WISCONSIN LEGISLATURE
P.O. BOX 8952 • MADISON, WI 53708

Testimony before Assembly Committee on Health
Assembly Bill 427
Rep. Amy Loudenbeck, Rep. Joe Sanfelippo,
Rep. Mike Kuglitsch and Sen. Dale Kooyenga

Thank you, Mr. Chairman and committee members, for the opportunity to testify in favor of Assembly Bill 427.

Assembly Bill 427 builds on and further clarifies provisions from 2017 Act 66, which many members of this committee may remember as Community EMS, authored by Rep. Amy Loudenbeck and former Sen. Terry Moulton last session.

One of the key provisions of 2017 Act 66, or Community EMS, allows for EMS personnel to respond in a non-emergency setting. You may recall, Community EMS started as a pilot program in Wisconsin. Instead of only responding to 911 calls, an approved Community EMS provider could structure a program based on the needs in their community. The success stories that were shared during the hearings on Community EMS were compelling. Community EMS pilots have demonstrated cost savings, better patient outcomes, and reduced emergency department (ED) visits.

The federal government, through Medicare, has created a new pilot program called ET3 which stands for Emergency Triage, Treat, and Transport. ET3 is a voluntary, five-year payment model that will provide greater flexibility to ambulance care teams to address the emergency health care needs of Medicare beneficiaries following a 911 call. Under the ET3 model, the Centers for Medicare & Medicaid Services (CMS) will pay participating ambulance services to 1) transport an individual to a hospital ED or other destination covered under the regulations, 2) transport to an alternative destination (such as a primary care doctor's office or an urgent care clinic), or 3) provide treatment in place with a qualified health care practitioner, either on the scene or connected using telehealth.

ET3 is not the same as Community EMS, but the flexibilities and approvals contained in 2017 Act 66 would apply to both types of services and responses. ET3, like Community EMS, aspires to deliver the right care, in the right place, at the right time, and our statutes already contain a process to allow that.

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AB 427 clarifies the statutory language to ensure our local EMS have the ability to participate in this pilot program. If approved for the pilot, EMS providers, working with a physician in a local ED, may determine a patient is better suited to go to urgent care. As we know, ED visits are the most expensive option and, in many cases, are not the right place for the patient to receive the care they need.

Medicare is estimating the pilot could save between $283 and $560 million—or more—per year, across the nation, all while improving the continuity of patient care. There is no new federal money being added to Medicare's budget for this pilot program. CMS believes the money saved on ED visits will be substantial and a portion of the savings will be used to reimburse Fire/EMS agencies for treatment on scene with no transport, triaged patients, and transport to alternative destinations.

Our offices are working together to support this legislation because we want Wisconsin communities to be able to participate in the ET3 pilot program. We have a community with a very successful Community EMS program that is planning to apply to participate in the pilot program. The first round of applications is was due at the end of this week, hence the urgency for this bill. However, as of yesterday, CMS has extended the deadline to October 5th.

In closing, AB 427 clarifies Wisconsin law to allow for our local communities to meet the requirements for applying to be part of the ET3 pilot program because we want to continue to support the development and testing of innovative health care payment and service delivery models that reduce the cost of healthcare to both the patient and the taxpayer.

We are joined today by individuals who have significant knowledge about Community EMS and the ET3 pilot program who will be testifying. They will be able to answer technical questions about the program if we are unable to do so. Thank you for your time today. We would be happy to answer any questions at this time.

State of Wisconsin
Department of Health Services
Tony Evers, Governor
Andrea Palm, Secretary-designee

TO: Members of the Assembly Committee on Health

FROM: Lisa Olson, Legislative Director

DATE: September 17, 2019

RE: 2019 Assembly Bill 427, relating to emergency medical services programs

Good afternoon, Chairman Sanfelippo and members of the Assembly Health Committee. Thank you for the opportunity to provide testimony on Assembly Bill 427, which will enable EMS services in Wisconsin to apply for the Emergency Triage, Treatment, and Transport - also known as ET3 - Pilot Project being offered by the Centers for Medicaid/Medicare Services (CMS).

This pilot program provides greater flexibility to EMS Services by allowing them to transport patients to a destination other than the emergency department, such as an urgent care clinic or physician's office, when that may be the most appropriate destination.

Medicare regulations currently only allow payment to EMS services when patients are transported to hospitals, critical access hospitals, skilled nursing facilities, and dialysis centers. As a result, most beneficiaries are transported to one of these facilities when a lower acuity destination may be better suited for that individual's care. ET3 will allow for participating agencies to receive reimbursement from Medicare for transporting to alternative destinations.

This flexibility will allow participating EMS services to most appropriately address the health care needs of Medicare beneficiaries following a 911 call and help reduce the lower acuity patient load for hospital emergency departments, allowing for more efficient use of hospital and EMS resources.

The Department first became aware of the ET3 opportunity several months ago. After careful review by our program and legal team, we determined that we could not support the program without additional statutory or administrative language. The Department strives to be good stewards of the authority the legislature provides to us, and we recognized that this pilot required a departure from past practice. After feedback from the EMS community, and conversations with the bill authors, we came to agreement on additional statutory language which will help the Department support this pilot should a Wisconsin provider be selected. We are very excited about this opportunity, and are grateful to have engaged in a collaborative process with our community and legislative partners.

The ET3 model is supported by the Department, as it provides potential cost-savings and efficiency by allowing for patient transport directly to the most appropriate facility. This project allows for a more streamlined and effective approach to patient transportation, and is one of many recent legislative changes that have been made to assist the EMS community in providing effective emergency response in an era of reduced funding, staff shortages, and limited financial options.

The Department supports efforts to assure Wisconsin's EMS practitioners are able to efficiently and effectively provide quality patient care and to transport patients to the most appropriate facility to continue that care.

The Department will work with all interested EMS Services to assure that they have the appropriate operations plans, staffing levels, and supports in place to apply for and participate in the ET3 Pilot Projects if they choose to do so.

Ultimately, we recognize that EMS services will continue to evolve. We believe this pilot – with the support from the Centers for Medicare and Medicaid Innovation and other states involved – will provide the appropriate environment for us to work with EMS and study how we can preserve and enhance quality of care while working toward reducing expenditures.

We appreciate the engagement of the bill authors on this legislation and thank them for supporting innovation in EMS. With that, I'd be happy to answer any questions from the committee.

ET3 Model

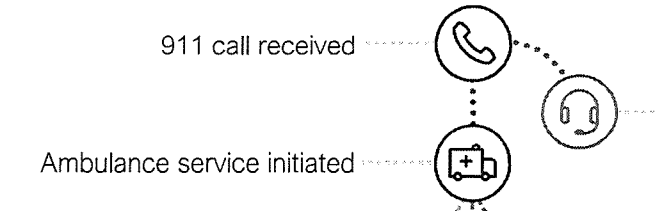
Emergency Triage, Treat, and Transport Model

CMS

The Emergency Triage, Treat, and Transport (ET3) Model is a **voluntary** 5-year CMS payment model that provides **greater flexibility** and new **payments** to ambulance care teams for Medicare beneficiaries.

ET3 Model Goals

• Encourage appropriate utilization of emergency medical services • Increase efficiency in the EMS system • • Provide person-centered care at the most appropriate care level •



ET3 Model intervention (Notice of Funding Opportunity)
A health care professional discusses health concern(s) and may refer the individual to a community resource and/or divert the caller from ambulance services/emergency department (ED) if appropriate

Standard intervention

Ambulance transports to a covered destination (e.g., ED)

Ambulance suppliers and providers paid based on the ambulance fee schedule

ET3 Model intervention

Ambulance transports to alternative destination (e.g., urgent care)

Ambulance suppliers and providers paid based on level of service provided (BLS-E or ALS1-E rate), plus mileage and applicable adjustments

ET3 Model intervention

A qualified health care practitioner provides treatment in place either on site or via telehealth

Ambulance suppliers and providers paid based on level of service provided (BLS-E or ALS1-E rate); qualified health care practitioners paid current Medicare Fee-for-Service rate, including adjustment for care delivered after hours

Blue = Model Services
Orange = Standard Medicare Services

Who can participate?

Eligible to Apply

Apply via Request for Applications (RFA)

Ambulance Suppliers and Providers

Medicare-enrolled ambulance suppliers and providers

Apply via Notice of Funding Opportunity (NOFO)

911 Dispatches

Local governments, their designees, or other entities that operate or have authority over one or more 911 dispatches

Essential Partners

Partner with participating ambulance suppliers and providers

Alternative Destinations

Destinations such as urgent care centers, primary care offices, community or behavioral health centers

Qualified Health Care Practitioners

Medicare-enrolled practitioners who meet all requirements to deliver health care services either on-site or via telehealth

For more information on the ET3 Model, please visit https://innovation.cms.gov/initiatives/ET3/

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September 17, 2019

Members of the Committee on Health:

9-1-1 was introduced in the United States over 40 years ago. At the end of the 20th century, nearly every community in the United States was covered by 9-1-1. This three-digit phone number became the universal number to request emergency assistance. As medical care navigation has become increasingly more complicated, this simple number has become the easy button to access medical care although at many times not the most appropriate.

Further adding to medical demand, the youngest of the "baby boomers" just turned 55 years old. With 76 million boomers representing 29% of the population, high medical demands will continue for a couple of decades.

Under current regulations and reimbursement models, the only option for our medical providers is to transport to an Emergency Room (ER). A few local examples of necessary but inappropriate transports to an ER include; unable to sleep, chapped lips and a fingernail that was cut too short. Unfortunately, there are many other examples.

While Emergency Rooms are absolutely necessary for emergencies, they have become overcrowded and are not the best option for low acuity problems. This can produce less than desirable outcomes while being the most expensive care. Not a good combination.

Therefore, we need to explore new alternatives and attempts to reform a system in need of fixes. Assembly Bill 427 is not only essential to change how providers treat and transport patients but also clears the path for exploring other solutions and applying for the Federal Emergency Triage, Treat and Transport (ET3) program.

We are appreciative of the expeditious work that has been done to get us to this point and create a new path that is better for patients and providers. We look forward to continuing to work with Legislators to reform health care and appreciate your support of AB427.

Respectfully,

Jon Cohn

Jon Cohn, Fire-Rescue Chief