

REVENUE: No revenue impact

FISCAL: No fiscal impact

Action:	Do Pass as Amended and Be Printed Engrossed
Vote:	5 - 0 - 0
Yeas:	Atkinson, Beyer, Burdick, Ferrioli, Rosenbaum
Nays:	0
Exc.:	0
Prepared By:	Erin Seiler, Administrator
Meeting Dates:	6/7

WHAT THE MEASURE DOES: Removes ambulance services from list of fee schedules used to calculate provider charges for personal injury protection benefits. Declares emergency, prescribes effective date of September 1, 2011.

ISSUES DISCUSSED:

- Impact of new workers' compensation fee schedule on ambulance service reimbursement rate
- Rate setting authority of ambulance service charges
- Potential loss of ambulance services to rural areas of state
- Implementation by insurers

EFFECT OF COMMITTEE AMENDMENT: Replaces original measure.

BACKGROUND: ORS 724.525 ties reimbursement rates for personal injury protection (PIP) benefits to the workers' compensation fee schedule. On April 1, 2011 a new Workers' Compensation rule went into effect and for the first time set reimbursement for emergency ambulance service to Workers' Compensation patients at 80 percent of the usual and customary charges. The implementation of the new Workers' Compensation rule has reduced PIP reimbursement to emergency ambulance services. This reduction in reimbursement has created concern amongst ambulance services, particularly in rural areas where many small ambulance services are already experiencing financial difficulties.

Ambulance services are concerned because emergency ambulances are unable to control their patient mix, as they must serve every 9-1-1 patient and ambulance services, whether public or private, cannot increase their rates without the approval of the city councils and county commissions where they serve.

Senate Bill 372-A decouples ambulance service billings for PIP benefits from the Workers' Compensation fee schedule, which means that ambulance service charges for PIP will be paid as billed.