



Fairbanks North Star Borough

Mayor's Office

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March 26, 2018

Senate Health & Social Services Committee
Attn: Chair, Senator David Wilson
Alaska State Capitol Building
Juneau, Alaska 99811

RE: HB 176

The Fairbanks North Star Borough offers our support to HB 176 regarding emergency medical transport services payments.

The Fairbanks North Star Borough provides non areawide emergency medical services funded through a combination of service fees and a tax levy. The cost of providing the service is split evenly between these two revenue sources. When a Medicaid-eligible patient is transported to the hospital, only a fraction of the cost is reimbursed by Medicaid. The GEMT Supplementary Reimbursement Program is a way to recover some of the uncompensated costs above what Medicaid covers.

The FNSB charges \$1,000 per ambulance transport, plus mileage charges; however, the average Medicaid reimbursement is only \$455 per patient. During CY 2016, approximately thirty percent of the patients transported by borough EMS providers were Medicaid beneficiaries, accruing more than \$430,000 in uncompensated costs. These uncompensated costs could be recoverable under the GEMT program.

Last year, the FNSB Assembly passed Resolution 2017-08 in support of legislation to facilitate implementation of an Alaska GEMT Supplemental Reimbursement Program.

I respectfully urge your support.

Thank you,

Karl W. Kassel
Mayor