



## ACCT Position Statement on Transport Reimbursement

November 2015

*ACCT supports an alternate resource allocation for H.R 822 and S. 1149 that incentivizes and more narrowly tailors payment toward improving access, value, quality and safety.*

### **Introduction:**

The Association of Critical Care Transport (ACCT) supports initiatives to align reimbursement to assure high quality and safety in the care and transport of critically ill or injured patients by air and by ground. Patients remain at risk in a fragmented emergency care system in which incentives to improve care are not currently aligned with reimbursement policy. In the extensive 2009 hearing on Helicopter Emergency Medical Services (HEMS), the National Safety Transportation Board (NTSB) recommended that reimbursement for medical transport by air can and should be designed to incentivize safer practices. ACCT believes the current policy recommendations in H.R. 822 and S. 1149, while well-intentioned and a step in the right direction with regard to quality and cost-reporting, are insufficient to incentivize safer transport practices, improve access to underserved areas, improve transparency of costs, or measurably improve the availability of high-quality, critical care transport for vulnerable critically ill and injured patients.

### **Ground Ambulance Services:**

Assuring an adequately funded and robust emergency care system is an ongoing imperative. ACCT supports legislation making permanent the current extenders for ground ambulance transport. Congress has been extending the reimbursement for ground on an annual basis for many years now. Making this annual formality a permanent reality will help stabilize the ability for ground ambulance providers to assure timely quality care for emergent patients, especially in rural areas. ***ACCT supports permanent relief for ground ambulance providers.***

Further, while CMS currently has a reimbursement code for specialty care transport (SCT) the rate for this level of service is under-reimbursed by Medicare and Medicaid and does not begin to cover the costs of critical care ground transport. Further, the availability of critical care ground transport is lacking in many areas. The net result is increased utilization of higher cost helicopter air medical transport. ***Ground critical care transport should be separately recognized and appropriately reimbursed.***

### **Air Ambulance Services:**

ACCT has been monitoring H.R. 822 and S. 1149, both of which seek significant increases in Medicare reimbursement for patients transported for all air ambulance providers. The justification for this increase is that Medicare's annual adjustments have not kept pace with the increase of various costs of providing air transport, including insurance, fuel, and the costs of aircraft acquisition and maintenance.

While ACCT agrees that Medicare's annual adjustments to the fee schedule have not kept pace with cost increases, ACCT notes significant variation in the profitability, clinical and aviation capability of air ambulance providers under the current patient billing and reimbursement structures. Since the introduction of the CMS National Ambulance Fee Schedule in 2002, the emergency care system has seen a nearly 400% increase in the numbers of aircraft providing medical transport, but with increasingly wide disparity among the various air ambulance providers in the types of aircraft flown, the level of patient care provided, and the extent to which they have embraced industry-accepted patient and aviation safety practices. In addition, despite the increased fleet, the country continues to have large underserved areas, while others have far more aircraft than needed to adequately serve the area. This leads to lower transport volumes and rapidly increasing costs and charges.

***Any improvements to Medicare and Medicaid reimbursement for air ambulance services should be narrowly tailored to the specific areas of greatest need and measured quality and safety improvements.*** Current reimbursement under Medicare treats all air ambulance providers the same. A more carefully orchestrated and targeted effort will result in improved access, value, quality, and safety for patients in need throughout the country, especially in rural, low volume geographic areas, while helping assure the financial viability of all providers.

#### **Cost-Reporting:**

Transparent cost reporting is necessary to measure current air ambulance reimbursement adequacy for Medicare and Medicaid beneficiaries. ACCT supports the mandatory submission of cost data for all providers of transport services to Medicare and Medicaid beneficiaries as a means of testing the appropriateness of margins and volumes of services.

#### **Quality and Outcomes Measurement:**

In the ongoing transition to performance based reimbursement, ACCT supports the introduction of evidence-based quality measures developed by the medical community in concurrence with the Secretary of HHS, reporting on those quality measures should be mandatory for all providers of medical transport services to Medicare and Medicaid beneficiaries. Further, ACCT supports the integration and payment for bundled sets of measures for treating and transporting patients with high-cost and time-sensitive conditions, such as sepsis which, if utilized before and during transport, can dramatically lower costs and improve patient outcomes.

#### **Reshaping Reimbursement:**

All discussions of increases in transport reimbursement should include consideration for reimbursing on-scene care, including bedside laboratory testing and other evidenced based procedures. Such discussions would also include consideration for point-of-care innovations with clear potential to improve care and value for specific patients and the emergency care system. Such innovations could include community paramedicine, telemedicine, and other activities that deliver care to a patient without necessarily transporting them.

#### **Incentivizing Readiness:**

The emergency care system requires transport providers to invest in a level of patient care capability that assures the availability of highly complex care for specific and extremely critical patients throughout the day and year—24/365. Under the current transport based reimbursement model, it is increasingly difficult to maintain and support high quality, highly-

advanced levels of readiness. Unlike current CMS reimbursement of ground ambulance providers in which the higher costs for advanced life support are recognized, air ambulance providers are reimbursed the same rate from CMS, regardless of their clinical capabilities, aircraft flown, all weather capability, crew composition, etc.

Implementing a reimbursement structure that provides additional reimbursement for services who have demonstrated a readiness, aviation safety and clinical capability for the provision of highly complex care and undifferentiated capability to care for any age and disease will help assure the appropriate level of care is available in a timely manner to patients requiring it.

***ACCT supports narrowly tailored payments to recognize suppliers making additional investments in aviation and clinical resources to enhance the safe and appropriate transport of complex, critically ill patients requiring additional medical technology.***

#### **Incentivizing Low-Volume, Geographically Isolated Care:**

ACCT believes that all reimbursement increases under consideration should improve access to care in low-volume geographically isolated rural areas. ***Utilizing the previously developed MedPAC methodology, ACCT supports appropriate reimbursement increases commensurate with the cost of assuring access to transport care in low-volume, geographically isolated rural areas.***