



Patient Transport Services ALS » BLS » MICU

Monday, May 08, 2017

**To The Ohio Senate, 132nd General Assembly
Senate Committee on Medicaid**

Chairman Hackett; Vice Chairwoman Tavares, and members of the Senate Medicaid Committee, thank you for the opportunity to provide testimony regarding the state of Ohio ambulance and medical transportation industry. My name is Scott Arthur, and I am the director of Patient Transport Services in Loveland, Ohio. We employ approximately 100 EMT's, Paramedics and Nurses to provide medical transportation services in southwest Ohio. Our office is located in Senator Uecker's district. I'm writing today to ask for your support for an increase in Medicaid reimbursement for ambulance & medical transportation services in the upcoming budget.

A serious problem for caring for Ohioans on Medicaid is providing appropriate medical transportation. The current Ohio Medicaid reimbursement rates for ambulance transportation have not changed since January 1st, 2010—and that was an adjustment down from previous rates [1]. Several large providers of ambulance transportation services have closed or significantly reduced the size of their operations in recent years due to decreasing reimbursements and increased costs. This reduction in access to transportation services is one of the critical issues identified in the US Government Accountability Office Report "Nonemergency medical transportation: updated Medicaid guidance could help states" released in February 2016 [2]. Costs to provide nonemergency medical transportation have increased significantly and consistently in the last 10 years [3]. Medicaid beneficiaries have increased significantly following full implementation of the Affordable Care Act in 2014, and programs to extend coverage to Ohioans to improve overall health and decrease the health care and coverage disparities in the state [4].

The following excerpt from the transportation services fee schedule [1] shows the most common charges and their reimbursement rate.

Level of care provided	Ohio Medicaid Reimbursement
Basic Life Support, Non-Emergency	\$82.14
Advanced Life Support, Non-Emergency	\$88.53
Specialty Care Transport/Mobile Intensive Care	\$165.55
Mileage Per Mile	\$1.47

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[Medicaid Committee written testimony of Scott M. Arthur, Patient Transport Services, Continued]

Salaries for EMT's, Paramedics and Nurses have increased during the last 7 years, while the Ohio Medicaid reimbursement rates have remained stagnant. The average Emergency Medical Technician or Paramedic is paid an average of \$15.24 [5] per hour nationally; and Registered Nurses \$32.04 [6] per hour. The National Conference of State Legislatures records that benefit costs (the cost to provide health benefits to employees) increased in Ohio from \$12,900 in 2010 to \$17,500 during this time period—an increase of 36% [5]. There have been other cost increases, including increases in costs for vehicles, fuel, medical supplies, and other expenses needed to operate a nonemergency medical transportation service.

The majority of Medicaid covered transportation services are Basic Life Support, Non-Emergency. This requires two certified EMT's, an ambulance and all associated equipment. Each of these transports requires an average of 3.25 man hours to complete. The cost of the labor, equipment, salaries, benefits and administration of a Basic Life Support transport is significantly more than the reimbursement provided by Medicaid to care for the patient.

Transport for the most seriously ill or injured Ohioans, Specialty Care Transport, requires a specially licensed and equipped ambulance and staff with additional training including registered nurses. The staffing on this unit is an EMT, a Paramedic, and a Registered Nurse—greatly increasing the cost of the services provided. These ambulances require additional equipment beyond that of a basic or advanced life support unit, also increasing the cost to provide the service. The consumable supplies on one of these transports, for example a patient that has stopped breathing on their own and requires mechanical and medication assistance can quickly exceed \$1000. Ohio Medicaid only reimburses the provider at \$165.55.

At our organization, we do not screen the patients for reimbursement prior to scheduling transportation. Our primary service lines serve patients discharged from hospitals, hospice patients needing care, and inter-facility transport of Ohioans between hospitals to ensure they receive the care that they need.

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[Medicaid Committee written testimony of Scott M. Arthur, Patient Transport Services, Continued]

Ohio Nonemergency medical transportation providers are left in a difficult position. The number of 'covered persons' has increased under the Affordable Care Act and Medicaid expansion—but the average reimbursement for services provided has decreased [4] [2]. The demand for services has increased (as more Ohioans have coverage, and receive the appropriate medical care they need) but providers are reimbursed at a rate below the cost to provide the service. These financial factors are causing serious problems within the non-emergency medical transportation industry.

- Lack of availability & access
 - Ohioans with Medicaid coverage have a difficult time finding medical transportation services. This is due to the reduction of providers in the market place, and the limited number of ambulances available in the marketplace. This has had a significant impact on Ohioans needing transportation for dialysis from their residences.
- Reduced Labor Pool
 - Due to market forces, and reduced numbers of providers hiring EMT's and Paramedics for nonemergency medical transport; there are fewer EMT's and Paramedics entering the labor pool. Training and certification requirements have also increased for EMT's and Paramedics. Those that enter the labor pool are opting to work in other settings, such as emergency departments and not medical transportation. These factors are causing staffing shortages, which leads to reduced access to transportation services.
- Increased Costs of Compliance
 - Various changes in regulations have improved patient care and safety; however they are also increasing the costs to provide the services. This includes recordkeeping changes, ambulance requirements (including a major update to the federal KKK-A-1822 requirements for ambulances), equipment requirements and costs to comply with new mandated records such as NEMISIS version 3.

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[Medicaid Committee written testimony of Scott M. Arthur, Patient Transport Services, Continued]

I have presented just a summary of the challenges faced by the Ohio nonemergency medical transportation industry. This isn't a problem only for Ohioans covered by Medicaid—this is a problem for all Ohioans. The lack of providers causes delays in discharges or Interfacility transfers of all patients needing ambulance transportation—not just Medicaid covered patients. The current transportation brokerage system used by managed Medicaid is cumbersome and is not facilitating patient flow. By bringing relief to this industry, you will be improving health care access for all Ohioans.

We are asking that Ohio update its Medicaid fee schedules to bring relief to a vital industry in Ohio. By increasing the Medicaid fee schedule for ambulance transportation, you can help ensure that the most vulnerable Ohioans receive the transportation they need to receive proper medical care and treatment.

Please contact me if I can answer any questions, and I thank you for your time and consideration.

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Unintentional drug overdose is the leading cause of injury death in Ohio. In the 15 year period from 2000 to 2015, unintentional drug overdose deaths have increased 642%. Over 3050 Ohioans died in 2015 from unintentional drug overdoses [1]. There have been many news articles depicting 'hot spots' of overdoses—and overdose deaths—throughout Ohio. Clark County, Ohio for example experienced 40 overdoses in 5 days [2].

This has an impact on health care systems, and health care for all Ohioans. Frequently, these patients are severely ill and require treatment beyond the capability of smaller hospitals or community access hospitals. Services like Patient Transport Services provides transport to these critically ill Ohioans to the facilities that can provide the intense health care that they need. These patients are frequently uninsured or underinsured.

It's difficult to track how many of these critically ill patients are being transferred specifically due to an unintentional overdose. Many of these patients are being cared for (and documented as) cardiac arrest or respiratory arrest patients. Conservatively, we provide transport for more than 300 Ohioans per year that have been injured by overdoses. Many of these require intensive care between facilities.

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To illustrate the impact on the health care system, including providers like my company, I would like to 'walk through' a fictional patient and how many health care organizations & providers a single overdose event can impact. Privacy regulations prohibit me from using a real patient example, but I can assure that this exact scenario played out several times in the last 12 months.

Patient "O" uses heroin in Lebanon, Warren County, Ohio and subsequently stops breathing. Lebanon Fire & EMS respond—and treat Patient "O" in attempt to save his life. Lebanon Fire & EMS transports Patient "O" to Bethesda Arrow Springs, a freestanding emergency department just south of Lebanon, Ohio. Patient "O" receives critical care interventions from the physicians and nurses at Bethesda Arrow Springs, but the patient needs to be admitted to an intensive care unit. Patient Transport Services transports Patient "O" from Bethesda Arrow Springs to Bethesda North Hospital.

Patient "O" has now received care from: Lebanon Fire & EMS (with an ambulance, engine company and at least 4 advanced life support trained providers); Bethesda Arrow Springs emergency department (a physician, several nurses and technicians), Patient Transport Services (an EMT, Paramedic and Nurse) and on to Bethesda North Hospital Intensive Care unit—with at least one physician twenty-four hours per day, ICU nurses and technicians.

One overdose patient can in one day receive care from more than 20 people directly—and 4 different health care organizations. That's just one patient.

Let's consider Patient "O"'s financial impact on the Lebanon Fire & EMS and Patient Transport Services. If Patient "O" has a managed Medicaid plan, they will reimburse Lebanon Fire & EMS less than \$110 for the transport from the scene to Bethesda Arrow Springs. They will have spent more than that amount on medications reviving Patient "O." Patient Transport Services, providing EMT's, Paramedics and an RN for the transport will also spend more than the projected \$165 reimbursement from a managed Medicaid plan in disposable supplies such as medications and ventilator circuits.

As part of the overall opioid strategy, the State should consider some relief in funding for these uninsured/underinsured patients to ambulance transportation providers. Ever-increasing costs of

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providing ambulance transportation to Ohioans combined with flat reimbursement rates—rates that have not changed since 2010 [3]. Salaries for EMT's, Paramedics and Nurses have increased along with the cost of providing these associates benefits [4] [5] [6]. Medication costs continue to increase, specifically Naloxone, the reversal agent for opioid overdoses.

We are specifically asking that the Medicaid fee schedule for Ambulance transportation. We are also asking for relief through the managed Medicaid providers to increase reimbursement for Ambulance transportation.

Please contact me if you have any questions, and I thank you for your time and consideration.

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