

The American Ambulance Association is distributing to its members each week an update on health care reform legislation being considered by Congress. The update will focus on those aspects of health care reform legislation that are most important to ambulance service providers and professionals as businesses, employers, individuals and Medicare and health care providers. The focus of this week's update is the Affordable Health Care for America Act.

On Thursday, October 29, the House Democratic Leadership released H.R. 3962, the Affordable Health Care for America Act. This legislation is a merged version of the House bills (H.R. 3200) previously approved by the House Education & Labor, Energy & Commerce and Ways & Means Committees. Although leaders are awaiting a final cost estimate from the Congressional Budget Office (CBO), a preliminary analysis put the cost of the bill at \$894 billion over ten years. House Speaker Nancy Pelosi (D-CA) has stated that she plans to bring the bill to the House floor next week and a final vote by November 11.

This Update was developed by Eric Rasmussen of Patton Boggs and AAA staff.

Affordable Health Care for America Act (H.R. 3962)

Merged language of various versions of H.R. 3200 plus new provisions

Relevant Changes from Previous House Bills

The merged legislation makes several significant changes to the House bills discussed in previous AAA member updates:

- \* Health care provider reimbursements under the public insurance option would no longer be tied to Medicare rates. Instead, plan administrators would be required to negotiate reimbursement rates with health care providers.

- \* In previous versions of the legislation, employers with payroll up to \$250,000 were exempt from the requirement that businesses either offer health insurance to their employees or pay a fee. H.R. 3962 increases this exemption to \$500,000. In addition, the merged bill decreases obligations for employers with payrolls between \$500,000 and \$750,000 by graduating the application of the contribution, so that the full 8 percent penalty for not providing insurance to employees begins at annual payrolls of \$750,000 instead of \$400,000, as originally proposed.

- \* The bill increases the size of small employers automatically allowed to purchase coverage through the Exchange to at least 100 employees within the first three years.

- \* The bill provides start-up loans to establish non-profit co-operative health plans (CO-OPs) that compete with private insurers and the public health insurance option.

Items of Particular Interest to the Ambulance Service Providers

H.R. 3962 includes a number of items that specifically address ambulance and emergency services issues, including an extension of the 2% urban and 3% rural Medicare ambulance relief. The AAA continues to push for the inclusion of an extension of the super rural ambulance bonus payment which is now included in the Senate Finance Committee bill on health care reform. The following is a list of key sections of H.R. 3962 of potential interest to AAA members:

Sec. 1131. Incorporating productivity adjustment into market basket updates that do not already incorporate such improvements. Incorporates a productivity adjustment beginning in 2010 for ambulance services. This provision is the same as the one included in the original house bill.

Sec. 1196. Extension of ambulance add-ons. Extends bonus payments made by Medicare for ground and air ambulance services in rural and other areas through the end of 2011. This provision would extend the 2% urban and 3% rural ambulance increases for another two years.

Sec. 1737. Continuing requirement of Medicaid coverage of non-emergency transportation to medically necessary services. Requires State Medicaid programs to continue covering non-emergency transportation to medically necessary services as specified in regulations in effect on June 1, 2008.

Sec. 2552. Emergency care coordination. Creates an Emergency Care Coordination Center within the HHS Office of the Assistant Secretary for Preparedness and Response. Authorizes such sums as may be necessary for each of FY 2011 through FY 2015 to carry out the various activities of the Center.

Sec. 2553. Pilot programs to improve emergency medical care. Establishes a pilot program for the design, implementation, and evaluation of innovative models of regionalized, comprehensive, and accountable emergency care systems. Authorizes \$12 million for each of FY 2011 through FY 2015 to carry out this program. This provision is similar language to the Improving Emergency Medical Care and Response Act by then-Senator Obama and Representative Henry Waxman (D-CA) from last Congress which was supported by the AAA.

Sec. 2554. Assisting veterans with military emergency medical training to become State-licensed or certified emergency medical technicians (EMTs). Establishes a new program for states to assist veterans with military emergency medical training in becoming state-licensed or certified medical technicians. Authorizes sums as may be necessary for each of FY 2011 through FY 2015 to carry out this program. Requires the GAO to conduct a study on the barriers experienced by veterans with military emergency training in becoming licensed or certified civilian health professionals. This provision is similar language to the Veterans to Paramedics Act by Senator Amy Klobuchar (D-MN) and Representative Stephanie Herseth Sandlin (D-SD) from last Congress which the AAA helped in the development.

Sec. 222. Notification of Provision of Emergency Contract Health Services. Allows 30 days for notification to the Indian Health Service (IHS) of any emergency medical care or services received by an elderly or disabled Indian from a non-IHS provider or in a non-IHS facility.

Below is information from the AAA Health Care Update of October 16 so that AAA member contacts have details of the original House bill readily available for comparison.