Congressional Fire Services Institute · International Association of Fire Chiefs
International Association of Fire Fighters

June 22, 2016

The Honorable Kevin Brady
Chairman
U.S. House of Representatives
Committee on Ways and Means
1102 Longworth House Office Building
Washington, D.C. 20515

The Honorable Sander Levin
Ranking Member
U.S. House of Representatives
Committee on Ways and Means
1102 Longworth House Office Building
Washington, D.C. 20515

Dear Chairman Brady and Ranking Member Levin,

On behalf of the Congressional Fire Services Institute, the International Association of Fire Chiefs, and the International Association of Fire Fighters, thank you for the opportunity to offer comments on ways to improve and maintain the Medicare program. Fire departments across the nation are actively engaged in caring for Medicare beneficiaries on emergent and non-emergent healthcare needs every day. However, the Medicare program currently contains several challenges and impediments for fire departments providing care for Medicare beneficiaries in their communities. Our organizations look forward to working with this Committee to improve this vital element of our nation's healthcare system.

The Role of Fire Service-based EMS Agencies

As you are likely well aware, the fire service plays a key role in the provision of EMS across the United States. Recent studies have shown that fire departments provide the EMS response and care in 97% of the 200 most populated communities in the nation.

Fire departments provide far more than just ambulance transportation services. Fire departments often provide a wide-spectrum of services up to, and including, Advanced Life Support (ALS). Dual role firefighter-paramedics and single role paramedics employed by fire departments receive extensive training and continuing education to ensure their patients receive comprehensive care and a smooth transition from on-scene treatment and stabilization to efficient transportation and continuation of care until arriving at a qualified destination of care. Fire departments also work with their medical directors and other experts to provide continuous quality assessment and improvement. This robust system stands ready 24 hours per day, seven days per week, to address all community medical emergencies and many other health needs.

Many fire departments are also adding other non-emergent services known as mobile integrated health (MIH). Under this model, fire departments may work closely with hospitals, accountable care organizations, and other community services to ensure patients have the knowledge and resources needed to prevent hospital admissions and other costly medical emergencies. This concept also can address the needs of the non-emergent patients who call 911 and provide a more appropriate type of service commensurate with their medical complaints. This may include treat

and release as well as treating and referring to a medical facility other than an emergency room. This is often less expensive for the health care system, but also cheaper and more efficient for the fire service-based EMS provider.

The Need for Improving EMS Reimbursements

When fire departments care for Medicare beneficiaries, they are reimbursed according to the Center for Medicare and Medicaid Service's (CMS) Ambulance Fee Schedule. This schedule only reimburses fire departments when patients are transported to a hospital and does not reimburse for the cost of medications provided or medical equipment used in procedures such as continuous positive airway pressure. Additionally, CMS only reimburses the agency which transported a patient. This means that in cases where a fire department provides paramedic-level care but another agency or private company transports the patient to the hospital, the fire department will receive no reimbursement.

Congress partially attempted to correct this problem more than ten years ago with the creation of the ambulance payment extenders. These extenders provide an additional 2%, 3%, and 22.6% of the reimbursement for fire departments respectively located in pre-determined urban, rural, and super-rural zip codes. Unfortunately, these payments generally have received short-term re-authorizations of one year or less. Due to these short reauthorizations, fire departments are unsure about the long-term viability of these payments. This uncertainty makes it very difficult to plan and budget for EMS operations in future years.

Together, these shortcomings in the Ambulance Fee Schedule result in a chronic under-reimbursement for fire departments across the United States.

Recommended Ambulance Fee Schedule Improvements

In order to address these challenges for America's fire and emergency service, we recommend adoption of the following improvements in any Medicare legislation that this Committee might consider:

1) **Make Ambulance Extenders Permanent:** Our organizations encourage this Committee to make the ambulance payment extenders permanent. This change will bring predictability to the budgeting process for the thousands of fire departments across the United States which provide EMS care to their communities. The Medicare Ambulance Access, Fraud Prevention, and Reform Act of 2015 (H.R. 745) would take a significant step toward this goal by providing a long-term reauthorization of these payments.

2) **Reimbursement for Treat and Release and Alternative Destinations:** Often, fire departments are able to treat a patient on-scene and prevent an unnecessary and costly hospital admission. One very frequent example of this is when diabetic patients are provided intravenous or oral glucose in an attempt to correct life-threatening low blood sugar levels. Once the patient's blood sugar level rises, there likely is no longer an immediate medical emergency. Even when the fire department provides an emergency response and assists in cases such as this one, there is no reimbursement from CMS

unless the patient is transported to a hospital. CMS could save a significant amount of money by identifying reimbursement methods for when fire departments assist patients on-scene or transport the patients to alternate destinations such as an urgent care clinics or primary care providers instead of transporting the patients to hospitals. Whether these "treat and release" and "alternative destination" services are provided as part of an emergency response or a pre-scheduled/non-emergent MIH program, CMS could realize significant savings by adopting these changes.

3) **Response-Focused Reimbursement:** Another challenge often confronted by fire departments occurs when responding to and treating patients who ultimately pass away before being transported to a hospital. In cases of a cardiac arrests or other serious emergencies, fire departments will often dispatch many highly-trained responders and provide costly medication and treatments to patients in an attempt to save their lives. If patients die before transportation to a hospital, CMS will only reimburse the fire department at the non-emergent rate regardless of their very emergent response and provision of care. This Committee should require CMS to reimburse fire departments based on their response and not the patient's condition upon arrival at the hospital.

4) **Support for First Response Services**: In many communities, the fire department will provide the paramedics and emergency medical technicians (EMTs) who stabilize and treat a patient, but an outside company or organization may own the ambulance and transport the patient. Often, this ambulance service supplier may only employ an EMT-Basic and rely on the fire department personnel to continue providing patient care in the back of the ambulance during transportation to the hospital. In these cases, not only will CMS only reimburse the ambulance service supplier, but CMS also will reimburse that company at the ALS rate even though the paramedic is employed by the fire department. Our organizations encourage this Committee to require CMS to reimburse fire departments for their contribution to the patient's care even if the ambulance itself is owned and operated by another party.

Thank you again for your interest and attention to these important issues. Improving the Medicare program to promote efficiency and proper reimbursement for those caring for Medicare beneficiaries should be an important priority for this Committee. Countless numbers of Medicare patients enter the healthcare system through an ambulance every year. Congress must ensure these beneficiaries receive efficient care by supporting our nation's fire service-based EMS agencies. This Committee should enable our nation's fire departments to focus on patient care by ensuring they are properly reimbursed for the care they provide to Medicare beneficiaries. Our organizations look forward to continuing to work with you to address the needs of Medicare patients and our nation's fire service-based EMS agencies.

Sincerely,

Congressional Fire Services Institute
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