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HHS will test paying ambulances for trips to alternative sites, telemedicine

By Robert King | February 14, 2019

HHS will test allowing ambulance suppliers and providers to transport Medicare and Medicaid patients to areas besides the emergency room, such as a doctor's office or urgent care facility, or use telemedicine, in a bid to reduce unnecessary trips to the hospital.

The Center for Medicare and Medicaid Innovation will conduct an experiment on a new payment model for Medicare to create new incentives on emergency transport and care. The model would apply to Medicare fee-for-service beneficiaries.

Currently Medicare pays for ambulance services to take patients to an emergency room, which Trump administration officials say hinders creation of a value-based system.

"A payment system that only pays first responders to take people to the hospital creates the wrong incentive," said Adam Boehler, director of CMMI, at an event at a Washington, D.C., fire station on Thursday. "That leads to unnecessary ER visits and hospitalizations and ultimately that harms patients."

The voluntary payment model—called Emergency Triage, Treat and Transport model, or ET3—will run for five years and is expected to start in early 2020.

CMMI, which conducts experiments on changes to Medicare and Medicaid payment systems, would test two new types of ambulance payments under the model.

An ambulance would still get paid for transporting a patient to an emergency room. However, the ambulance provider would get the same reimbursement if they transport the patient to an alternative site such as a 24-hour urgent-care clinic.

The model would also pay an ambulance supplier and provider for partnering with a qualified healthcare practitioner to deliver treatment either on the scene of a medical emergency or via telehealth.

Any participating ambulance supplier or provider could earn up to a 5% payment adjustment in later years of the model if they meet certain quality measures.

"Qualified healthcare practitioners or alternative destination sites that partner with participating ambulance suppliers and providers would receive payment as usual under Medicare for any services rendered," HHS said in a release on Thursday.

The model will also encourage development of medical "triage lines" for 911 calls in regions where a participating ambulance supplier operates, HHS said.

CMS Administrator Seema Verma said at the Thursday event that the model "isn't just limited to Medicare. We are also going to invite state Medicaid programs and other insurance companies to join us in adopting this

model."

HHS anticipates asking for applications to participate in the model by summer 2019 to solicit ambulance suppliers and providers enrolled in Medicare.

The payment model is the latest bid by the Trump administration to revamp Medicare payments toward a more value-based approach.

"ET3 is a signal to everyone involved that we want to rethink how and where patients are treated," HHS Secretary Alex Azar said.