

September 25, 2020

The Honorable Greg Bonnen, M.D.
Select House Committee on Statewide Health Care Costs, Chair
Texas House of Representatives
P.O. Box 2910
Austin, Texas 78768-2910

Re: Interim Charge 3: Identify emerging and proven delivery system improvements and sustainable financing models that could reduce the cost of health care.

Dear Chairman Bonnen:

I am writing on behalf of the Texas EMS Alliance (TEMSA) to submit comments on Interim Charge 3: Identify emerging and proven delivery system improvements and sustainable financing models that could reduce the cost of healthcare.

TEMSA was founded in 2015 to serve as the stakeholder voice for Texas EMS agencies and is made up of EMS agencies of all sizes and provider types from across the state.

Texas EMS agencies are the state's front-line health care provider. For many emergencies, an EMS professional is often the first health care provider who a patient sees during an emergency. Texas EMS agencies are also playing a greater role in non-emergencies by partnering with hospitals and physicians to provide non-emergent community care. And in an increasing number of rural communities, the community's EMS agency may be the community's only health care provider due to hospital closures.

Texas is home to a number of innovative EMS agencies that are working with both government and commercial payers to develop new EMS models that save costs and lead to greater quality outcomes and patient satisfaction. TEMSA strongly encourages the Texas Legislature to review the new EMS models in place to determine whether they can be translated to other health care insurance programs in Texas.

Overview

The current model for Emergency Medical Services (EMS) creates a problem of misaligned economics: It incentivizes transport to a hospital emergency department without consideration for a patient's acuity or the most appropriate site of care. This results in patients being transported *by* the highest-cost resource *to* the highest-cost resource.

A new model would consider the most appropriate use of healthcare resources, reduce preventable and expensive emergency department visits and hospital admissions, reduce hospital overcrowding and improve the patient experience.

Goals

1. Reduce downstream costs by empowering and reimbursing EMS agencies to provide a healthcare professional to discuss health concerns with 911 callers and direct them to a community resource and/or divert the caller from the ambulance transport and ED visit if appropriate.
2. Reduce downstream healthcare costs by empowering and reimbursing EMS agencies to treat patients in place, without transport. At least seven states now reimburse EMS for treatment in place without transport.
3. Reduce downstream costs by empowering and reimbursing EMS to transport patients directly to the most appropriate care, such as urgent care facilities, mental health facilities and substance abuse facilities.
4. Reduce costs by enrolling high utilizers of emergency services in a Community Health Paramedic Program to provide short-term care management and patient navigation.
5. Improve community health and reduce healthcare expenditures by utilizing EMS professionals to administer disease-preventing vaccinations to the public and to provide contact tracing services when applicable, and reimbursing EMS agencies for those services.

Medicare's ET3 Model

In 2019, Medicare announced a new EMS payment model, Emergency Triage, Treatment and Transport (ET3), to give ambulance care teams greater flexibility in addressing emergency health care needs within the Medicare program. ET3's goal is to improve quality and lower costs by reducing avoidable transports to emergency departments and the unnecessary hospitalizations that may occur as a result of those transports.

Under this initiative, participating ambulance providers have the flexibility to navigate Medicare patients to the most appropriate care based on the patient's acuity and needs. Medicare will reimburse ambulance providers to:

1. Transport an individual to a hospital emergency department.
2. Transport to an alternative destination such as a primary care physician's office or an urgent care clinic.
3. Provide treatment in place with a qualified health care partner, either on the scene or using telemedicine.

Currently, many payers reimburse EMS providers only for a hospital transport, which drives up health care costs. Changing the reimbursement model so that treatment in place and transport to alternative destinations presents the opportunity for significant savings. The Centers for Medicare and Medicaid Services (CMS) estimates ET3 will save Medicare \$283 million to \$560 million per year.

All protocols for ET3 are governed and facilitated by medical protocols developed by EMS agency medical directors, who are licensed physicians. Ultimately, the flexibility provided by ET3 will increase quality of care, while lowering healthcare costs through the reduction of avoidable transports to the hospital emergency department.

Many Texas EMS agencies have created the infrastructure necessary to provide treatment in place and transports to alternative destinations:

Health Professional Help Line

Some Texas EMS agencies have added a layer on top of 911 dispatchers to work with 911 callers who do not have an actual emergency. Once the dispatcher has appropriately screened the patient, health care professionals, such as registered nurses, work with the 911 caller to refer the patient to appropriate community resources.

Treatment in Place Without Transport

Many low-acuity patients can be effectively managed by the responding EMS crew on the scene of an emergency ambulance response. In addition, the EMS agency works with the patient on follow-up care in a physician's office or clinic. At least eight state Medicaid programs reimburse for treatment in place.

Alternative Destination

After the initial assessment, the EMS crew may determine that a patient should be evaluated and treated by a health care professional at a higher level, but the patient does not require a costly, full-service hospital emergency department. These patients may be better served in an urgent care, mental health, or substance abuse facility. CMS granted a temporary waiver to allow EMS to transport patients to alternative destinations while the Public Health Emergency related to Covid-19 is declared.

Many of the state's smaller EMS agencies, including rural agencies, will be able to implement treatment in place and alternative destination programs.

Alternative Payment Models in Texas

TEMSA strongly encourages the Texas Legislature to review the current alternative delivery models implemented by Texas EMS agencies.

MedStar Mobile Healthcare (Fort Worth)

MedStar implemented a multi-faceted model that includes a nurse triage process, transports to alternative destinations and treatment in place without transport. MedStar also worked with John Peter Smith Health Network to identify high utilizers of hospital emergency department visits and began a community paramedicine program to manage those patients and reduce their hospital emergency department visits.

Austin-Travis County EMS

Austin-Travis County EMS created a Delivery System Reform Incentive Payments (DSRIP) project, the Community Health Paramedic Navigation Program, to provide short-term care management and navigation for Travis County residents at or below 200 percent of the federal poverty level with multiple chronic conditions and frequent hospital emergency department utilization.

Southwest Texas Regional Advisory Council (San Antonio Region)

STRAC, which consists of 22 counties in the San Antonio area, created the Law Enforcement Navigation Program, which now redirects more than 900 mental health patients each month to mental health facilities instead of hospital emergency departments. Emergency department beds are freed up for more appropriate

ED patients and patients are getting the proper care more quickly. Acadian Ambulance and San Antonio Fire Department's EMS team partner with local law enforcement and other regional EMS agencies to execute the program.

Alternative Payment Models in Other States

TEMSA also encourages the Texas Legislature to examine alternative EMS payment models found in other states.

Louisiana

Louisiana implemented treatment in place and transport to alternate destinations through a state plan amendment approved by CMS during the Public Health Emergency declared as a result of Covid-19.

Reno, Nevada EMS Authority

In 2012, Reno EMS Authority launched a comprehensive, multi-faceted program to reduce health care costs in Washoe County, Nevada through CMS Innovation Demonstration grants. The system includes a nurse health line, alternative destination protocols and a robust community paramedicine program to transition patients from hospitals back into their homes and improve adherence to care plans.

EMS Recommendations for the Texas Legislature

TEMSA believes that the Texas Legislature has an opportunity to utilize existing EMS payment innovation models and to implement them in new areas. TEMSA encourages the Texas Legislature to:

- 1. Establish an ET3 pilot payment model in the state Medicaid program.** On August 8, 2019, CMS released guidance to state Medicaid directors to describe ways that state Medicaid programs can implement an ET3 model. The Legislature should direct HHSC to seek a waiver from CMS to implement an ET3 model in the Fee-For-Service Medicaid program and examine ways to implement the model in Medicaid Managed Care.
- 2. Protect and enhance funding for programs such as the Community Health Paramedic Navigation Program and the Law Enforcement Navigation Program.** These programs direct patients to the appropriate care setting, reduce ED recidivism, and lower the overall cost of care.
- 3. Improve community health and reduce health care expenditures** by providing a reimbursement mechanism for the use of EMS professionals to administer disease-preventing vaccinations to the public and to provide contact tracing services.

Thank you in advance for considering these important recommendations to transform EMS in Texas.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeff Mincy".

Jeff Mincy
President
Texas EMS Alliance

Detailed information on CMS's ET3 Model can be found here: <https://innovation.cms.gov/innovation-models/et3>

CMS's guidance to CMS's ET3 Model can be found here: <https://www.medicaid.gov/federal-policy-guidance/downloads/cib080819-3.pdf>