



Dear Members,

Governor Hochul has released her Executive Budget proposal for the state fiscal year that runs from April 1, 2025 through March 31, 2026.

NYSVARA is disappointed that the Governor's budget proposal does not invest in improving Medicaid payments to ambulance services. We are paid well below the cost of delivering care which has been a major factor in the fiscal stress facing ambulance services.

Attached is a letter and position paper that we sent to the state legislature outlining our concerns. We are asking the state legislature to increase ambulance payments by 30% in this budget so that they are close to the Medicare rate.

It is important to note that this proposed budget contains billions of dollars in new health care investments, yet our needs were not addressed. The state clearly has large sums of money to spend on health care investments. The excuse that there was no money available for investment does not apply.

The state budget proposal also contains several important EMS provisions. We have endorsed a extension of the Community Paramedicine Demonstration Program, a revised statutory definition of EMS, and the administration of medication for substance abuse withdrawal by Paramedics. Each of these proposals were developed with substantial consultation of EMS stakeholders.

We are analyzing additional provisions in what is known as "Part R" of the Executive Budget proposal. NYSVARA supports the Essential Service concept that has been introduced in the Legislature and advanced by the Governor. We will share our analysis of the specific provisions and their implications with the membership shortly. The legislature will be in session into June, which gives us time to work with other stakeholders and articulate our positions on the Part R issues. However, the window of time for addressing Medicaid funding is only through the end of March, thus making this an immediate priority.

We ask NYSVARA members to contact their members of the state legislature in support of increasing Medicaid ambulance reimbursement rates in the state budget that is currently being written. A draft letter was distributed in a previous e-mail.

If you have any questions, please contact Steve Kroll at legislation@nysvara.org



New York State Volunteer Ambulance and Rescue Association, Inc.

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(877) NYS-VARA www.nysvara.org

NYSVARA represents, advocates, and provides a voice for Emergency Medical Services and emergency medical responders in the community and volunteer not-for-profit sector.

2/26/25

Colleagues:

The NYS Legislature is writing the State budget for the next year fiscal year right now.

Please write your Senators and Assemblymembers in support of a Medicaid Ambulance Rate Increase.

A sample advocacy letter is below. Please transfer it to your own letterhead and e-mail or mail it as soon as possible.

Then share your letter on your social media pages.

Thank You and Best Regards,

Steven Kroll

legislation@nysvara.org

**Legislative and Government Affairs Committee Co-Chair and Board of Directors
Member, New York State Volunteer Ambulance and Rescue Association (NYSVARA)**

Advocacy Committee Chair, National Association of EMTs (NAEMT)

Executive Director and Chief, Delmar-Bethlehem EMS, Albany County, NY

Dear Senator/Assemblymember,

EMS services are paid far less than it costs each time we treat and transport a Medicaid recipient. The inadequacy of Medicaid payment is a large factor in the perilous situation facing ambulance services today.

I ask you to support investing in the Medicaid ambulance fee schedule in this year's state budget to close the gap between Medicaid emergency ambulance payment rates and the corresponding Medicare payment rate. An annual investment of approximately \$67 million (state share) would bring Medicaid payment rates up to the Medicare level.

Medicaid and Medicare ambulance payment rates are significantly below the cost of delivering care. In fact, Medicaid payment rates are a fraction of the Medicare rates and leave ambulance services with a substantial deficit on every Medicaid transport. This inhibits the ability to strengthen the EMS responder workforce and maintain ambulance access for communities. 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.

The Governor's Budget makes a multi-billion-dollar investment in health care with a multi-year stream of dollars to help health care providers through rate increases, capital

investment, and sustainability programs and I ask you to add ambulance services to this investment.

The cost of the equipment, goods and services purchased by ambulance services is rising at a rate much faster than general inflation and government payment shortfalls are a significant impediment to fiscal stability. EMS agencies are struggling to retain, recruit, and train both volunteer and career clinicians and are handicapped by financial constraints. Funding has never been robust and the ability to cost shift to other payers is long-gone, with state government protecting the interests of private insurers.

EMTs and Paramedics receive extensive training, work in high-risk and high-stress situations and have responsibility for the well-being of the people they serve. Yet, all agencies are struggling to make ends meet and agencies that employ EMTs and Paramedics can't afford to pay adequate wages. Medicaid payments that come closer to costs are needed to increase the number of active NYS certified EMS responders.

Thank you in advance for your consideration.

[To join NYSVARA or log-in to renew your membership simply click HERE](#)



NYS Volunteer Ambulance & Rescue Association

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The mission of NYSVARA is to educate, represent, promote and advocate for Volunteer and Community Based Emergency Medical Agencies and Responders throughout New York State



February 14, 2025

To the Members of the New York State Legislature

Commentary on the NYS Executive Budget for SFY 2025-2026

The New York State Volunteer Ambulance and Rescue Association (NYSVARA), United NY Ambulance Network (UNYAN), and New York State Association of Counties (NYSAC) are disappointed in the Governor's Executive Budget proposal. EMS continues to be at risk in many communities due to payment shortfalls that fuel workforce shortages. The inadequacy of Medicaid payment is a large factor in the perilous situation facing EMS organizations today and the Executive Budget does nothing to address chronic underfunding.

EMS services are paid far less than it costs each time we treat and transport a Medicaid recipient. That is why NYSVARA, UNYAN, and NYSAC wrote to Governor Hochul in late 2024 to ask that the NYS Executive Budget invest in Medicaid rate increases in the Executive Budget for SFY 2025-2026.

NYSVARA, UNYAN, and NYSAC requested an increase in Medicaid ambulance fee schedule payments to close the gap between Medicaid ambulance payment rates and the corresponding Medicare payment rate, asking for 30 percent over the next three state fiscal years. **Sadly, the Executive Budget does nothing to address the Medicaid payment gap.**

In addition, the New York State Emergency Medical Services Council (SEMSCO) wrote Health Commissioner McDonald on December 12, 2024 and asked that any Healthcare Stability Fund resulting from the Managed Care Organization Tax approved in the SFY 2024-2025 state budget (Public Health Law § 2807-FF) include funding for emergency medical service sustainability initiatives. **EMS was not included in the proposed use of proceeds from the managed care tax.**

It is tremendously disappointing that EMS providers were passed over in an Executive Budget that proposes so much new money for health care. This Executive Budget -- which is 3.6% larger than the current year's state budget -- makes a multi-billion-dollar investment in health care with a multi-year stream of dollars to help health care providers through rate increases,

capital investment, and sustainability programs and rate increases. It is very hard to have enthusiasm for the Executive Budget when the financial needs of the EMS field were not taken into account while substantial across the board multi-year rate increases and other investments are included for hospitals, nursing homes, physicians, and FQHCs.

Medicaid ambulance payment rates are significantly below the cost of delivering care and ambulance services run a deficit on every Medicaid transport. This inhibits the ability to strengthen the EMS responder workforce and maintain ambulance access for communities. 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.

EMS agencies are struggling to retain, recruit, and train both volunteer and career clinicians and are handicapped by financial constraints. Funding has never been robust and the ability to cost shift to other payers is long-gone.

The cost of the equipment, goods and services purchased by ambulance services is rising at a rate much faster than general inflation and government payment shortfalls are a significant impediment to fiscal stability.

Medicaid payments that equal costs are needed to increase the number of active NYS certified EMS responders. EMTs and Paramedics receive extensive training, work in high-risk and high-stress situations and have responsibility for the well-being of the people they serve. Yet, all agencies are struggling to make ends meet and agencies that employ EMTs and Paramedics can't afford to pay adequate wages.

Policy Changes in the Executive Budget

We have a lot of questions about how the various aspects of Part R (S3007/A3007) of the Governor's Executive Budget proposal will be operationalized. There are things in the Executive Budget that were developed in collaboration with EMS stakeholders. For example, the proposed revisions of the statutory definition of EMS, a two-year extension of the Community-Based Paramedicine Demonstration Program, and Paramedic administration of medication for substance abuse disorder were developed through the engagement of many EMS stakeholders. We applaud their inclusion and urge their adoption.

Other sections of Part R were developed with far less stakeholder input. We believe it is important for these topics to be thoroughly reviewed and addressed during the legislative session after completion of the state budget.

We are interested in learning more about the proposed Emergency Medical Community Assessment Program, Statewide Emergency Medical System Plan, comprehensive county EMS plans, "Essential Service" statutory language, the establishment of EMS demonstration programs, and standards of licensure of EMS practitioners.

Permit us to be frank, these policy changes are essentially meaningless if we continue to financially bleed the ambulance industry into oblivion. A major reason why the ambulance service community is struggling to meet the needs of communities is Medicaid underpayment. We can rearrange the deck chairs through policy changes as much as we want, but the ship will still sink if we don't address chronic Medicaid underfunding.

We do appreciate the elevated attention to EMS public policy issues and have the entirety of the legislative session that ends in June to work through these policy proposals. **However, between now and April 1 we urge the State Legislature to take the first step for EMS to be an Essential Service by including in the SFY 2025-2026 budget the funding necessary to address the Medicaid payment gap through:**

- 1) multi-year Medicaid rate increases totaling 30 percent and**
- 2) EMS sustainability funding from the proceeds of the managed care tax.**

UNYAN, NYSAC, and NYSVARA have endorsed S.3768 (Sanders)/A.2442 (Hevesi) that would provide a Medicaid rate increase for EMS providers by creating a methodology for ambulance reimbursement that is not less than the Medicare allowable charge.

We have attached a background paper titled "Close the Medicaid Payment Gap By Increasing Medicaid Ambulance Rates to Get Closer to the Cost of Delivering Care in the 2025-2026 NYS Budget". We thank you in advance for your consideration. Please direct any questions to Andrea DeBow at adebow@elkstreetgroup.com, Ryan Gregoire at rgregoire@nysac.org, and Steven Kroll at legislation@nysvara.org.

Sincerely,

Tim Egan, Chairperson
United New York Ambulance Network

Henry Ehrhardt, President
NYS Volunteer Ambulance and Rescue Assn.

Stephen J. Acquario, Executive Director
New York Association of Counties



Close the Medicaid Payment Gap By Increasing Medicaid Ambulance Rates to Get Closer to the Cost of Delivering Care in the 2025-2026 NYS Budget

December 2024

Medicaid ambulance payment rates are 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 and Medicare 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, UNYAN, NYSAC, FASNY, NYSAFC and AFDSNY make the following recommendations 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. We recommend an increase of 30 percent over the next three state fiscal years, beginning in SFY 2025-2026, to achieve parity with Medicare and get closer to the cost of providing the service.**
- 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.**
- 3) Should New York State receive federal approval for a Managed Care Organization Tax and Healthcare Stability Fund, a dedicated funding mechanism must be established to address chronic Medicaid ambulance underpayments. The SFY 2024-2025 enacted state budget requires the NYS Commissioner of Health to apply for a federal waiver to impose this tax.**

NYSVARA, UNYAN, NYSAC, FASNY, NYSAFC and AFDSNY have endorsed S.3223 (Sanders)/A.9237 (Hevesi) that would provide a Medicaid rate increase for EMS providers by creating a methodology for ambulance reimbursement that more closely approximates the cost of providing services.

Supporting 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.
- Ambulance services provide emergency care to all patients, regardless of insurance status. Ambulance services absorb the cost of caring for the uninsured and do not receive state or federal government assistance with the cost of uncompensated care.
- **Costs are Increasing and Ambulance Services are Closing**
 - The cost of the equipment, goods and services purchased by ambulance services is rising at a rate much faster than general inflation. This includes annual double-digit percentage increases in the price of replacing old ambulances.
 - Many ambulance services do not have the resources to replace aging ambulances, equipment, and technology. New equipment -- like power stretchers -- improves the standard of care and EMS provider safety but is much more expensive than the obsolete equipment being replaced.
 - Ambulance services are simply running out of ways to survive and are closing. The total number of ambulance services in New York State has decreased by 9% over the past 10 years from 1,078 to 982 (2013-2023).
- **The EMS Workforce is in Crisis**
 - 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 in NYS 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 and salary 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.
 - 45% of EMTs reported having an hourly base wage of \$19 or less, despite their lifesaving role. In comparison, the average salary of a retail salesperson in NYS is \$19.23 per hour (Bureau of Labor Statistics).
- **Annual Increases for Inflation are Needed – EMS is Falling Further Behind**
 - The federal Medicare program increases the ambulance fee schedule each year to adjust for inflation. NYS Medicaid does not, allowing ambulance payments to fall further behind costs.

The annual federal Medicare ambulance rate increase averaged 5.45% percent over each of the last three years.

- NYSVARA, UNYAN, NYSAC, FASNY, NYSAFC and AFDSNY are grateful for the Medicaid ambulance payment rate increases implemented in 2023. However, EMS funding increases were left out of the state budget by the Governor and legislature in 2024 and there were no changes to the Medicaid ambulance fee schedule.
 - At the same time the budget made more than \$800 million in needed investments in hospitals and nursing homes. EMS is a critical part of the health care system and should not be left out.