

## **EMS Assignment of Benefits SB 1012/HB 405**

Insurers would like to limit the EMS Assignment of Benefits provision to only life threatening or urgent situations. This limitation does not recognize the uniqueness of EMS or the lack of applicability of insurance contracting factors to EMS. This legislation simply requires that the insurer honor the patient's request to have payments for EMS services sent directly to a provider. This practice will save the patient from having to handle billing for ambulance services, save the EMS system the cost of attempting to collect payment from the patient and mitigates associated bad debt.

Payments made directly to patients instead of EMS providers may lead to increased subsidy levels, which impinge upon taxpayers and may result in escalating collection expenses for providers across the state. While requiring direct payment to EMS providers would have a substantial impact on the ability of local EMS systems to provide ambulance services to the citizens of Florida, no additional cost would be incurred by the insurer to pay a provider directly as opposed to paying the beneficiary, who then in turn pays the provider.

### **Background**

The concept behind the provisions in 627.638, regarding direct payment, is that the provider is not in a position to negotiate with the insurer for services. EMS systems throughout Florida are, by law, coordinated by each county. Ambulance treatment and transport, whether emergency or non-emergency, is determined by the county in which the EMS provider operates. The county decides the type of service and geographic area in which EMS can deliver services. EMS providers do not operate in a free market environment.

### **Key Points**

- Counties decide the type of service and geographic area in which EMS can operate. EMS providers cannot provide services other than those allowed by a county.
- In many counties, there is only one EMS provider. Many of these counties are rural, fiscally constrained counties in which emergent and non-emergent transportation from local facilities to hospitals with a higher level of service is critical to patient care.
- EMS is required to transport patients regardless of insurance status.
- Actions of insurers should not place EMS providers in a detrimental financial position, nor force taxpayers to subsidize services that are reimbursable and should be paid by the insurer.