

REPORT HIGHLIGHTS

A Study Pursuant to SR 120: Treat/No Transport in Medical Assistance Managed Care

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Senate Resolution 2023-120 directs the Legislative Budget and Finance Committee (LBFC) to conduct a study of the impact of “treat and release” calls on emergency medical services (EMS), specifically for patients covered by Pennsylvania’s Medical Assistance (MA) Managed Care Organizations (MCOs). Treat/no transport (TNT) are incidents in which EMS treat a patient on the scene of an emergency scene and then “release” the patient without transport to a hospital (either per medical protocols or because the patient refused transport against medical advice). Highlights of our report include the following:

- ❖ **The commonwealth has a patchwork of different types of EMS agencies.** EMS agencies include non-profit, fire-based, municipal-based, for-profit, and hospital-based. The EMS system in Pennsylvania includes over 1,200 EMS agencies and 41,000 certified EMS providers (such as Emergency Medical Technicians and paramedics) who respond to over 2 million calls annually.
- ❖ **Around 20 percent of Pennsylvanians are enrolled in Pennsylvania’s Medicaid program, called Medical Assistance (MA).** Of those enrolled in MA, most are enrolled in MCOs. Under commonwealth contracts through the Department of Human Services (DHS), MCOs provide health coverage to enrollees for set per-member, per-month fees called the “capitation rates.”
- ❖ **The utilization of TNT has increased in recent years. However, less than 3 percent of EMS dispositions were TNT (2022).** More TNT dispositions were per medical protocol than patients who refused transport against medical advice. We estimate that of the total TNT dispositions, about one-fourth were patients enrolled in one of the MA MCO plans.
- ❖ **Act 2018-103 mandated that MCOs reimburse EMS agencies for TNT based on “reasonable costs.”** This was the first time Pennsylvania law required that MCOs reimburse EMS for TNT services. However, the mandate differed from other ground ambulance services reimbursed by the MA program. Through the commonwealth’s Fiscal Code, specific state-directed or minimum payment requirements set the amount MCOs must pay for other ambulance services in which transport to an emergency department (ED) occurs.
- ❖ **The reimbursement amount paid by MCOs to EMS agencies for TNT claims varied between MCOs and by year in our selected sample.** During the four years (2019 through 2022), the average amount billed by EMS agencies for TNT ranged between \$287 and \$375. EMS was reimbursed at average rates between \$53 and \$179, or 16.1 to 47.9 percent of the average amount billed (depending on the MCO).

Average Payment from MCO to EMS Agency Compared to Average Amount Billed by EMS Agency for TNT 2019 through 2022



- ❖ **EMS agency costs are not tracked statewide, which poses a challenge in determining EMS costs to provide TNT services.** The Centers for Medicare and Medicaid Services (CMS) is in the process of gathering data on EMS agency costs nationwide; however, it is not yet available. We gathered cost-per-response data from EMS agencies. We reviewed 14 EMS agencies' cost per response. We found a range of \$246 to \$860 (average of \$585) per response.
- ❖ **While TNT is often associated with drug overdoses and naloxone administration, we found from 2019 through 2022, MCOs only designated 1.9 percent to 2.7 percent of all TNT claims as substance abuse related.** This means that most TNT claims within the MCO plans were for other incidents or conditions such as diabetes, falls without injuries, asthma, and seizure disorders.
- ❖ **Our report contains three recommendations.** The General Assembly should consider implementing a specific state-directed payment or minimum fee requirement for TNT, similar to the other ground ambulance minimum rates contained in the Fiscal Code. We further recommend the General Assembly consider requiring a broader study or audit by the LBFC of payment to EMS after CMS releases federal Ground Ambulance Data Collection System (GADCS) data. Finally, we recommend the General Assembly consider requiring reimbursement for new models of EMS care delivery, including transport to alternative or non-emergency locations following emergency calls and EMS treatment (i.e., drug treatment facilities, urgent care, etc.).

For a full copy of the report, email us at lbfcinfo@palbfc.us or download a copy at <http://lbfc.legis.state.pa.us/>.

