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House of Representatives

COMMONWEALTH OF PENNSYLVANIA
HARRISBURG

March 14, 2005

MEMORANDUM

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TO: All House Members

FROM: Representative Larry O. Sather

SUBJECT: Proposed Legislation Regarding Insurance Reimbursements for Ambulance Services.

In the near future, I intend to introduce legislation which would require insurers to reimburse all ambulance service providers, regardless of whether a participating provider arrangement is in place.

My legislation seeks to provide relief to those ambulance service providers who, for many years now, provide valiant service time and time again, with no guarantee of payment.

In cases where an ambulance service provider is not part of an insurer's provider network, reimbursement for the service provided goes directly to the patient. The ambulance provider is then forced to bill the patient directly. The ambulance provider not only is delayed in receiving payment through such a system, creating an enormous cash flow problem, but in many cases these providers receive no payment at all.

Making matters worse, in some parts of our state, ambulance service providers who are willing to join insurer provider networks have been unable to do so. My legislation seeks to overcome such obstacles.

Clearly, cash flow and other payment concerns are a part of doing business and often considered a 'cost' of doing business. However, an ambulance service provider does not represent a typical business because it does not have a choice when responding to emergency calls - they are also legally obligated to respond under Act 78 of 1990.

Please join me in putting an end to this situation and provide the relief necessary so that ambulance service providers can continue to do what they do best - save lives.

If you are interested in co-sponsoring this legislation, please contact Jennifer in my office at 7-3335 or by e-mail jhaines@pahousegop.com.

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