

United States Senate

WASHINGTON, DC 20510

July 13, 2007

Dear Colleague:

Ambulance services are a critical component of the health care and emergency response systems of our nation. Regrettably, ambulance service providers are being significantly underfunded for providing vital services to Medicare patients. We ask you to help preserve ambulance services in our communities by cosponsoring the *Medicare Ambulance Payment Extension Act* (S. 1310).

On May 23, the Government Accountability Office (GAO) issued its report on the cost of providing ambulance services to Medicare patients. According to the report (*Ambulance Providers: Costs and Expected Medicare Margins Vary Greatly* GAO-07-383, May 23, 2007), ambulance service providers are reimbursed on average six percent (6%) below their costs of providing services to Medicare patients. It is critical for the wellbeing of all of our constituents that Medicare appropriately compensate ambulance service providers and thus ensure continued access to ambulance services for our nation's seniors.

Since approximately 40% of patients transported by ambulance are covered by the Medicare program, Medicare payment cuts are forcing ambulance service providers to decrease essential medical and first responder services. Congress recognized this in 2003 by including a provision in the Medicare Modernization Act which provided short-term relief to help struggling ambulance service providers. These provisions will expire in 2007, resulting in a loss of \$450 million in needed relief from 2007 through 2009.

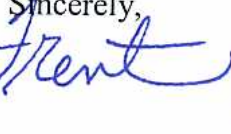
To protect our country from a loss of access to ambulance services, we have introduced a bill to increase Medicare reimbursement rates by 5% to all ambulance services providers in Fiscal Years 2008 and 2009. While this increase will not adequately address the enormous negative impact of below-cost reimbursement on patient access to life-saving ambulance care, it will keep providers afloat until a permanent solution can be addressed. We cannot afford to allow our health care safety net and a critical part of our emergency and disaster response system to deteriorate.

To cosponsor the *Medicare Ambulance Payment Extension Act* (S. 1310), please have a member of your staff contact Heather Langdon with Senator Schumer at 4-6542 or Emily Chandler with Senator Lott at 4-6253.

Sincerely,



Charles Schumer
United States Senator



Trent Lott
United States Senator



Kent Conrad
United States Senator