

**Committee on Energy and Commerce
Subcommittee on Oversight and Investigations
United States House of Representatives**

Hearing on Lessons from the Frontline: COVID-19's Impact on American Health Care

**Statement of Shawn Baird, President
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Chairman Pallone, Chairwoman DeGette, and Ranking Members McMorris Rodgers and Griffith, the American Ambulance Association (AAA) appreciates the opportunity to provide the Oversight and Investigation Subcommittee of the Committee on Energy & Commerce with a written statement about lessons from the frontlines of the COVID-19 pandemic and its impact on America's health care system.

Ground ambulance service suppliers and providers are often the first health care teams to encounter patients who are sick and/or suspect they might have COVID-19. In addition to responding to 9-1-1 emergencies and transporting patients to appropriate destinations, they are also being asked to provide health care services within their existing State-defined scope of practice without transporting patients to help reduce hospital surge, as well as to protect high risk patients from potential exposure to COVID-19. State and Local governments and public health authorities are also enlisting ground ambulance service organizations to assist with testing suspected COVID-19 patients as well as providing vaccinations. In addition, ground ambulance service organizations provide important medical transitional care for patients moving between facilities in both emergency and non-emergency situations.

As a result of the pandemic and long-standing inadequate investment in the nation's emergency medical system, the ground ambulance service suppliers and providers on whom we depend without even thinking about it are on the verge of collapse. Many communities in our country have lost access to emergency medical services. Hospitals, especially in rural or underserved areas, who depend on ground ambulance services to make those critical care transitions between facilities are finding it more and more difficult to access them. These problems have dogged the industry for decades, but the pandemic made it clear that America desperately needs our ground ambulance service suppliers and providers, but that we need major reform if the country is to retain these services.

We encourage the Committee to support policy modifications to address the three major challenges ground ambulance services faced during the pandemic to ensure that this critical component of America's emergency medical response remains viable and available for future crisis. These challenges are in the areas of (1) accessing federal grant programs meant to support emergency medical services; (2) supporting the ground ambulance workforce; and (3) addressing shortcomings in reimbursement and emergency relief funding. We describe below potential solutions to address the crisis looming over the nation's ground ambulance services that form the basis of our emergency medical system in their local communities and that recognize their essential role in the country's response to this and future pandemics.

I. To Ensure Ground Ambulance Services Are There for the Next Crisis, the Congress Needs to Create an Even Playing Field and Allow Private Ground Ambulance Services to Access Federal Grants Available to EMS Providers and Suppliers.

During this pandemic, our members have experienced first-hand the gaps in the public health infrastructure and the medical preparedness and response systems and programs. One of the most frustrating aspects of the current system has been the lack of recognition and support for communities that contract with non-governmental ground ambulance service providers/suppliers in everything from federal grant programs to the distribution of personal protective equipment for paramedics and EMTs.

Many of the federal grant programs triggered during the pandemic have fallen short of their promise because the statutes and regulations governing them do not recognize non-governmental ground ambulance service providers/suppliers as eligible entities. This distinction remains confusing because in other areas of health care, federal grant programs are accessible by private, for-profit health care providers and suppliers.

Outdated statutes and regulations often assume that all first responders are governmental or not-for-profit entities and ignore the decisions of State and Local governments to contract with private ground ambulance service providers/suppliers to provide 911 or equivalent services. As others have recognized, "State and Local officials know what works best in their communities – what works best in New York City may be much different than what works in rural Tennessee."¹ The federal government should respect these local decisions and support all first responders.

An example of this problem arose early during the COVID-19 pandemic. The FEMA public assistance grant program reimburses first responders for PPE and other expenses related to the response to COVID-19. When private for-profit emergency ambulance service providers/suppliers sought direct reimbursement under the program, they were turned away. Private emergency ambulance service providers/suppliers were required to have a State or Local government agency apply on their behalf. As State and Local governments responded to the public health emergency, it was understandably difficult for them to allocate resources to

¹The Honorable Lamar Alexander, "Preparing for the Next Pandemic" White Paper" 4 (June 9, 2020).

work through the application process on behalf of their contractors. This differential treatment impacts communities across the United States.

In contrast to statutes like the FEMA allocations, the Homeland Security Act of 2002 (6 U.S.C. § 101) includes language that recognizes the decision of State and Local governments to contract with nongovernmental (private not-for-profit and for-profit ground ambulance service providers/suppliers) within the definition of “emergency response providers.”

The lesson learned during the pandemic is that these differentiating policies based on provider type need to be eliminated. The AAA urges the Congress to adopt the Homeland Security Act definition of “emergency response providers” throughout the U.S. Code as applicable. Such language will help to make sure that when funding is available to help State and Local governments prepare and respond, the allocation mechanisms governing the funding permit all types of first responders, including non-governmental ground ambulance service providers/suppliers, to access the dollars quickly and with minimal burden.

Therefore, we ask the Committee should carefully review federal public health programs and revise them as necessary to ensure that the funds may be used to support both non-governmental and governmental ground ambulance service providers/suppliers to ensure that all communities, regardless of their individual decisions related to the entities operating their EMS systems, have federal funds to support their response efforts during public health emergencies.

II. Ground Ambulance Services Faces a Crippling Workforce Shortage that Threatens Access to Emergency Medical Services.

Another lesson learned is that the country’s EMS system requires federal support to ensure availability of a well-trained workforce to provide ground ambulance services. Our country’s EMS system is facing crippling staffing challenges that threaten the provision of crucial emergency healthcare services at a time of maximum need. As we face a pandemic that waxes and wanes but does not end, our 9-1-1 infrastructure is at risk due to these severe workforce shortages.

A survey of nearly 20,000 employees working at 258 EMS organizations found that overall turnover among paramedics and EMTs ranges from 20 to 30 percent annually. With percentages that high, ambulance services face 100 percent turnover within a four-year period. Staffing shortages compromise our ability to respond to healthcare emergencies, especially in rural and underserved parts of the country.

The pandemic exacerbated this shortage and highlighted our need to better understand the drivers of workforce turnover. There are many factors. Chief among them is inadequate reimbursement by governmental payers. We must have a reimbursement system that matches payments with the costs of providing services and allows us to increase wages as competition for personnel intensifies.

Our ambulance crews are suffering under the grind of surging demand and burnout. In addition, with COVID-19 interrupting clinical and in-person training for long periods of time, our training pipeline has been stretched even thinner. The challenge is to make sure that the paramedics and EMTs of the future know that EMS is a rewarding destination. Many other healthcare providers have extensive governmental professional development resources, but that simply often does not exist for EMS.

One of the most critical gaps in an adequate pipeline of trained EMS personnel results from the fact that many existing Federal training programs and other forms of assistance are not eligible for nongovernmental or for-profit ambulance service providers. We believe that all providers, regardless of organizational form, should have access to the full range of federal and state training and retention resources that are available.

The following potential Congressional actions would help mitigate the current workforce shortage by expanding and strengthening the EMS workforce for the future:

- *Provide eligibility during the current public health emergency and for at least two years thereafter for first responder training and staffing grant programs administered by the U.S. Department of Health and Human Services (HHS) such as SAMHSA Rural EMS Training Grants and HHS Occupational Safety and Health Training Project Grants to for-profit entities.*
- *Authorize the establishment of a new HHS grant program open to public and private nonprofit and for-profit ambulance service providers to fund paramedic and EMT recruitment and training, including employee education and peer-support programming to reduce and prevent suicide, burnout, mental health conditions and substance use disorders.*
- *Provide tax credits to companies for employee education loan repayment assistance, provisions which would encourage training and retention of personnel who are often recruited by other healthcare providers.*
- *Implement minority and low-income recruitment programs. The AAA is committed to increasing diversity in the ground ambulance service workforce. We are the healthcare sector with the lowest barrier to entry, given our shorter training periods. We are supportive of provisions currently pending in this Congress, such as the Health Professions Opportunity Grants, which would provide increased access to training opportunities.*
- *Reduce barriers that prevent veterans from becoming certified as paramedics/EMTs. The military has a highly trained EMS workforce, but bureaucratic red tape, particularly in the state certification process, can make the transition cumbersome and time-consuming.*
- *Access unused visas for EMS-trained individuals.*

We ask to Congress to act to prevent vital ground ambulance services from disappearing in rural and underserved urban areas and from the country as a whole, which is experiencing longer and longer wait times for 9-1-1 services.

III. Ground Ambulance Services Face Severe Economic Hardship Made More Difficult during the Pandemic.

The pandemic has also shown that health care services reimbursed at rates less than the cost of providing services are particularly vulnerable. When these services are essential to the country's response to public health emergencies, as ground ambulance services are, the Congress needs to step in to help. While we appreciate the funding provided during the pandemic, ground ambulance services did not receive a fair share of the funding and remain at great risk.

In reports in 2007 and 2012, the Government Accountability Office (GAO) in both instances determined Medicare reimburses ground ambulance service providers and suppliers below cost when the temporary payment adjustments are not taken into account. In its [2007 report](#), the GAO found that Medicare reimburses on average 6% below the cost of providing ambulance services and 17% below cost for those suppliers and providers that serve super rural "areas". In the [2012 report](#), the GAO found Medicare reimburses on average 1% below the cost of providing services. However, as acknowledged by the GAO starting on page 24 of the 2012 report, the results of the 2012 cannot be compared to those of the 2007 report and certain policy and economic factors likely caused increased costs and lowered payments for ambulance services not captured in the 2012 report.

Since the Medicare ambulance add-ons were first extended beginning in 2010, ambulance service providers and suppliers have experienced an additional 10.75% reduction in Medicare reimbursement as a result of policy changes. This reduction is not reflected in the 2012 GAO report which used data from 2010. The below supplemental document outlines the specific policy changes and impact on reimbursement.

As a result of the current inadequate rates, ground ambulance services entered the pandemic in a precarious position at best. The pandemic disproportionately impacted ground ambulance service organizations. While the relief provided was appreciated, it fell far short of that provided to other health care organizations and did not meet the needs of these front-line workers. For example, ground ambulance services often were excluded from federal, state and local personal protect equipment provisions. That left ground ambulance suppliers and providers to find the PPE they needed to protect their workforce and patients on the market. This resulted in substantial increases in costs that other providers did not incur. Similar issues arose with other assistance programs as well.

The Provider Relief Fund has not provided sufficient relief for ground ambulance suppliers. Ground ambulance suppliers received substantially less than others. For example, we estimate that than 10,000 ground ambulance services in the Medicare programs received approximately \$1.5 billion overall. In comparison, in the first round of the Provider Relief Fund skilled nursing facilities/nursing homes received \$7.4 billion; rural hospitals, including rural

acute care general hospitals and Critical Access Hospitals (CAHs), Rural Health Clinics (RHCs), and Community Health Centers, as well as certain specialty rural hospitals, have received \$11 billion; and safety net hospitals have received \$14.4 billion (HHS, CARES Act Provider Relief Fund: Data, <https://www.hhs.gov/coronavirus/cares-act-provider-relief-fund/data/index.html>).

The impact of the pandemic on ground ambulances, like hospitals and SNFs, has been disproportional to the percentage of historic Medicare revenues. Second, hospitals and SNFs are still being paid when they provide health care services, but ground ambulance services are paid only when they transport a patient to a designated entity. The major issue for ground ambulance suppliers is that because transport was prohibited in many instances, they have to provide the services in response to 9-1-1 calls and are not being paid. This means that in addition to the increased costs related to PPE and similar expenses, ground ambulance suppliers have not been able to reduce work force, supply costs, or other costs because they continue to provide services 24/7 instead of shutting their doors, reducing services, or laying off employees to reduce costs.

Private ground ambulance services, which operate 28 percent of all emergency services nationwide as cited by the GAO, have received nearly zero funding from FEMA, SAFER (Staffing for Adequate Fire and Emergency Response) grants, and State and local funds to address increasing PPE and other costs related to the pandemic. According to NHTSA, EMS-only systems (those that do not also provide fire suppression services) provide overwhelming ambulance service transports. 59.7 percent of all responders who provide EMS transports are EMS-only services. The percentage in rural areas is more than 65 percent and more than 74 percent in wilderness areas in the United States.²

As a result of these challenges, we are now witnessing a number of ambulance services suppliers and providers closing their doors and leaving their communities at risk. The problem is most acute in the rural and underserved areas.

Going forward, the Congress needs to stabilize the ground ambulance reimbursement rates by making the add-ons permanent and reforming the payment system more holistically. In addition, the Congress should recognize the unique role of ground ambulance service organization during a public health crisis and direct dollars to ground ambulance suppliers is essential to keeping this critical component of the public health infrastructure and health care delivery system functioning as well.

IV. Conclusion

On behalf of the AAA, I want to thank you for your ongoing support of EMS and ground ambulance service providers/suppliers, as well as the leadership demonstrated by your work to prepare for the next pandemic. Over the years, the Congress has consistently recognized the vital and unique role that ground ambulance service providers/suppliers play in protecting their communities and providing mobile health care services. In light of the lessons learned during this pandemic, we encourage you and your colleagues to revise antiquated language that no longer represents the innovations and progress that have led to State and Local governments to

²NHTSA, "Characterizing Local EMS Systems," (Aug 2013).

rely upon ground ambulance service providers/suppliers, including non-governmental organizations. We also ask that you support mental health services for all paramedics and EMTs, regardless of the tax status of their employer.

The AAA and its volunteer leaders would welcome the chance to discuss this recommendation. We would also be pleased to participate in any fact-finding discussion or hearing that the Congress plans to host to better understand how the problems experienced during the current pandemic can be avoided in the future.

Please do not hesitate to reach out to Tristan North at (202) 802-9025 or tnorth@ambulance.org, or Kathy Lester at (202) 534-1773 or klester@lesterhealthlaw.com, for any additional information or questions.

Who We Are

The AAA is the primary association for ground ambulance service suppliers/providers, including private for-profit, private not-for-profit, governmental entities, volunteer services, and hospital-based ambulance services. Our members provide emergency and non-emergency medical transportation services to more than 75 percent of the U.S. population. AAA members serve patients in all 50 states and provide services in urban, rural, and super-rural areas. As the National Highway Transportation Safety Administration identified in its 2013 report on emergency services, EMS-only systems – such as our members – provide the vast majority of emergency ambulance services throughout America.