

Economic Impact Statement

Montgomery County, Maryland

Bill 1-25

Public Safety – Emergency Medical Services – Insurance Reimbursement – Amendments

SUMMARY

The Office of Legislative Oversight (OLO) anticipates that Bill 1-25 would have an insignificant impact on economic conditions in the County in terms of the Council's priority indicators.

BACKGROUND AND PURPOSE OF BILL 1-25

Montgomery County residents are not required to “pay any out-of-pocket expenses (co-payment, deductible, or uninsured portion of the cost of each emergency medical services transport) relating to emergency medical transport services” provided by Montgomery County Fire and Rescue Services (MCFRS).¹ However, the Emergency Medical Service (EMS) Law passed in January 2013 authorizes MCFRS to seek reimbursement for ambulance transports from private health insurance companies, Medicare, or Medicaid. Revenue from these reimbursements goes towards equipment, enhancement, and training for MCFRS.²

Currently, under County law, MCFRS personnel are not allowed to inquire about an individual's insurance coverage. Instead, the County contracts with a third party to seek reimbursement from health insurance providers after emergency transportation services are rendered.³

Bill 1-25 would allow MCFRS emergency responders to ask for information regarding an individual's insurance coverage. Specifically, emergency responders could only ask for insurance information when:⁴

- Providing transportation to an alternative destination other than a hospital emergency department, such as a behavioral health facility, primary care office, or urgent care; or
- Providing treatment in place.

According to the County Executive, these changes would allow MCFRS personnel to provide alternate emergency services like treatment-in-place, define out-of-pocket expenses for individuals receiving such treatments, and aid MCFRS in seeking reimbursement for emergency services transport from health insurance providers.⁵ The Bill generally aligns with recommendations made by the Maryland Institute for Emergency

¹ [Montgomery County Code § 21-23A](#)

² [Montgomery County Emergency Medical Transport Services](#), Montgomery County Fire and Rescue Services, Accessed 1/23/2025.

³ [Bill 17-12, Fire and Rescue Service - Emergency Medical Services Transportation - Insurance Reimbursement](#), Montgomery County Council, Enacted May 15, 2012; [Montgomery County Emergency Medical Transport Services FAQ](#), Montgomery County Fire and Rescue Services, Accessed 1/23/2025.

⁴ [Introduction Staff Report for Bill 1-25](#), Montgomery County Council, Introduced January 21, 2025.

⁵ Ibid.

Medical Services Systems (MIEMSS) and the Maryland Health Care Commission (MHCC) in a report released in January 2019.⁶

Bill 1-25, Public Safety – Emergency Medical Services – Insurance Reimbursement – Amendments was introduced by the Council President at the request of the County Executive on January 21, 2025.⁷

INFORMATION SOURCES, METHODOLOGIES, AND ASSUMPTIONS

As required by 2-81B of the Montgomery County Code, this Economic Impact Statement evaluates the impacts of Bill 1-25 on residents and private organizations in relation to Council's priority economic indicators. In doing so, it examines whether the Bill would have a net positive or negative impact on overall economic conditions in the County.⁸

By allowing emergency responders to request insurance information under certain circumstances, the Bill may lead to some individuals being transported to urgent care or other health service providers instead of the emergency room. Since copays for emergency room visits can be higher than those for urgent care, this change could reduce out-of-pocket expenses for some individuals. However, the County lacks data to assess whether the policy change would significantly affect EMS transport destinations. Therefore, OLO anticipates that the Bill would have minimal impacts on private organizations, residents, and overall economic conditions in the County based on the indicators prioritized by the Council.

VARIABLES

Not applicable

IMPACTS

WORKFORCE ▪ TAXATION POLICY ▪ PROPERTY VALUES ▪ INCOMES ▪ OPERATING COSTS ▪ PRIVATE SECTOR CAPITAL INVESTMENT ▪ ECONOMIC DEVELOPMENT ▪ COMPETITIVENESS

Not applicable

DISCUSSION ITEMS

Not applicable

⁶ ["Coverage and Reimbursement for Emergency Medical Services Care Delivery Models and Uncompensated Services"](#), Maryland Health Care Commission and Maryland Institute for Emergency Medical Services Systems, January 2019.

⁷ [Introduction Staff Report for Bill 1-25](#), Montgomery County Council, Introduced January 21, 2025.

⁸ ["Sec. 2-81B, Economic Impact Statements"](#), Montgomery County Code.

CAVEATS

Two caveats to the economic analysis performed here should be noted. First, predicting the economic impacts of legislation is a challenging analytical endeavor due to data limitations, the multitude of causes of economic outcomes, economic shocks, uncertainty, and other factors. Second, the analysis performed here is intended to *inform* the legislative process, not determine whether the Council should enact legislation. Thus, any conclusion made in this statement does not represent OLO's endorsement of, or objection to, the Bill under consideration.

CONTRIBUTIONS

Stephen Roblin (OLO) prepared this report.