

# KOEHLER FITZGERALD

## | DEFENDING PATIENTS AND PLANS ACROSS THE U.S. |

### **Koehler Fitzgerald**

Koehler Fitzgerald LLC provides highly specialized legal services for self-insured health plans, their members and sponsors, insurers, TPAs, and reference-based pricing plans.

The firm's services encompass defense of out-of-network claims, claim repricing and scrubbing, and the national defense of patients confronted with balance billing claims. Additionally, the firm can represent plans and insurers nationally in the recovery of claim overpayments.

Koehler Fitzgerald's services cover all stages of collection activity, from advocacy to provider billing to jury trial and appeal.

Koehler Fitzgerald's services are supported by the use of proprietary and customized software to track and support all of its tasks and provide customized weekly reports of the status of claims and activity.

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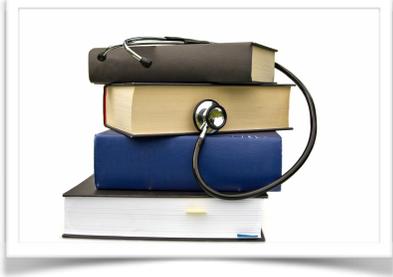
### **ET3**

Presently, Medicare pays only for emergency ground ambulance services when patients are transported to hospitals, critical access hospitals, skilled nursing facilities, and dialysis centers. Most Medicare beneficiaries are thus transported to one of these facilities even when a lower-acuity destination may be more appropriate.

Based upon a White Paper by the U.S. Departments of Health and Human Services and Transportation which found that Medicare could save \$560 million per year if patients were taken to doctors' offices rather than a hospital ED, the Centers for Medicare & Medicaid Services ("CMS") has announced a voluntary payment model for ambulance care teams to address emergency health care needs of Medicare beneficiaries following a 911 call, referred to as the Emergency Triage, Treat, and Transport ("ET3") model.

"Under the ET3 model, the Centers for Medicare & Medicaid Services (CMS) will pay participating ambulance suppliers and providers to 1) transport an individual to a hospital emergency department (ED) or other destination covered under the regulations, 2) transport to an alternative destination (such as a primary care doctor's





## Barriers to RBP Plans

"Few employers are using reference-based pricing (RBP) benefit design, even though there is broad awareness of its potential for delivering savings," according to a qualitative study published in the February issue of *The American Journal of Managed Care*®.

"Evaluations of US RBP programs have found reduced spending between 13.9% and 31.0% for joint replacement surgery, colonoscopy, laboratory tests, prescription drugs, and ambulatory surgery."

Despite these savings, only 5% to 6% of employers were using RBP in 2015-2016. The study surveyed a small sample of 13 individuals across 12 organizations, including human resources executives at large self-insured employers and representatives of consulting firms and purchasing coalitions.

"Despite broad employer awareness of RBP's potential for cost savings, few employers are including RBP in their benefit design. The major barriers to RBP adoption were the complexity of RBP benefit design, concern that employees could face catastrophic out-of-pocket costs, lack of a business case for implementation, and concern that RBP could hurt the employer's competitiveness in the labor market. The few employers that have adopted RBP have implemented extensive, year-round employee education campaigns and invested in multipronged and proactive decision support to help employees navigate their choices."

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office or an urgent care clinic), or 3) provide treatment in place with a qualified health care practitioner, either on the scene or connected using telehealth. The model will allow beneficiaries to access the most appropriate emergency services at the right time and place."

"The key participants of the ET3 model will be Medicare-enrolled ambulance service suppliers and hospital-owned ambulance providers. In addition, to advance regional alignment, local governments, their designees, or other entities that operate or have authority over one or more 911 dispatches in geographic areas where ambulance suppliers and providers have been selected to participate in the model will have an opportunity to access cooperative agreement funding."

A Notice of Funding Opportunity ("NFO") will be issued in the Fall of 2019 for no more than 40 two-year cooperative agreements, available to local governments, their designees, or other entities that operate 911 dispatches in selected geographic locations. Requests for Applications ("RFAs") will initially be released in Summer 2019 with the CMS Innovation Center anticipating up to three rounds of RFAs and up to two releases of NFOs.

The anticipated start date is January 2020. The five year performance period for all participants, regardless of start date, will end at the same time; thus, only applicants selected through the first RFA will be able to participate through the full five years.



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