The Case for EMS Reimbursement **for TIP and TAD**

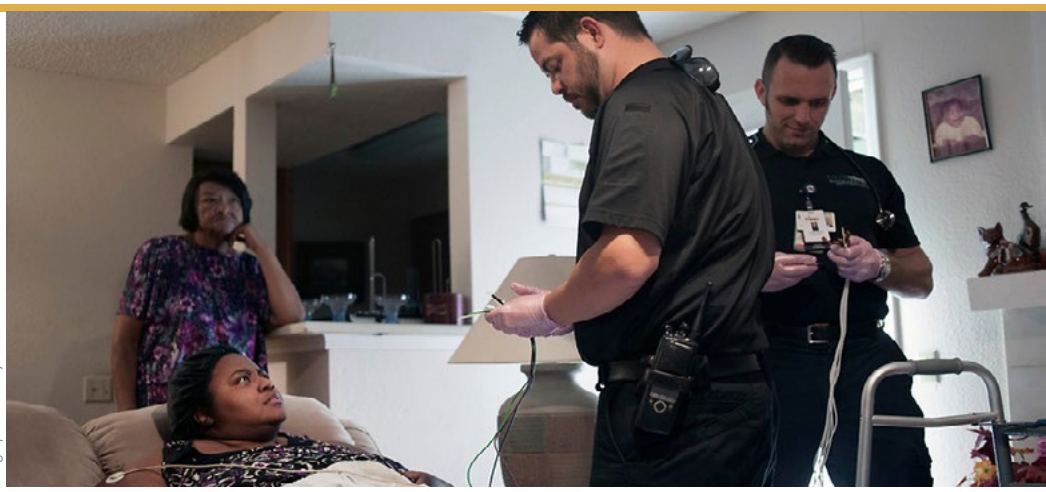


Image provided by Brandon Thibodeaux

The Congressional Budget Office (CBO) recently reported that the Centers for Medicare and Medicaid Services (CMS) paid $20 million to ambulance agencies for pandemic waiver authorized **on-scene treatment without transport to a hospital.**

The national average Medicare fee schedule for a basic life support emergency ambulance service is $447.56[1], and of this allowed amount, Medicare pays 80%. Based on this data, the average Medicare expenditure per ambulance treatment without transport claim is estimated at $358.05. Using this estimate, the number of ambulance treatment without transport claims that the $20 million expenditure represents is ~55,858 ambulance claims ($20 million ÷ $358.05). In simple terms, there were 55,858 Medicare beneficiaries who were not seen by a hospital emergency department (ED), and instead were cared for by ambulance agency personnel.

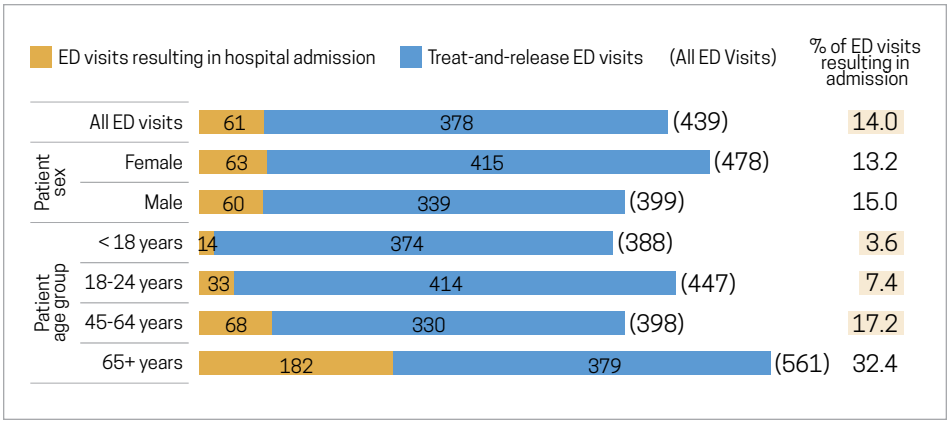
The most recent Healthcare Cost and Utilization Project (HCUP) report from the Agency for Healthcare Research and Quality (AHRQ) reveals the average expenditure for ED visit for patients aged 65 or older is $690[2]. Using this data, **the estimated savings to Medicare derived from the 55,858 Medicare beneficiaries who were NOT seen in an ED was $38,542,020 (55,858 beneficiaries × $690/ED visit). A 193% cost to savings ratio.**

The National Association of State EMS Officials (NASEMSO) identified 42 million EMS responses in 2018[3]. Medicare beneficiaries typically represent 40% of patients treated by EMS, or 16,800,000 patients. A study of Medicare beneficiaries transported by ambulance to the ED published in Health Affairs in 2013[4] found that an estimated 12.9 –16.2 percent of Medicare covered 911 emergency medical services (EMS) transports involved conditions that were probably nonemergent, or primary care treatable.

Applying the 12.9% – 16.2% of the 16.8 million EMS responses for Medicare beneficiaries in 2020 as potentially eligible for treatment in place without transport would prevent between 2.17 and 2.82 million ED visits by Medicare beneficiaries. **This represents between $1.5 and $1.95 billion annual savings to Medicare.**

1. https://www.cms.gov/medicare/payment/fee-schedules/ambulance
2. https://hcup-us.ahrq.gov/reports/statbriefs/sb268-ED-Costs-2017.pdf
3. https://nasemso.org/wp-content/uploads/2020-National-EMS-Assessment_Reduced-File-Size.pdf
4. https://www.healthaffairs.org/doi/abs/10.1377/hlthaff.2013.0741

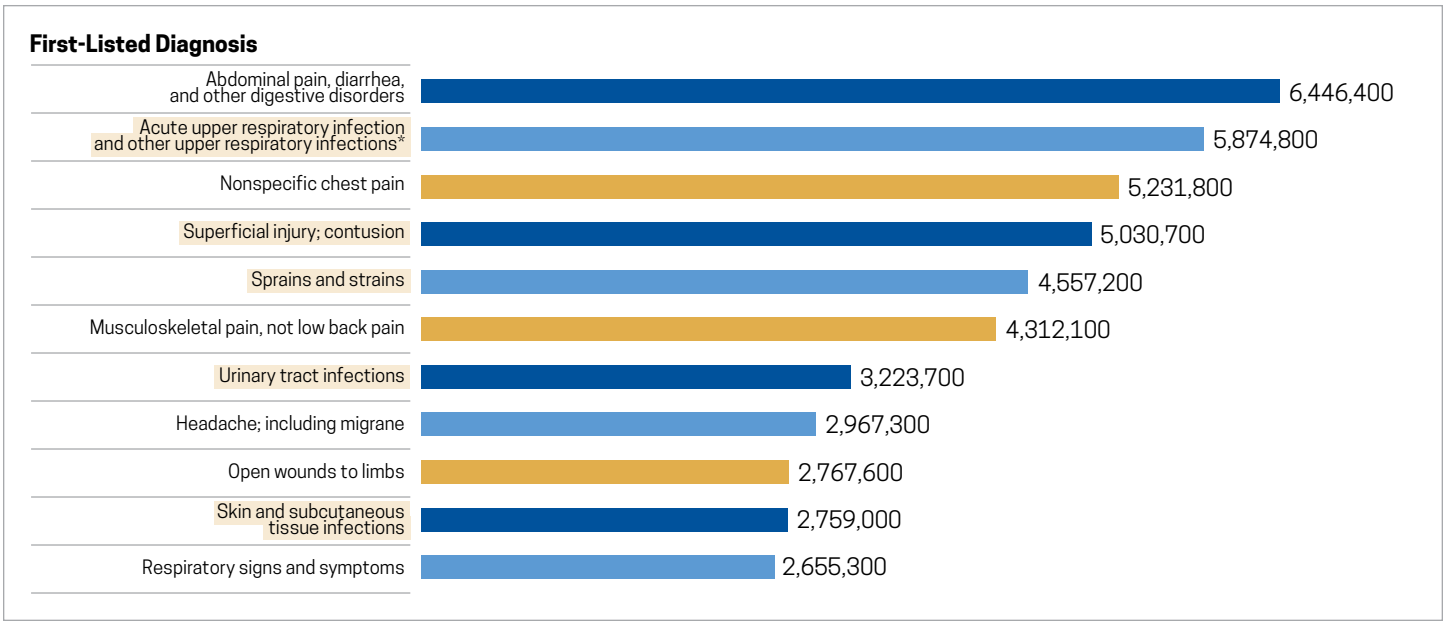
Figure 1: Rate per 1,000 population of ED visits by patient characteristics and ED visit type, 2018



Most frequent reasons for treat-and-release ED visits by patient characteristics, 2018

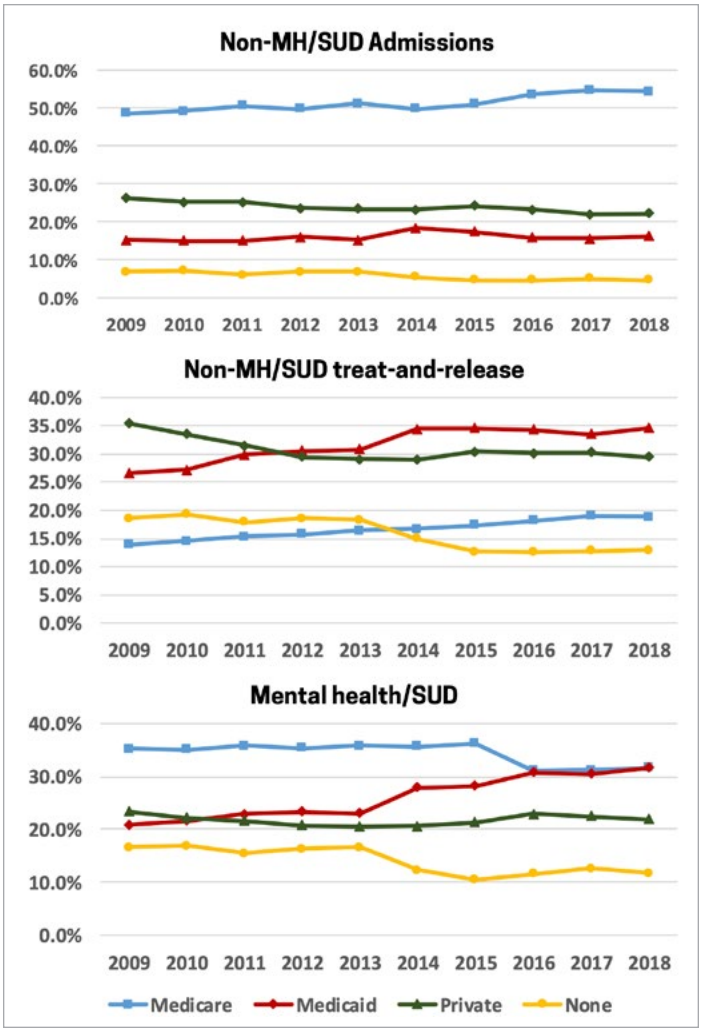
Figure 1 presents the rate of ED visits per 1,000 population in 2018 by select patient characteristics for all ED visits (143.5 million) and subset treat-and-release ED visits (123.4 million) and ED visits resulting in hospital admission (20.1 million).

Figure 2: Top 20 first-listed diagnoses with the highest number of treat-and-release ED visits, 2018



Note: The highlighted diagnoses represent conditions that may have a high likelihood of being able to be referred to resources other than an ED.

Figure 3: Percent of ED visits by type and expected payer, United States, 2009-2018



Source: Agency for Healthcare Research and Quality (AHRQ), Healthcare Cost and Utilization Project (HCUP), Nationwide Emergency Department Sample (NEDS), 2019-2018. Primary payer is shown here categorized as Medicare, Medicaid, private insurance, and none (self-pay or no charge). Very small numbers of other are not shown. The mental health/SUD categorization relies on ICD-9-CM codes from 2008 until the third quarter of 2015 and ICD-10-CM codes from 2016 to 2018. There are known discontinuities between these two coding systems that include a transition period as the new codes were adopted. For this reason, care should be taken in interpreting changes before and after the ICD transition.

https://aspe.hhs.gov/sites/default/files/private/pdf/265086/ED-report-to-Congress.pdf