

April 6, 2020

The Honorable Alex M. Azar
Secretary
Department of Health and Human Services
200 Independence Avenue, SW
Washington, DC 20201

Dear Secretary Azar:

On behalf of the American Ambulance Association members comprised of the paramedics, emergency medical technicians, nurses, doctors and leaders who operate the ground ambulance services across America, I want to thank you for the efforts the Department of Health and Human Services (Department) and the Centers for Medicare & Medicaid Services (CMS) have undertaken to help medical providers and suppliers on the front lines of the coronavirus public health emergency. We especially thank you for recognizing the need to allow ground ambulance services to transport patients to destinations other than hospitals and skilled nursing facilities. Reimbursing for alternative destinations is a critical step in stopping the spread of the virus and caring for patients in the right location at the right time. We continue to work with CMS to recognize the equally important need to allow ground ambulance services to be reimbursed for the treatments that they provide at the location where they encounter the patient, even if there is no transport. We urge you to implement policies immediately for the coverage for treatment in place.

However, today, we write to provide recommendations as to how the Public Health and Social Services Emergency Fund, established in the Coronavirus Aid, Relief, and Economic Security (CARES) Act, can be appropriately allocated to assist public and private ground ambulance service providers and suppliers. These providers and suppliers are often the first contact patients have with the health care system in an emergency. They also provide the medically necessary non-emergency care for patients requiring isolation or other health care services during transport, which makes the usual modes of transportation contraindicated. Similar to hospitals, ground ambulance services are carrying an enormous burden and responsibility as part of this pandemic. Thus, the AAA asks that the Department provide a direct payment to ground ambulance services of \$48,000 per vehicle registered in PECOS as of April 1, 2020. These would be automatic payments based on the most recent recertification on file through PECOS.

We believe for public and private ambulance organizations that \$48,000 per registered vehicle is the appropriate amount, based on the increased expenses related to the coronavirus, lost revenues due to the cancellation of elective procedures and similar medically necessary non-emergency transports, and increased labor costs to expand workforces to help address the surge in COVID-19 patients and to eliminate gaps in the workforce when employees are quarantined. Examples of these financial impacts include:

- Ambulance Expenses Related to Coronavirus:
 - Increases in calls from the public through response centers that mirror the surges seen in hospital's emergency departments;
 - The provision of health care services and transports to patients who do not have insurance or the ability to pay consistent with recently announced reimbursement to hospitals for treating the uninsured;
 - The commitment to pay employees while they are quarantined and to pay staff when furloughed because of a decrease in some non-emergency transports;
 - The provision of overtime and emergency pay for existing staff;
 - The exponential increases in the cost of PPE and expanded utilization of PPE to abide by the recommendations of the Centers for Disease Control and Prevention;
- Lost Revenue:
 - The financial hardship created by reductions in ambulance transports – many ambulance services are reporting in excess of 30 percent (specifically in medically necessary non-emergency interfacility ambulance transportation), because of hospitals directives to cancel elective procedures;
 - The inability to reduce staff currently due to decreased transport volume, because of projected impending surges of COVID-19 patients in the community;
- Other Costs:
 - Increases in costs associated with the administrative management of employee quarantines because they are patients under investigation (PUI), have a positive COVID-19 test result, or were in contact with a PUI or patient who tested positive for COVID-19; and
 - The additional salary expense required to recruit and retain existing employees at higher than pre-March 2020 rates of pay because of Federal government recruiting efforts that promise to pay EMTs and paramedics at twice the current rate of pay.

These costs and losses are experienced by all types of providers (both public and private, including for-profit, not-for-profit, and volunteer), as well as urban and rural.

As COVID-19 has spread throughout the United States, the critical role of ground ambulance services is clear. Whether responding to 911 or equivalent emergency calls, caring for patients in their homes when hospitals or other facilities cannot accept them, or transporting patients who require isolation to or from essential health care appointments, such as dialysis treatments, the paramedics and EMTs who are following medical protocols designed

by medical directors and approved by the local or State governments are experiencing the same shortage of supplies, medicines, personal protective equipment, and personnel that hospitals are facing. They are also providing a substantial amount of charity care by transporting many patients who do not have health insurance. In addition and unlike hospitals, ground ambulance services must also provide care under local and State law and not reimbursed for the care provided unless they also transport the patient.

These factors have pushed ground ambulance services to the breaking point. Major U.S. newspapers and other news outlets report the toll the strain is taking on the ambulance services. The vast majority of ground ambulance service providers and suppliers are small businesses, with only 3 to 5 vehicles. In rural areas, the ground ambulance service may be the only health care provider within 50 to 100 miles. Unless federal funds become available immediately and directly, many ground ambulance service providers and suppliers – urban or rural, for-profit or not-for-profit, emergency or non-emergency, within hot spots or not – will have to begin refusing to provide this critical care or shut their doors forever.

The good news is that the Congress has authorized \$100 billion dollars through the Public Health and Social Services Emergency Fund to help. By allocating a relatively small portion of these dollars to public and private ground ambulance services directly, regardless of their ownership type, location, or services provided, and based upon data CMS already has rather than an application process, HHS could infuse much needed cash into ground ambulance service providers and suppliers that would allow them to continue the critically important work that is essential to stopping the pandemic in America. The statute provides the Secretary with clear authority to provide such basic payments across the board to these providers and suppliers, while still allowing for individual organizations to seek reimbursement for costs that may exceed what the direct payment can cover.

Once again, we want to thank the Administration for all of its efforts thus far and look forward to working with you and your teams to make sure that the ground ambulance service providers and suppliers have the cash on hand to continue playing their essential role during the public health emergency.

Please do not hesitate to have a member of your staff reach out to Tristan North at (202) 902-9025 or Kathy Lester at (202) 903-6627 if you would like to coordinate a time to discuss these recommendations or have questions about it.

Sincerely,

A handwritten signature in blue ink, appearing to read 'A. Reinert', written over a light blue rectangular background.

Aarron Reinert
President