Testimony

Public Hearing on Fire and EMS Issues

Senate Veterans Affairs and Emergency Preparedness Committee

August 24, 2020

Chairman Regan, Chairman Iovino and members of the Senate Veterans Affairs and Emergency Preparedness Committee, thank you for this opportunity to come before you today to discuss the progress of Senate Resolution 6 (SR 6) Commission Recommendations, priorities for the remaining 2019-2020 Legislative Session and some issues facing the Emergency Medical Services (EMS) provider community of this Commonwealth.

I would also like to acknowledge Senator Baker and thank her for requesting this hearing. Since my ambulance service is frequently dispatched mutual aid into Lehman Township from Monroe County, I am familiar with the EMS service issues in Pike County.

My name is Donald DeReamus and I am a Board Member and Legislative Chair of the Ambulance Association of Pennsylvania (AAP). I am senior management, a paramedic and tactical paramedic for Suburban EMS that provides service to 19 municipalities in Monroe and Northampton Counties. Accompanying me today is Heather Sharar, Executive Director of the AAP.

Allow me to give a brief overview of what has been produced this Session based on the Recommendations in the SR 6 Commission Report:

64 Bills have been introduced 44 – House 20 – Senate

26 – Pertain to both Fire/EMS 24 – Fire 9 – EMS

4 – All public safety 1 – QRS

6 statutes have been enacted 5 – House Bills 1 – Senate Bill

14 bills passed have passed the House and have been sent to the Senate

20 bills are still in a House Committees

On the House Calendar 4 on 1st consideration 1 in Appropriations

7 bills have passed the Senate and have been sent to the House

9 bills are still in a Senate Committees

On the Senate Calendar 1 on 1st consideration 3 in Appropriations

Statutes

Act 106 of 2019 – Directs Fire Commissioner to establish guidelines for the development, delivery and maintenance of an online system for firefighter training that is voluntary and free of charge

Act 17 of 2020 – Waives or adjusts minimum staffing requirements for a Basic Life Support Ambulance at the discretion of the Department of Health Bureau of EMS

Act 22 of 2020 – Amended Child Labor Law regarding junior firefighters

Act 29 of 2020 – Exempting volunteer fire company from surcharge for liquor license

Act 66 of 2020 – Realty transfer tax exemption for volunteer fire, rescue and EMS companies

Act 69 of 2020 – Providing for emergency responder mental health and wellness and establishes Statewide Critical Incident Stress Management Program under the Department of Health

Priorities for the end of the Session – SR 6 Bills

HB 1834 – Sainato – Reauthorization of the Fire and Ambulance Grant Program

HB 1838 – Causer – increases the fine for the Emergency Medical Services Operating Fund with enhancement for rural training and direct provider support

SB 910 – Mastriano – Reauthorization of the Fire and Ambulance Grant Program

HB 432 – Barrar – Worker's compensation expansion to include Post Traumatic Stress Disorder/Injury

HB 1374 – Masser – direct reimbursement by insurance companies to EMS without stipulations

SB 1244 – Pittman – Using the EMS allocation dedicated to the Fire and EMS Grant Program fund monies to increase Medical Assistance Rate

Priorities for the end of the Session – COVID-19 Bills

HB 2396 – Ravenstahl - Presumption of work related hazardous duty - unemployment and WC

HB 2485 – Farry – Amends W/C defining occupational disease

HB 2486 – White – Amends W/C defining occupational disease

HB 2537 – Grove – Amends Fiscal Code for CORONAVIRUS AID, RELIEF AND EMERGENCY RESPONSE

HB 2744 – Ortitay – Amends Fiscal Code providing for COVID-19, relief and emergency response.

SB 1239 – Baker - Providing COVID-19 liability protection

SR 6 has benefited EMS by giving us two statutes

Act 17 waives or adjusts minimum staffing requirements for a Basic Life Support Ambulance at the discretion of the Department of Health Bureau of EMS. This is particularly helpful for small rural counties where EMS Agencies are having difficulty meeting the existing regulatory standard. It would allow them to utilize an Emergency Medical Services Vehicle Operator (EMSVO) and an Emergency Medical Technician to increase the availability of staffed ambulances.

Act 69 provides for emergency responder mental health and wellness and establishes Statewide Critical Incident Stress Management Program under the Department of Health. According to the Substance Abuse and Mental Health Services Administration (SAMSHA) in their report *First Responders: Behavioral Health Concerns, Emergency Response, and Trauma May 2018*, "It is estimated that 30 percent of first responders develop behavioral health conditions including, but not limited to, depression and posttraumatic stress disorder (PTSD), as compared with 20 percent in the general population (Abbot et al., 2015). In a study about suicidality, firefighters were reported to have higher attempt and ideation rates than the general population (Stanley et al., 2016). In law enforcement, the estimates suggest between 125 and 300 police officers commit suicide every year (Badge of Life, 2016).

Regrettably, the majority of proposals in **Recommendation 4 – *Correct Reimbursement Rates to Allow for Competitive Compensation***, and **Recommendation 15 – *Update EMS Payment Policies Including Medical Assistance (Medicaid) Rates,*** have received little to no legislative or administrative action. EMS Agencies in this Commonwealth were in dire financial straits prior to the COVID-19 pandemic and since COVID-19 the meter is pegged on system failure.

The predominant crisis facing EMS is "FUNDING". Funding for this discussion consists of reimbursement for services rendered, the cost of readiness and lack of state, county or municipal support. For decades, EMS Agencies have barely tread water due to below cost reimbursement for services and the lack of state, county or municipal support while costs and regulatory mandates increased.

Currently funding, or the "EMS Business Model" for most 911 emergency services, is based on anticipated revenue from historic call volume. The reimbursement rate for that call volume, regardless of payor, has been fixed by the Medicare Ambulance Fee Schedule negotiated in 2002. Since 2002, this payment structure has increased payment rates by a mere 20%. EMS Agency service costs have increased 67% during the same time period. Commercial insurers since the passage of the Patient Protection and Affordable Care Act have also set their non-negotiable rates for ambulance service at or near the Medicare reimbursement rate while Medicaid rates still lag well below all payors.

Technical and clinical changes in our industry that did not exist in 2002 (i.e. the 12 lead Monitor/Defibrillator, CPAP, pulse oximetry, end tidal capnography and the Epi-pen, among other things) have increased

our costs for licensure while reimbursement to defray the cost of these clinical advances never changed.

An EMS Agency solely responding to 911 calls as their main revenue source cannot survive when the payment for the level of service provided is **always** below the cost of providing that service while your fixed costs continue to increase. Succinctly, the math does not work today and it has not worked for nearly two decades.

This is one reason EMS Agencies are having a difficult time in Pike County as they are not financially sustainable under this existing "EMS Business Model". An inadequate EMS workforce and poor unit hour utilization due to lengthy transport times to out of county acute care facilities exacerbates the financial picture even more. Some of this is confirmed in the *Pike County Assessment of Emergency Medical Services* in 2018.

Recommendation 6 of the SR 6 Commission Report, the Pike County Assessment and other similar access to prehospital care issues, especially in rural counties, prompted the County Commissioners Association of Pennsylvania (CCAP) to engage the General Assembly in codifying the ability for Counties to develop public safety authorities.

I would like to close with the effects that the COVID-19 pandemic has had on our EMS Agencies and why we included the COVID-19

legislation pieces in this testimony. Contrary to the belief that a pandemic would increase the amount of 911 responses in the Commonwealth and nationally, the converse has been realized. Unlike the fire service that lost the ability to fundraise or maintain other revenue generating social functions due to lockdowns, the EMS System realized a significant decrease in 911 call volume throughout the spring of this year decimating budget projections to the tens of thousands of dollars per month. EMS Agencies were also saddled with increased and escalating costs related to the utilization of personal protective equipment (PPE) on EVERY call, the disinfecting of vehicles and equipment and overtime related to EMS providers who had to quarantine.

Patients suffering maladies including chest pain, stroke, diabetes and even trauma patients opted not to call 911 for fear or contracting COVID-19 either through EMS or at the hospital. This coupled with the near total cessation of non-emergency medical transportation robbed the only other funding mechanism for many EMS agencies.

No EMS Agency could have anticipated a pandemic and the effect it would have on their budgets when they were developed in the previous calendar year. Hospitals have received funding to supplement their budget losses relative to decreased emergency room

activity and the cessation of elective procedures. EMS Agencies need to be made whole from the effects of this pandemic. It remains to be seen how many EMS Agencies will be lost directly related to funding issues intensified by the COVID-19 pandemic.

And one final comment on the COVID-19 pandemic. While the General Assembly had no involvement in this initiative, an event occurred this past week that dismayed our EMS providers. The Governor, through the Department of Community and Economic Development (DCED), allocated $50 million dollars towards a "Hazard Pay" Grant for essential frontline workers making less than $20 per hour. In the Commonwealth, that is the majority of emergency medical technicians and even some paramedics. The grant guidelines suggested that occupations with the highest risk of exposure would receive these grants. NO EMS Agency received a "Hazard Pay" Grant under this program leaving our EMS community stunned, especially when the awardees were announced and it was realized a security company was awarded over $600,000. This occurred weeks after a public event with the Governor and Secretary of Health solely to commend our EMS provider community for our response during the pandemic. EMS providers face the unknown of this pandemic on every call covered in personal protective equipment. We understand that DCED received requests for over $900 million dollars for this program

but our EMS providers now believe they are continually responding and constantly forgotten.

In conclusion, the SR 6 Commission Report intent has been realized with the generation of a substantial amount of legislative initiatives. EMS and the public safety community are appreciative of these efforts. However, if the General Assembly does not address the issues of adequate reimbursement or assist in the development of a sustainable funding source from state, county or municipal entities, our EMS System will fail.