

Coalition to Protect Emergency Medical Services Backs Measure H. 863 To Secure Public Safety, Prevent Insurance Companies From Shifting Costs To Cities and Towns

Fire Chiefs, Municipal Officials Join to Thwart Insurance Industry

(Boston, MA) April 25, 2011 — **The Coalition to Protect Emergency Medical Services** today urged the House of Representatives to adopt a budget amendment that would prevent insurance companies from undermining public safety by slashing reimbursement rates for Emergency 911 services and shifting costs onto cities and towns.



At a State House press conference, representatives from fire departments joined legislators and municipal officials to call on the House to stop the insurance industry's attempt to unilaterally cut reimbursement rates for Emergency 911 services, which would shift the costs onto taxpayers.

Citizens rely on E911 services that can get them or their loved ones to urgent medical care. Blue Cross Blue Shield of Massachusetts (**BCBSMA**) is trying to cut the reimbursement rate. When that happens, patients suffer from longer response times and cuts in service.

Rep. James Cantwell (D-Marshfield) submitted an amendment to the budget that would prevent the cuts in reimbursement and give cities and towns authority to set ambulance reimbursement rates for E911 calls. "We cannot stand by while insurance companies try to cut their own costs and undermine public safety," said Marshfield Fire Chief Kevin Robinson, president of the Massachusetts Fire Chiefs Association. "We are trying to prevent a situation where people who call 911 for emergency medical care have to wait longer for that ambulance to arrive."

"What's really going on here is that Blue Cross Blue Shield is trying to force emergency medical service providers to join its network. The problem is that their reimbursements to in-network providers don't even cover the providers' costs," said Rep. Cantwell.

A similar measure passed the House and Senate last year but was vetoed by the Governor. Proponents altered the amendment by stripping out language that



would have kept reimbursement rates to three times the rate for Medicare and Medicare rates. Under the proposal, towns would set E911 rates.

Melrose Mayor Robert J. Dolan and Melrose Fire Chief John O'Brien also spoke at the press conference. "We have an E911 system that works right now in Melrose. Cities cannot afford to shoulder new costs because the insurance industry wants to make more money," said Mayor Dolan. Municipal budgets are severely strained, and the Legislature needs to act now to prevent a new financial burden for cities and towns."

"Big insurance companies should not be deciding rates for E911 services, which differ greatly from town to town. Local officials know the special circumstances of their communities and are better positioned to make that call," said Kevin Paico, Town Manager of Foxboro.

Contrary to the claims of Blue Cross Blue Shield, E911 services are not like other medical specialties, where reimbursement can be controlled by accountants in cubicles. There are essential differences, and the most appropriate rate setting authority is city and town officials.