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July 20, 2026

The Honorable Mehmet Oz, M.D.
Administrator
Centers for Medicare & Medicaid Services
200 Independence Avenue SW
Washington, DC 20201

RE: Docket Number CMS-2449-P

Dear Administrator Oz:

On behalf of the nation's fire departments, public and non-profit emergency medical services (EMS) agencies, and other public safety organizations, we appreciate the opportunity to comment on the Centers for Medicare & Medicaid Services' (CMS) proposed rule concerning Medicaid supplemental payment programs. To preserve high-quality, innovative prehospital care for Medicaid beneficiaries, we urge you to exempt governmental and non-profit fire departments and EMS agencies from the proposed rule that caps supplemental, state-directed Medicaid payments at the corresponding Medicare payment rates.

We recognize CMS's responsibility to ensure that Medicaid supplemental payments are administered responsibly and consistent with statutory requirements. However, we are deeply concerned that setting the Medicare Ambulance Fee Schedule (AFS) as the maximum payment benchmark for governmental and nonprofit EMS providers would substantially weaken the Ground Emergency Medical Transportation (GEMT) program and ultimately reduce access to emergency medical care for Medicaid and Medicare beneficiaries.

The GEMT program is not simply a reimbursement mechanism, but rather an investment in the EMS systems and infrastructure that protects and provides emergency medical services to millions of CMS beneficiaries every year. Governmental and nonprofit fire departments and EMS agencies operate as public safety entities whose mission is to provide timely, lifesaving care regardless of a patient's ability to pay. Unlike private providers, these agencies are not organized to generate profits. Instead, supplemental Medicaid reimbursements are reinvested directly into the emergency response systems that communities depend upon every day.

GEMT reimbursements help fund the readiness that emergency medical systems require to respond immediately whenever and wherever an emergency occurs. These funds support the personnel, training, medical equipment, ambulances, communications systems, medications, and operational capacity necessary to ensure that highly trained clinicians are available around the clock. Unlike traditional facility- or office-based providers, the cost of readiness is unique to EMS and creates expenses that are not intended to be reimbursed by traditional mechanisms. This constant state of readiness cannot be measured solely by the cost of an individual ambulance transport, yet it is essential to ensuring that Medicaid beneficiaries receive timely emergency care when they need it most.

The GEMT program directly improves the quality and availability of care for CMS beneficiaries. Across the country, governmental and nonprofit EMS agencies have used GEMT funding to strengthen staffing, reduce response times, modernize equipment, and expand advanced life support capabilities.

Reducing GEMT reimbursements would have significant consequences for both patients and local communities. Public EMS agencies already operate in an environment where Medicaid reimbursement frequently falls well below the actual cost of providing emergency medical services, even as operating costs continue to rise. GEMT was specifically developed to partially address this longstanding funding gap by recognizing the actual costs incurred by governmental providers. Limiting supplemental payments to Medicare AFS levels would eliminate critical funding that local governments currently rely upon to maintain emergency medical response capabilities.

The result would not simply be financial pressure on fire departments and EMS agencies. It would translate into fewer available ambulances, delayed apparatus replacement, deferred equipment purchases, reduced staffing flexibility, fewer training opportunities, and diminished emergency response capacity. Ultimately, these impacts would be experienced by Medicaid beneficiaries through longer response times, reduced access to advanced prehospital care, and increased strain on hospitals and the broader healthcare system. These losses will be particularly impactful to CMS beneficiaries as the population continues to age[1] and call volumes continue to increase for EMS services across the country.[2]

GEMT payments are not arbitrary supplemental payments disconnected from actual expenditures. Participating governmental providers have submitted detailed cost reports and continue to reconcile payments to their allowable costs using methodologies approved by CMS and their respective state Medicaid agencies. These programs are designed to reimburse the documented, incurred costs—not to generate excess revenue. This cost-based structure is fundamentally different from the payment arrangements that CMS is appropriately seeking to address elsewhere in the proposed rule.

For these reasons, we respectfully request that CMS:

1. Establish a broad exemption for governmental and nonprofit fire departments and EMS agencies participating in CMS-approved GEMT programs or other cost-based supplemental payment programs. These providers exist to deliver essential public safety and emergency medical services, not to maximize reimbursement, and their supplemental payments directly support care for Medicaid beneficiaries.
2. Clarify the proposed exception in §447.381(d)(2) for payment methodologies that are reconciled to actual incurred costs. Specifically, CMS should clearly state whether

[1] U.S. Older Population Grew From 2010 to 2020 at Fastest Rate Since 1880 to 1890
[2] NFPA statistics - Fire department calls

existing CMS-approved GEMT programs qualify for this exception and identify the characteristics that a cost-based supplemental payment program must meet to remain compliant. Providing this clarity will allow states, local governments, and EMS systems to appropriately plan for continued participation and avoid disruptions to emergency medical services.

Finally, we encourage CMS to continue working with the fire and EMS community on broader reforms to ambulance reimbursement. The Medicare AFS has long failed to reflect the true cost of maintaining emergency medical readiness or delivering modern prehospital care. Despite these incomplete reimbursement rates, fire and EMS agencies continue to develop innovative programs that connect patients with the most appropriate level of care. Initiatives such as prehospital blood transfusion programs have reduced morbidity and mortality among bleeding CMS beneficiaries, while reducing complications and shortening hospital stays. Many agencies have expanded community paramedicine, transport to alternative destinations, treat-in-place, behavioral health response, and other programs that improve patient outcomes while reducing unnecessary emergency department utilization and avoidable healthcare spending. These programs can simultaneously improve patient satisfaction and outcomes while also decreasing the costs of providing care. CMS should adopt Medicare and Medicaid reimbursement methodologies that embrace these innovations.

Thank you for the opportunity to offer these recommendations and to partner with you in protecting the health and wellness of all Americans. EMS is at an inflection point in our nation, and we must develop policies that support governmental and nonprofit fire departments and EMS agencies that prioritize patient care. We are deeply troubled and concerned that this proposal will eliminate critical funding for our nation's governmental and nonprofit fire departments and EMS agencies and will unnecessarily jeopardize our nation's readiness to respond to medical emergencies and other critical incidents. Rather than reducing these already incomplete reimbursements, we urge you to support policy options that would enable our members to treat patients more efficiently, both medically and financially.

Respectfully,

International Association of Fire Chiefs
International Association of Fire Fighters
National Association of Emergency Medical Technicians
Congressional Fire Services Institute
National Fire Protection Association
National Volunteer Fire Council
Academy of International Mobile Healthcare Integration
American Fire Sprinkler Association
Center for Campus Fire Safety
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