

LINSAC
Long Island Nassau Suffolk Ambulette Coalition
1745 Merrick Ave, Suite 3
Merrick, NY 11566

February 5, 2020

**Joint Legislative Hearing on Health and Medicaid
January 2020**

Dear Legislators,

LINSAC (Long Island Nassau Suffolk Ambulette Coalition) is an industry advocacy group whose fleets perform over 90% of all ambulette trips on Long Island.

We are writing to comment on the state of the industry, and our desperate need for help from the legislature and the MRT 2. We need to be heard by the MRT 2 on industry issues to ensure the ongoing health of the industry, which at present, is in a frail economic state. Since 2013 half of all ambulette companies have closed on Long Island.

Transportation is often documented as the critical obstacle to the poor, sick, handicapped and elderly, the most vulnerable of our population, receiving proper medical care. At present, our ability to provide quality service is threatened. The key issue is that minimum wage is escalating in Nassau and Suffolk counties and we have not had a base rate increase since 2006. Ambulette work is 95% Medicaid related so we have no way to pay for the state mandated wage increases.

Rate Increase Request

In order to avoid further reductions in ambulette access, we are requesting an increase in the Medicaid base rate to \$75.00, and a mileage rate of \$3.00/mile for Nassau and Suffolk County based ambulettes. A full case documenting cost increases since 2006 of 67% for payroll, 100% for vehicle insurance, and 64% for vehicle purchase has been delivered to DOH on 11/12/18.

Carve Out Medicaid Transportation

We are supportive of carving out Medicaid Transportation funding from MLTC programs and shifting the transportation program to the Fee for Service Transportation manager. This was done by the DOH with Managed Care transportation several years ago, and it was a seamless transition.

The MLTC Plans have withheld funding they received from the DOH Division of Long Term Care earmarked to help providers fund the minimum wage burden. Despite direction from Division of Long Term Care that funding must 100% be passed through to the transportation provider the funding is and has not been passed through to the provider.

The brokers that most plans outsource the transportation program to (as they lack the wherewithal and infrastructure to properly manage transportation) claim they are not in receipt of the funds from the

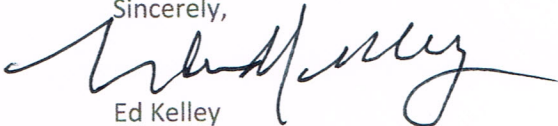
MLTC plans they are contracted with, and therefore do not have funds to pass through to providers. This dynamic is creating a crisis in the industry, as the minimum wage mandate wreaks economic havoc.

Providers are in desperate need of rate relief.

The most pragmatic solution is to carve out the funding presently going toward MLTC plans for transportation and shift it to the Fee for Service Side. We believe that synergies and cost efficiencies will be recognized as transportation will be consolidated with one transportation manager. In the past the DOH has estimated savings of \$15 to \$20 million annually implementing carve out. There will no longer be redundant fixed overhead with various brokers and some plans running transportation, each with their own overhead, and the Fee For Service side has been responsive in adjusting reimbursement rates to help account for the minimum wage expense we are burdened with, whereas there is no such hope of this occurring on the MLTC side.

Thank you for your time and consideration of this urgent matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'Ed Kelley', written in a cursive style.

Ed Kelley

Director of Public Affairs LINSAC

917-982-8015