



## **Close the Medicaid Payment Gap and Increase Medicaid Rates for Ambulance Services to Cover the Cost of Delivering Care**

**February 2024**

NYSVARA is grateful for the Medicaid ambulance payment rate increases implemented in 2023. However, Medicaid ambulance payment rates are still significantly below the cost of delivering care. This inhibits the ability to strengthen the EMS responder workforce and maintain ambulance access for communities.

EMS providers lose money on every Medicaid transport. Despite our crucial role in public safety and our commitment to responding 24-7-365, the Medicaid program does not pay its share of costs.

NYSVARA makes the following recommendation to close the Medicaid payment gap:

- 1) The Medicaid Ambulance Fee Schedule should be increased to close the gap between Medicaid ambulance payments and the corresponding Medicare payment rate over the next three state fiscal years. NYSVARA recommends an incremental increase of at least ten percent in SFY 2024-2025.
- 2) Once the gap is closed, the Medicaid fee schedule should be annually adjusted with a trend factor that is reflective of actual annual cost increases to EMS agencies.

### **Additional Information:**

- Medicaid makes up an increasing proportion of 911 EMS responses. Approximately 28% of the NYS population is covered by Medicaid. 65% of non-elderly Medicaid enrollees in NY are people of color.
- EMS staffing in New York State is in crisis, largely due to the low wages paid to career EMS responders. Medicaid payments that equal costs are needed to increase the number of active NYS certified EMS responders.
  - The number of active and certified EMS personnel declined by 17.5% from 40,046 in 2019 to 33,022 in 2022.
  - 37% of the respondents to a 2023 NYS EMS Council (SEMSCO) career workforce survey indicated that they plan to leave the EMS field in the next five years. Only 48% of respondents believed they have a long-term career in EMS.