

Insights

New Medicare Payment Model for Emergency Ambulance Services

April 9, 2019

By: Meghan M. Linvill McNab and Amanda K. Schipp

On February 14, 2019, the Center for Medicare and Medicaid Innovation (“CMMI”) announced a new payment model for Medicare emergency ambulance services called the “Emergency Triage, Treat and Transport (“ET3”) Model. The goal of the ET3 Model is to allow Medicare Fee-For-Service beneficiaries to receive the right care, from the right provider, at the right time and right place with lower out-of-pocket cost. The ET3 Model is anticipated to begin in January 2020, with a five (5) year performance period.

Under the ET3 Model, participating ambulance suppliers and providers will partner with qualified health care practitioners to deliver treatment in place (on-the scene or via telehealth) and with alternative destination sites (such as physician offices or urgent care clinics) for Medicare beneficiaries who call 911.

The ET3 model will continue to pay for emergency transport to a hospital emergency department (ED), but will also test two new ambulance payments: (1) payment for treatment in place with a qualified health care practitioners; and (2) payment for unscheduled, emergency transport to alternative destinations. As part of a multi-payer alignment strategy, the CMMI will encourage ET3 Model participants to partner with additional payers, including state Medicaid agencies, to provide similar interventions to all people in their geographic areas. The ET3 Model will also have a value-based component, as participating ambulance suppliers and providers may earn up to a 5% payment adjustment in the later model years, upon achieving certain quality metrics.

CMMI anticipates releasing a Request for Applications in mid-2019 to solicit Medicare-enrolled ambulance service suppliers and hospital-owned ambulance providers to participate in the ET3 Model. In Fall 2019, to implement the triage lines for low-acuity 911 calls, CMMI anticipates issuing a Notice of Funding Opportunity for a limited number of two-year cooperative agreements, available to local governments, their designees, or other entities that operate or have authority over one or more 911 dispatches in geographic locations where ambulance suppliers and providers have been selected to participate.

Additional information about the ET3 Model can be found at the following website:
<https://innovation.cms.gov/initiatives/et3/>

For information on the ET3 Model or other CMMI innovation projects, please contact Meghan M. Linvill McNab.