



WISCONSIN LEGISLATURE

P.O. BOX 8952 • MADISON, WI 53708

Testimony before Senate Committee on Health
Senate Bill 434

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 Senate Bill 434.

Senate Bill 434 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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SB 434 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 mid-September, hence the urgency for this bill. However, CMS extended the deadline to October 5th, which has now passed. We had a handful of communities who applied, knowing this legislation was working its way through the process.

In closing, SB 434 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

TO: Members of the Senate Committee on Health and Human Services

FROM: Lisa Olson, Legislative Director

DATE: September 17, 2019

RE: 2019 Senate Bill 434, relating to emergency medical services programs

Good afternoon, Chairman Testin and members of the Senate Health & Human Services Committee. Thank you for the opportunity to provide testimony on Senate Bill 434, which will enable awarded EMS services in Wisconsin to operate under 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. We look forward to working with any awardees in Wisconsin and to learn alongside them.

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. The Department supports Substitute Amendment 1 offered by Senator Kooyenga. I am happy to answer any questions from the committee.

A handwritten signature in blue ink, appearing to be a stylized 'S' or similar character.



MASON J. POOLER
FIRE CHIEF



CITY of West Allis
FIRE DEPARTMENT

October 22, 2019

Senator Dale Kooyenga
Wisconsin State Capitol
115 East Capitol # 1
Madison, WI 53702

Senator Kooyenga;

The federal Medicare program is seeking applications for a trial program aimed at improving the quality of patient care in the pre-hospital setting. The Emergency Triage, Treat, and Transport (ET3) Model is a voluntary, five-year payment model that will provide greater flexibility to ambulance care teams to address emergency health care needs of Medicare Fee-for-Service (FFS) beneficiaries following a 911 call. Medicare currently pays for emergency ground ambulance services only when beneficiaries are transported to a limited number of covered destinations. This creates a perverse incentive to bring beneficiaries to high-acuity, high-cost settings (e.g., hospital emergency departments,) even when a lower-acuity and/or lower-cost setting may more appropriately meet an individual's needs. A payment model that corrects these misaligned incentives has the potential to improve the quality of care and lower costs to Medicare by reducing avoidable transports to hospital emergency departments and potentially reducing avoidable inpatient admissions.

The Fire Chiefs of Milwaukee County believe that being selected as an ET3 site would lead to better patient care and could pay economic dividends with the potential for increased Medicare reimbursement for the 9-1-1 patients that we treat.

The Wisconsin Department of Health Services believes that under current statute, EMS systems in Wisconsin would not be eligible to apply for the ET3 trial program. However, if passed by the Senate and Governor, the language in Senate Bill 434 would allow for Wisconsin EMS agencies to apply for the ET3 trial.

I apologize for not being available to testify before you, but I fully support the language change in Senate Bill 434. Thank you for your consideration.

Respectfully,

Mason Pooler
Fire Chief
West Allis Fire Department