

Ambulance Association Reups Call For \$6M Supplemental To Cover EMS Agencies Unpaid By Bankrupt Former GONGWER MDOC Provider

An association representing ambulance services in the state is once again calling on the Legislature to approve a \$6 million supplemental to cover emergency services bills unpaid by the Department of Corrections former health care provider.

Wellpath, the private equity-owned former provider of health care services to MDOC, recently declared bankruptcy, resulting in millions of dollars in unpaid EMS claims.

The corporation, which was responsible for prison health services in several states, declared bankruptcy in November after incurring more than \$600 million in debts, which it said stemmed from extensive legal fees racked up in response to several wrongful death suits and increased costs of healthcare employees and supplies since the COVID-19 pandemic.

Since EMS agencies are required under Michigan law to respond to all 911 requests, providers argue the state should compensate them for the outstanding costs from MDOC bills that Wellpath's bankruptcy leaves unresolved.

"EMS providers operate on thin margins and cannot afford to not be compensated for millions in emergency care," Angela Madden, executive director of the Michigan Association of Ambulance Services, said in a statement. "Wellpath's actions have put EMS agencies in an unwinnable position and it's time for the state of Michigan right this wrong."

Madden's organization and EMS providers around the state are calling on the Legislature to approve a budget supplemental before the end of the year to pay back the \$6 million, before local agencies are forced to cut back on operations to deal with the costs.

The association issued a similar request last month but is now reupping the call to action in the throes of an already frenetic lame duck session (See <u>Gongwer Michigan Report</u>, <u>November 7, 2024</u>).

The ambulance association said due to the unpaid bills from Wellpath, EMS agencies in the eastern Upper Peninsula will soon be unable to provide emergency services in some communities. EMS agencies in other parts of the state fear similar outcomes if the state declines to intervene.

"EMS providers show up and provide emergency care no matter what, but that can't happen if we aren't compensated for our work," said Jeff White, chief of Richmond Lenox EMS, which serves portions of Macomb and St. Clair counties. "We need the state of Michigan to rectify this situation before the health and safety of our communities is at further risk."