accounts (50%) were sent to collections at some point.

PROVIDER B: For a portion of its ambulance transports with dates of service from September 2021 through December 2022, Provider B identified 264 balance bills sent to commercial health insurance patients totaling approximately $500,000. Ultimately, 77 consumers paid nearly $77,600 attributable to these balance bills. Additionally, approximately 174 accounts were sent to collections at some point.

While the AGO did not collect data reflecting the volume of patient complaints or appeals concerning balance bills, responses from both Commercial Health Plans and the Private Provider CID-Recipients indicate that the re-processing of OON claims involving a balance bill is often patient-driven. As such, bill reduction is likely available only to the portion of the patient population that has the time, sufficient health care literacy and awareness to successfully navigate provider billing and health plan claims processes, raising concerns around health care equity.

C. Commercial Health Plan members incur significant out-of-pocket costs for ambulance services subject to cost sharing under their plan.

To better understand consumer cost sharing responsibilities, we examined coverages under a sample set of Commercial Health Plan products. While not universal, Plan documents reflect that ground ambulance emergency transports are often subject to member cost share responsibility, including deductibles or co-insurance. Further, in the Commercial Health Plan claims data set we analyzed, 26% of the approximately 64,000 emergency transports in 2022 involved some type of consumer cost sharing responsibility (deductible, co-insurance and/or co-pay). In relation to these transports, consumers incurred approximately $8.2 million in out-of-pocket expense related to deductible responsibility and approximately $871,000 related to co-insurance responsibility. These cost sharing expenses are separate from—and sometimes in addition to—balance bills that patients transported by OON Providers may receive.

Because deductibles and co-insurance (calculated as a percentage of the total allowed amount) are a function of provider charges and plan allowed amounts—which, as reflected in Section III, are generally higher for OON transports— Commercial Health Plan members will generally incur a higher cost share for OON transports relative to in-network transports. One Commercial Health Plan provided the following illustrative example, based on coverage under a Plan product where, for covered emergency services provided by Massachusetts ground ambulance providers, the Plan reimburses 80% of the allowed amount and the member has a co-insurance of 20%. The example assumes a BLS emergency transport (A0429) for ten miles.

- In-Network Cost Share: Under the Plan's provider Fee Schedule, if the member is transported by an in-network provider, the allowed amount for the transport would typically be $808.76. Under the member's cost share, they would be responsible for $161.75.

- OON Cost Share: Based on the Plan's historical claims data, Providers' charges for a 10-mile A0429 transport could range from $2,650 to $5,208. Even though the Plan allows full charges and the member does not receive a balance bill, the member would still face significant out-of-pocket costs: their 20% co-insurance responsibility would result in a bill ranging from $530 to $1041, depending on the charge.

As reflected in this example, consumers with Commercial Health Plans that allow all or most of an OON Provider's charge may avoid a large balance bill—or even any balance bill—but may still face significant cost sharing responsibility, particularly when a deductible applies. In the Commercial Health Plan data set we examined, Commercial Health Plans allowed the Provider's full charge for 68% of OON ALS 1-emergency and BLS emergency transports in 2022. Where the consumer had deductible responsibility for this subset of transports, the average deductible amount was $971; where there was co-insurance responsibility, the average co-insurance cost was $240.[43,44] Figure 11 reflects illustrative examples from the data set of deductible and co-insurance responsibility when a Commercial Health Plan allowed full charges.

[43] These amounts were for transport codes alone and exclude any additional cost sharing related to mileage charges.
[44] Co-pays are fixed amounts that do not vary depending on the allowed amount, like deductibles and cost-sharing. Our analysis found that, for OON transports for which a co-pay applied, the average co-pay amount was $83.

Figure 11

	Charge	Allowed Amount	Patient Cost Share	Potential Balance Bill
Plan A Member	**$3,769**	**$3,769**	**$753.80 (co-insurance)**	**$0**
Plan B Member	**$2,420**	**$2,420**	**$1,792.39 (deductible)** **$125.52 (co-insurance)**	**$0**
Plan C Member	**$2,450**	**$2,450**	**$2,000 (deductible)**	**$0**

Notes: The charges in Figure 11 are for ALS 1-emergency transports in 2022 billed under code A0427; charges for mileage are excluded.

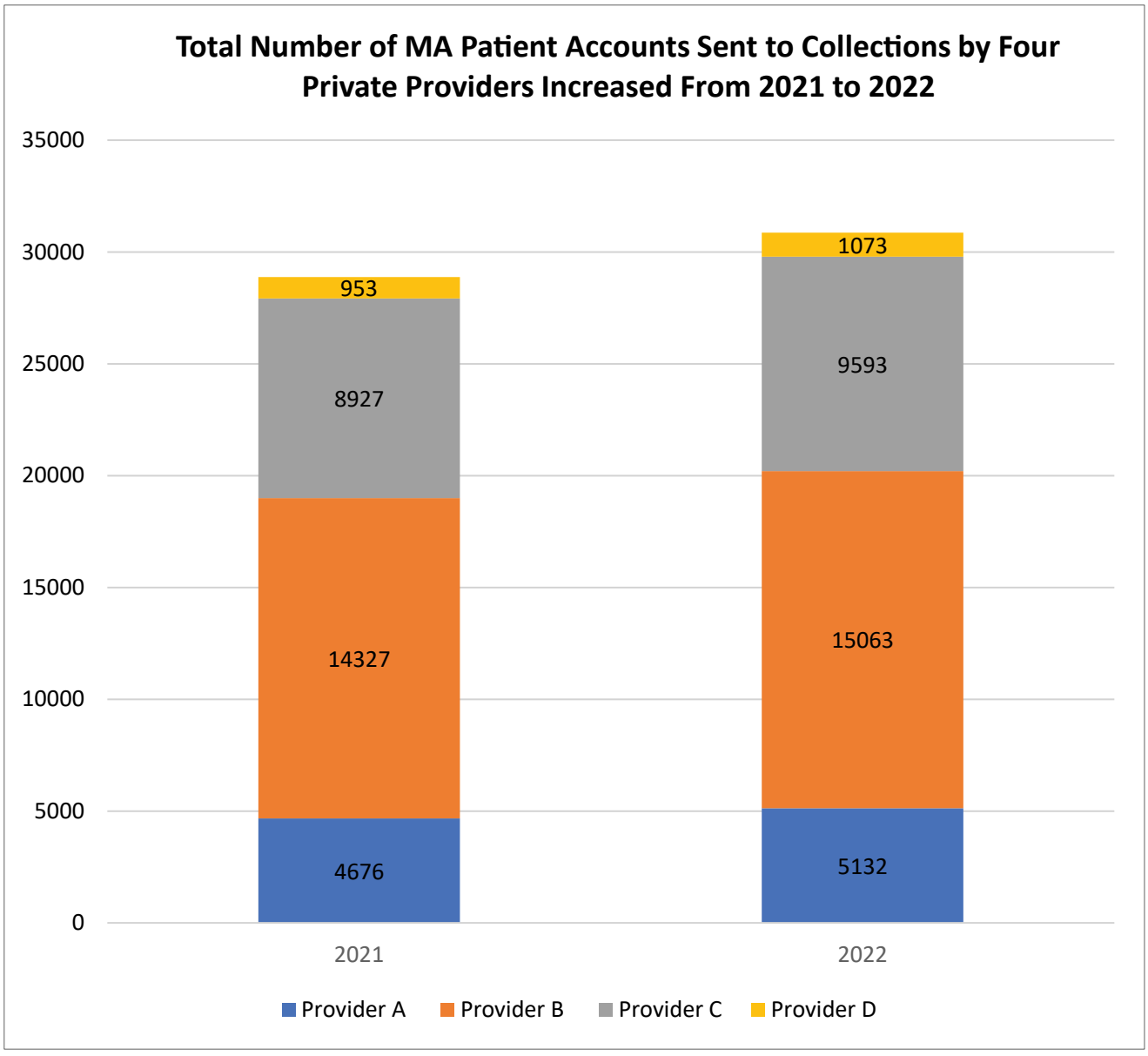
Finally, while consumers with cost sharing responsibility will generally receive higher bills in relation to OON transports, transports from in-network Providers may also result in significant out-of-pockets costs: our data analysis shows that, where a consumer had deductible responsibility in relation to an in-network BLS emergency or ALS 1-emergency transport in 2022, the average deductible was $483; the average co-insurance, where a co-insurance was applicable was, $102 (excluding any additional cost share amount incurred for mileage).

D. Massachusetts consumers are incurring significant medical debt in relation to ground ambulance services.

As reflected above, Massachusetts residents are incurring significant out-of-pocket costs in relation to ambulance bills. As part of our Examination, we assessed the extent to which consumers may be incurring medical debt because they are unable to pay these bills. First, we asked Survey respondents whether they send unpaid ambulance bills to a debt collection agency. Nearly one-third of Survey respondents reported that they "never" send patient accounts to debt collection agencies; two-thirds reported that they "sometimes" or "always" send patient accounts to debt collection agencies.

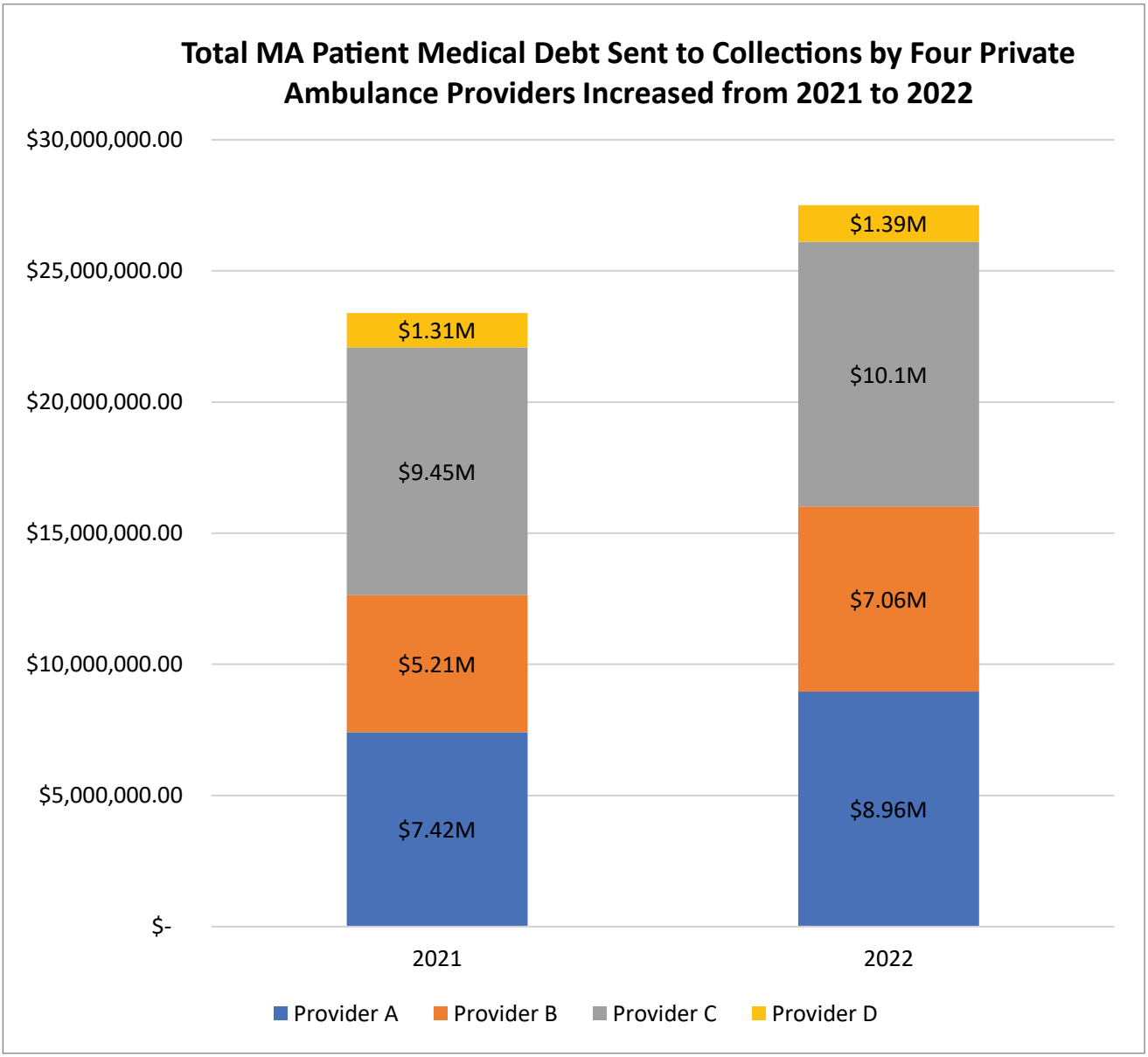
We also asked the four Private Provider CID-Recipients to provide the total number of patient accounts relating to ground ambulance services provided in Massachusetts in 2021 and 2022 each has sent to collections, and, for such accounts, the total dollar amounts sent to collections. The results are reflected in Figure 12 (volume of patient accounts) and Figure 13 (total dollars sent to collections) below:

Figure 12



Note: Data in chart based on responses provided by the four Private Provider CID-Recipients, who were asked to report the number of individual patient accounts they sent to collections in relation to ground ambulance services provided in Massachusetts in 2021 and in 2022. Data submitted by Provider B includes debt collection activity of an affiliated Provider.

Figure 13



Note: Data in chart based on responses provided by the four Private Provider CID-Recipients, who were asked to report the aggregate amount of debt they have sent to a debt collection agency for ground ambulance services provided in Massachusetts in 2021 and 2022. Data submitted by Provider B includes debt collection activity of an affiliated Provider.

As shown, approximately 29,000 accounts—totaling nearly $23.4 million—were sent to collections by these Providers in relation to ground ambulance services provided in 2021. Those amounts trended upward in 2022: nearly 31,000 accounts—totaling nearly $27.5 million—were sent to collections by these same Providers in relation to ground ambulance services provided in 2022.

We did not ask the Private Provider CID-Recipients to identify the type of ground ambulance services associated with accounts sent to collections or to identify patients' health plan type (e.g., private or public insurance). However, they provided data showing that, in the aggregate, these providers are in-network with most Massachusetts commercial health plans, and the volume of transports they provided to OON commercial health plan members in 2022 compared to overall transports is relatively low. The magnitude of collection activity in 2022 suggests, then, that individuals with OON commercial health plans are not the only consumers struggling to pay ambulance bills; rather, the unaffordability of ambulance services in today's landscape likely extends to individuals with in-network cost sharing obligations and/or coverage limitations under commercial and public plans and to individuals who are uninsured. While policy discussions and legislative proposals often focus on protecting commercial health plan members from large OON bills, a larger discussion concerning the affordability of ambulance services is warranted.

VI. AGO RECOMMENDATIONS

This report makes clear the complexity of the ground ambulance landscape in Massachusetts and the challenges therein, with a focus on EMS response. Ambulance Providers are not only health care providers but also play critical public health and safety roles. To ensure sustainability and equitable access to these vital services across the Commonwealth, we should endeavor to better understand Providers' operating costs as well as gaps in covering these costs. At the same time, from a consumer affordability perspective, structural changes, including in how services are funded and reimbursed, may be warranted.

The AGO's recommendations therefore urge a balanced approach in addressing potentially competing public policy goals and are premised on the following principles:

1. **EMS in Massachusetts must be funded adequately.**

2. **Funding a sustainable and adequate EMS system should not fall disproportionately on commercially-insured consumers.**

3. **Funding EMS through an over-reliance on health insurance payments risks untenable levels of consumer medical debt.**

RECOMMENDATION ONE

Commercial health plan members must be **protected from unaffordable, debt-inducing OON ambulance bills**. In conjunction with a prohibition against balance bills from both Municipal and Private Providers, the state should establish an OON default payment rate for ground ambulance services. Doing so would make fully-insured commercial health plans' reimbursement obligations clear and allow for more consistent and predictable reimbursement to Ambulance Providers. Further, it would lessen administrative burdens associated with Provider appeals and, by taking the onerous burden off consumers to negotiate with their insurance plans, would allow for more equitable consumer protection. When considering a default rate, policymakers should be mindful of consumer cost sharing obligations. For example, setting an OON default rate as high as 325% of Medicare—a metric that may be used to determine reimbursement of certain OON ambulance services in several states[45]—could result in consumer responsibility in the thousands of dollars when a deductible applies. Setting a default rate that is too high could still mean ambulance bills that are unaffordable, despite a prohibition on balance bills.

RECOMMENDATION TWO

The AGO recommends formation of a working group to **study ground ambulance costs in Massachusetts and the adequacy of current EMS funding models in meeting these costs**. The AGO further recommends that the working group consider appropriate funding mechanisms to support and sustain EMS services beyond health plan reimbursement. The working group could study the states that have designated EMS as an "essential service,"[46] and how this designation has affected funding for EMS. Maine, for instance, designated EMS as an essential service in 2021.[47] In July 2023, the state approved $31 million[48] to address funding gaps for critical EMS services. Further, we recommend consideration of structural changes in EMS response to better align needs in smaller communities that may struggle to meet costs of readiness and adequate staffing, including state support of regional services.

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[45]See, e.g., Louisiana (minimum allowable reimbursement for OON ambulance providers set at rates approved by local government or, if no such rate, the lesser of 325% Medicare or provider's billed charge); Texas (for OON ambulance providers, reimbursement rate is in amount set by political subdivision or, if no such rate, the lesser of 325% Medicare or provider's billed charge); and Colorado (for OON private providers, reimbursement is at 325% Medicare). See La. Rev. Stat. § 22.1880.2; Tex. Ins. Code § 1275.054(b); and 3 Colo. Code Regs. § 702-4-2-66-5.

[46] See Kelsie George, "Backing the First Responders: Recent Bills Empower EMS Systems," National Conference of State Legislatures, Feb. 13, 2023, https://www.ncsl.org/state-legislatures-news/details/backing-the-first-responders-recent-bills-empower-ems-systems. While the meaning and legal implications of EMS being designated an "essential service" vary across states, a key consideration is funding sources to support the mandate.

[47] In addition to designating EMS an essential service, the Maine legislature directed a Commission to make findings and recommendations on financing EMS, among other issues. In December 2022, the Commission issued a report finding that "[t]he primary issue facing EMS is a lack of funding," in part because of issues also identified in Massachusetts: inadequate reimbursement from public sector payers, high marginal transport costs for rural EMS providers and cost associated with the retention of EMS personnel. Further, because it found that EMS reimbursements are not keeping pace with the cost of providing services, the Commission recommended that the state appropriate up to $70 million over each of the next five years to support EMS. Blue Ribbon Commn, supra note 29, at 9-12.

[48] See Office of Gov. Janet T. Mills, "Governor Mills Signs Historic Budget Into Law" (last accessed on Oct. 10, 2023), available at https://www.maine.gov/governor/mills/news/governor-mills-signs-historic-budget-law-2023-07-12#:~:text=Strengthens%20Emergency%20Medical%20Services%3A%20Provides,to%20high%2Dquality%20emergency%20medical.

RECOMMENDATION THREE

The Commonwealth should continue to study, promote and facilitate more cost-effective health care models, including community paramedicine,[49] to reduce the use of EMS response for non-emergency situations. Innovative service models, within and outside the Commonwealth, should be identified and considered for replication. Such models include Boston EMS' Community Assistance Team, designated "Squad 80," which began responding to "investigation incidents" in 2017 in an area of Boston with high rates of substance use and homelessness.[50] Squad 80 focuses on patients in "an area of heavy need in Boston," many of whom "appear to have an altered mental status or to be unhoused," and who often refuse ambulance transports—or may be transported due to lack of alternatives—helping them connect to social services.[51] MIT researchers conducted an analysis[52] of Squad 80's responses and found, among other things, that only 12% of incidents to which Squad 80 responded ended in a transport to the hospital, while 40% of comparable incidents resulted in a hospital transport when there was a standard ambulance response.[53] On the patient care side, the researchers observed that "Squad 80's known links with social services likely make the pathway to transport alternatives, like going to a shelter [rather than an Emergency Department], more accessible to the patient . . . ."[54] From a cost containment perspective, the report observed that the use of an alternate service model, like Squad 80, "that leads to fewer transports likely lessens the unreimbursed costs for the EMS system and to hospitals."[55]

The Commonwealth, similarly, should continue **to promote and support use of mobile crisis units**[56] to respond to Massachusetts residents experiencing a mental health crisis as an alternative to an ambulance response, in appropriate circumstances. Increased use of mobile crisis units could both alleviate stresses on the EMS system and shield consumers from large, unexpected ambulance bills during a vulnerable time.

The Office of the Attorney General reiterates our hope that this report—and the recommendations above—will further discussion on these important issues. We look forward to continued collaboration with our partners in state and local government, health care market participants and all stakeholders in promoting the affordability and accessibility of ambulance transports for all Massachusetts residents in need of such services regardless of zip code and insurance coverage.

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[49] Community paramedicine is generally defined as the provision of healthcare using patient-centered, mobile resources in the out-of-hospital environment.

[50] See Brennan, Dyer, Jonasson, Salvia, Segal, Serino, & Steil, The Policy Case for Designating EMS Teams for Vulnerable Patient Populations; Evidence From an Intervention in Boston, Health Care Mgmt. Sci. (April 2023), available at https://link.springer.com/article/10.1007/s10729-023-09635-6.

[51] Id.

[52] Id.

[53] Id.

[54] Id.

[55] Id.

[56] Mobile Crisis Intervention ("MCI") services are an integral part of the Massachusetts Executive Office of Health and Human Service's "Behavioral Health Roadmap," which is focused on helping Massachusetts residents "get the mental health and substance use care they need, when and where they need it." MCI services are provided by trained professionals who, in addition to providing crisis assessment at a Community Behavioral Health Center, may travel to an individual's location to assess their mental health needs, provide immediate assistance and determine the most appropriate next steps. See Executive Office of Health and Human Services website, "Community Behavioral Health Centers" (last accessed on Oct. 4, 2023), available at https://www.mass.gov/community-behavioral-health-centers.

Acknowledgments

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Appendix

MASSACHUSETTS OFFICE OF THE ATTORNEY GENERAL

AMBULANCE SURVEY

DEFINITIONS FOR SURVEY

"AGO" means the Massachusetts Office of the Attorney General.

"ALS" means Advanced Life Support services.

"BLS" means Basic Life Support services.

"Balance Bill" or "Balance Billing" means to bill a patient for any amount beyond the patient's applicable cost share (e.g., deductible, co-insurance or co-pay), as determined by the patient's health insurance plan.

"Ground Ambulance Response" means each unique instance in which a ground ambulance was dispatched for response, regardless of whether a patient was ultimately transported.

"Ground Ambulance Transport" means any unique instance that was or could have been billed under the codes A0426 (ALS non-emergency transport); A0427 (ALS 1-emergency transport); A0428 (BLS non-emergency transport); A0429 (BLS-emergency transport); A0433 (ALS 2-emergency transport); or A0434 (specialty care transport).

"OON Health Plan" means any commercial health insurance plan that does not have a provider contract with You/Your Primary Ambulance Service, resulting in the Primary Ambulance Service being "out of network" ("OON") with that commercial health insurance plan.

"Primary Ambulance Service" means the business or regular activity, whether for profit or not, by a licensed ambulance service, designated by You to provide rapid response and pre-hospital Emergency Medical Services ("EMS") including, without limitation, patient assessment, patient treatment, patient preparation for transport and patient transport to appropriate health care facilities.

"You" or "Your" means the municipality to whom this survey has been directed; any unit of that municipality; and, as applicable, any individual or agent acting on behalf of, employed, or contracted with the municipality, including any vendor contracted by a municipality to bill for ground ambulance services.

I. ORGANIZATION INFORMATION

1. Please provide the name of the entity that is Your BLS Primary Ambulance Service. (This could be a department or unit within your municipality, or a private company or department in another municipality that has a contract with You).

   Click or tap here to enter text.

   a. Was this entity Your BLS Primary Ambulance Service in 2022?
      ○ Yes ○ No
2. Please provide the name of the entity that is Your ALS Primary Ambulance Service. (This could be a department or unit within your municipality, or a private company or department in another municipality that has a contract with You).

   Click or tap here to enter text.

   a. Was this entity Your ALS Primary Ambulance Service in 2022?
      ○ Yes ○ No
3. If You contract with a private company or another municipality to act as the BLS Primary Ambulance Service or ALS Primary Ambulance Service, please submit any applicable written agreement between You and the other entity (including payment terms and all exhibits and addenda).

IMPORTANT GUIDELINES FOR COMPLETING THIS SURVEY

- If You have designated another municipality or a private ambulance service as Your Primary Ambulance Service for both ALS and BLS services, please skip to Section VII – General Questions (optional response requested) and then Section VIII – Contact Information (response required).

- If You have designated a unit of Your own municipality as Your BLS Primary Ambulance Service but an outside entity is designated as the ALS Primary Ambulance Service, please answer the remaining sections with respect to your BLS Primary Ambulance Service only.

II. COMMERCIAL HEALTH INSURANCE PLAN NETWORKS

4. In 2022, was Your Primary Ambulance Service in-network with any commercial health insurance plan?
   ○ Yes ○ No

5. If "yes," please check each commercial health insurance plan listed below with whom You/Your Primary Ambulance Service had a provider contract in 2022:
   ☐ Aetna
   ☐ Anthem
   ☐ AllWays/Mass General Brigham Health Plan
   ☐ Blue Cross Blue Shield of Massachusetts
   ☐ BMC HealthNet Plan
   ☐ Cigna
   ☐ Fallon
   ☐ Harvard Pilgrim Health Care
   ☐ Health New England
   ☐ Tufts Health Public Plans
   ☐ Tufts Health Plan
   ☐ UniCare
   ☐ UnitedHealthcare

6. Is Your Primary Ambulance Service currently in-network with any commercial health insurance plan?
   ○ Yes ○ No

7. If "yes", please check each commercial health insurance plan listed below with whom You/Your Primary Ambulance Service currently has a provider contract:
   ☐ Aetna
   ☐ Anthem
   ☐ AllWays/Mass General Brigham Health Plan
   ☐ Blue Cross Blue Shield of Massachusetts
   ☐ BMC HealthNet Plan
   ☐ Cigna
   ☐ Fallon
   ☐ Harvard Pilgrim Health Care
   ☐ Health New England
   ☐ Tufts Health Public Plans
   ☐ Tufts Health Plan
   ☐ UniCare
   ☐ UnitedHealthcare

8. Do You/Your Primary Ambulance Service have more, fewer, or the same number of provider network contracts with commercial health plans than five years ago?
   ○ More ○ Fewer ○ Same

9. To the extent You/Your Primary Ambulance Service do not have contracts with commercial health insurance plans, i.e., You are "out of network" please rank your reasons for not contracting with such plans, with "1" being the most significant reason, "2" being the second most significant reason, etc. If one of the reasons provided is not applicable, please indicate "N/A."

    a. Click or tap here to enter text. Limited personnel, expertise or resources to engage in negotiations with commercial health insurance plans.
    b. Click or tap here to enter text. Belief that rates offered by commercial health plans would not be sufficient to cover the costs of providing the ambulance service.
    c. Click or tap here to enter text. Complexity in managing contracts with multiple commercial health insurance plans.
    d. Click or tap here to enter text. Need to maximize reimbursement relative to OON Health Plan members to offset low rates of reimbursement from public payers.
    e. Click or tap here to enter text. The OON Health Plans have not asked our municipality to negotiate a contract with them.
    f. Click or tap here to enter text. Difficulty contacting or engaging with OON Health Plans.

10. If there are additional reasons for which You/Your Primary Ambulance Service have not contracted with all or some commercial health insurance plans (or if you want to provide further detail on the reasons ranked above), please describe here.
    Click or tap here to enter text.

11. OPTIONAL: In the last five years, have You /Your Primary Ambulance Service attempted to contract with any OON Health Plans?
    ○ Yes ○ No

    a. If yes, please describe these efforts, including the name of the OON Health Plans with which such attempts were made.
       Click or tap here to enter text.

12. OPTIONAL: The AGO is also interested in any additional information that could further its understanding of why You/Your Primary Ambulance Service remain OON with one or more commercial health insurance plans. What would incentivize you to enter such contracts?
    Click or tap here to enter text.

III. PATIENT/HEALTH PLAN BILLING

13. What is Your Primary Ambulance Service's National Provider Identifier ("NPI") number? Click or tap here to enter text.

14. What is Your Primary Ambulance Service's MassHealth Provider ID? Click or tap here to enter text.

15. For patients with OON Health Plans, do You/Your Primary Ambulance Service have a practice of submitting a claim to the patient's health insurance plan for reimbursement *before* a bill is sent to the patient?
    ○ Always ○ Sometimes ○ Never

16. Do You/Your Primary Ambulance Service have a practice of Balance Billing patients with commercial health insurance plans?
    ○ Always ○ Sometimes ○ Never

17. Do You/Your Primary Ambulance Service have a practice of seeking payment from patients in situations involving an ambulance response (and, when applicable, treatment) but no transport (e.g., services that could be billed under HCPCS code A0998)?
    ○ Yes ○ No

18. Do You/Your Primary Ambulance Service have a practice of seeking reimbursement from patients for costs associated with first responders involved in an EMS response other than an ambulance service?
    ○ Yes ○ No

19. Do You/Your Primary Ambulance Service have written policies, guidelines or disclosures concerning billing, Balance Billing or debt collection and forgiveness practices for patients who have received ground ambulance services?
    ○ Yes ○ No
    a. If "yes," please attach written document(s) reflecting such policies, guidelines or disclosures or provide a link to any website where such information is available. Click or tap here to enter text.

20. Do You/Your Primary Ambulance Service offer a hardship or charity program that allows the patient's portion of an ambulance bill to be written off in part or in full due to indigency or hardship?
    ○ Yes ○ No

21. Do You/Your Primary Ambulance Service send unpaid ambulance patient bills to debt collection agencies?
    ○ Always ○ Sometimes ○ Never

IV. UTILIZATION/VOLUME

22. Does Your Primary Ambulance Service provide back-up services to any other municipality or facility?
    ○ Yes ○ No
    a. If so, please describe.
       Click or tap here to enter text.

23. Does Your Primary Ambulance Service provide BLS or ALS services in support of any other municipality?
    ○ Yes ○ No
    a. If so, please describe.
       Click or tap here to enter text.

24. What is the total number of Ground Ambulance Responses Your Primary Ambulance Service provided in 2022?
    Click or tap here to enter text.

25. What is the total number of Ground Ambulance Responses provided by Your Primary Ambulance service in 2022 that did not result in a Ground Ambulance Transport of a patient (e.g., instances where patient refused transport or treatment was provided on site)?
    Click or tap here to enter text.

26. What is the total number of Ground Ambulance Transports provided by Your Primary Ambulance Service in 2022?
    a. Click or tap here to enter text.
    b. Approximately what percentage of these Ground Ambulance Transports were provided to patients with Medicare (i.e., patients for whom you were paid Medicare reimbursement rates)? Click or tap here to enter text.
    c. Approximately what percentage of these Ground Ambulance Transports were provided to patients with MassHealth (i.e., patients for whom you were paid MassHealth reimbursement rates)? Click or tap here to enter text.
    d. Approximately what percentage of these Ground Ambulance Transports were provided to patients with commercial health insurance? Click or tap here to enter text.

V. FINANCIAL INFORMATION & OPERATING COSTS

27. Please provide Your Primary Ambulance Service's 2022 charges for the following billing codes. If You did not provide a particular set of services in 2022 and do not have an associated charge, you may respond as "N/A."
    a. A0425 (per mile charge for ground mileage) Click or tap here to enter text.
    b. A0426 (ALS non-emergency) Click or tap here to enter text.
    c. A0427 (ALS1-emergency) Click or tap here to enter text.
    d. A0428 (BLS non-emergency) Click or tap here to enter text.
    e. A0429 (BLS-emergency) Click or tap here to enter text.
    f. A0433 (ALS 2-emergency) Click or tap here to enter text.
    g. A0434 (specialty care transport) Click or tap here to enter text.

28. Please provide Your Primary Ambulance Service's 2023 charges for the following billing codes:
    a. A0425 (per mile charge for ground mileage) Click or tap here to enter text.
    b. A0426 (ALS non-emergency) Click or tap here to enter text.
    c. A0427 (ALS1-emergency) Click or tap here to enter text.
    d. A0428 (BLS non-emergency) Click or tap here to enter text.
    e. A0429 (BLS-emergency) Click or tap here to enter text.
    f. A0433 (ALS 2-emergency) Click or tap here to enter text.
    g. A0434 (specialty care transport) Click or tap here to enter text.

29. Please submit any fee schedule or charge list reflecting Your Primary Ambulance Service's charges for ground ambulance services, including charges for any "add ons" such as supplies, in 2022 and 2023.

30. Approximately what percentage of the 2022 operating costs for ground ambulance services provided by Your Primary Ambulance Service were covered through reimbursement from health plans and patients? If this response cannot be determined, please explain.
    Click or tap here to enter text.

31. Please submit any annual (or aggregate) cost and revenue reports concerning ground ambulance services provided by Your Primary Ambulance Service in 2021 and 2022.

32. Other than health plan reimbursement, please check any other funding sources used in 2022 or 2023 for ground ambulance services provided by Your Primary Ambulance Service.
    a. ☐ donations/philanthropy/fundraising
    b. ☐ public or private grants
    c. ☐ taxpayer support
    d. ☐ use of voluntary labor
    e. ☐ subscription program
    f. ☐ other – please describe Click or tap here to enter text.

33. Please submit any "cost-per-call/transport" analysis, "unit hour utilization" analysis or other analysis reflecting the consideration of operating costs when determining charges that You or Your Primary Ambulance Service has undertaken with respect to ground ambulance services in the last five years.

VI. STAFFING – OPTIONAL

34. Is Your Primary Ambulance Service experiencing difficulties in hiring and/or retaining staff to provide ground ambulance services?

    ○ Yes ○ No

    If yes, please describe. Click or tap here to enter text.

35. Are You currently experiencing a workforce shortage with respect to ambulance services?

    ○ Yes ○ No

    If yes, please describe. Click or tap here to enter text.

36. In the last three years, have Your costs related to staffing for EMS, including ambulance services, increased?

    ○ Yes ○ No

    If yes, please describe. Click or tap here to enter text.

VII. GENERAL QUESTIONS – OPTIONAL

37. What do You consider to be the biggest challenges to providing ambulance services in Your community (e.g., regulatory, financial and/or operational demands)?

    Click or tap here to enter text.

38. As policymakers at the state and federal level consider proposals around consumer protection, ambulance billing and health plan coverage, what information should they take into account?

    Click or tap here to enter text.

VIII. CONTACT INFORMATION

39. Please provide the name, job title, e-mail address and phone number for the primary person(s) who completed this Survey.
    Click or tap here to enter text.

40. Please provide the name, job title, e-mail address and phone number for the person(s) the AGO should contact with any questions related to Your responses to this Survey.
    Click or tap here to enter text.

IX. END OF SURVEY

☐ Checking this box certifies that the responses submitted in this Survey are correct to the best of Your knowledge, information and belief.

X. SUBMISSION INSTRUCTIONS

- Please e-mail the completed Survey, together with any documents requested by the Survey, to: AGOAmbulanceSurvey@mass.gov.
- Please include the name of your municipality in the e-mail subject line.
- The maximum inbound e-mail size is 25MB. If you are submitting attachments with more than 25MB of data, please send your response in multiple e-mails and note in the subject line of the e-mail that multiple e-mails will be submitted on behalf of your municipality *e.g*, "municipal name – part 1 of 2."
- If you continue to have technical difficulties, please contact us in an e-mail to AGOAmbulanceSurvey@mass.gov.


CARING HEALTH CENTER


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COMMONWEALTH OF MASSACHUSETTS