EMS 3.0

WHAT IS IT AND HOW DOES IT WORK IN THE FRONTIER?

Kenneth Reed, MS, BS, NRP, CCCP
Director of EMS & Disaster Services
Heart of America Medical Center - Rugby
A Little Bit About Me

- Been in EMS since 1973
  - Paramedic School in 1975
- Worked in both ground and air medical transport programs.
- EMS Educator for over 35 years
- Live & Work in Rugby, ND
  - EMS Director – Rugby EMS
    - Certified Community & Critical Care Paramedic
    - ND EMS Advisory Board
    - NDEMSA Secretary-Treasurer
No financial conflicts to disclose
HEALTHCARE 3.0

HEALTHCARE IS TRANSFORMING

Our nation's healthcare system is transforming from paying for volume of care to one that rewards value, known as Healthcare 3.0. EMS can be a part of Healthcare 3.0 if it undergoes its own transformation by expanding services and demonstrating value.

Outcomes and performance data
CMS – Centers for Medicare & Medicaid

- CMS is the largest purchaser of health care in the world (approximately $900B per year)
- Combined, Medicare and Medicaid pay approximately one-third of national health expenditures. (approximately 21% of federal budget)
- CMS programs currently provide health care coverage to roughly 105 million beneficiaries in Medicare, Medicaid and CHIP (Children’s Health Insurance Program); or roughly 1 in every 3 Americans.
- The Medicare program alone pays out over $1.5 billion in benefit payments per day.
- CMS answers about 75 million inquiries annually.
- Millions of consumers will receive health care coverage through new health insurance programs authorized in the Affordable Care Act.
Number of Medicare Beneficiaries on the Rise!

Growing number of Medicare beneficiaries
Past and projected enrollment in Hospital Insurance (HI) and Supplementary Medical Insurance (SMI), in thousands, 1970–2050

The Cost of Healthcare is Unsustainable


Dollars in billions

Note: Figures for 2010 and 2015 are projected.

Source: The Commonwealth Fund; Data from 2006 Medicare Trustees’ Report.
American Healthcare is Costly!

Health costs grow
The amount employees and employers pay for health insurance continues to rise:

<table>
<thead>
<tr>
<th>Year</th>
<th>Employer Costs</th>
<th>Employee Costs</th>
<th>Total Cost</th>
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<tbody>
<tr>
<td>2007</td>
<td>$6,620</td>
<td>$1,977</td>
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<td>2008</td>
<td>$7,017</td>
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<td>2012</td>
<td>$8,900</td>
<td>$2,764</td>
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Source: TW/NBGH Value Purchasing Survey 1 - As of March 11
By Janet Loehrke, USA TODAY

HEALTH CARE COSTS: WE’RE NUMBER ONE!
Not only does the U.S. have the highest per-capita health costs in the world, but they’ve been going up faster than in other rich countries for the past three decades - yet we haven’t gotten more or better care for our money.
AMERICA’S HEALTHCARE SYSTEM IS THE BEST IN THE WORLD!

RIGHT?
A recent international study compared 11 nations on health care quality, access, efficiency, and equity, as well as indicators of healthy lives such as infant mortality.

### Overall Health Care Ranking

<table>
<thead>
<tr>
<th>Low</th>
<th>High</th>
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<tbody>
<tr>
<td>U.K.</td>
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<td>SWITZERLAND</td>
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<td>U.S.</td>
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NOT REALLY......
What’s Wrong with US Healthcare Today?

Too Costly?
Inefficient?
Disparities in Access and Quality?
Evidence Base foundation often lacking?
Lack of Prevention focus?
Fragmentation of care, between providers and sites of care? (Silos, care transitions)
Poor information and data sharing and transfer?
Patient safety and quality? (Compare to aviation industry?)

A payment system that rewards providing services rather than outcomes?
So It’s all about the Money...
“Today, Medicare pays the same amount regardless of quality of care. Some people would argue that in fact, the current Medicare payment system rewards poor quality,” Grassley said.

This situation just doesn’t make sense to me, nor should it to beneficiaries.”
International Health Institute (IHI)

• “Triple AIM”
  • Healthy Population (longer life with less chronic disease)
  • Experience of Care (Consumer satisfaction)
  • Per Capita Cost (better “bang for the buck”)
The Three Part Aim, Goals of CMS

• Better Care
  – Patient Safety
  – Quality
  – Patient Experience

• Reduce Per Capita Cost
  – Reduce unnecessary and unjustified medical cost
  – Reduce administrative cost thru process simplification

• Improve Population Health
  – Decrease health disparities
  – Improve chronic care management and outcome
  – Improve community health status
Value

![Diagram showing a comparison between Volume-Driven Healthcare and Value-Driven Healthcare on a cost-quality graph.](image-url)
Value

\[
\text{VALUE} = \frac{\text{QUALITY}}{\text{COST}} = \frac{\text{Outcomes} + \text{Patient Experience}}{\text{Direct Costs} + \text{Indirect Costs}}
\]
Three payment reform milestones: Volume to Value

- March 2010: Patient Protection and Affordable Care Act (ACA)
- January 2015: HHS Secretary Burwell sets clear goals and timeline for volume to value
- April 2015: Medicare Access and CHIP Reauthorization Act (MACRA)
Patient Protection and Affordable Care Act (ACA) of 2010

- Established the Center for Medicare and Medicaid Innovation (CMMI)
- Hospital Value-Based Purchasing (VBP) and readmission penalties
- Alternate Payment Models (APM) Pilots
  - Medicare Shared Savings Program (MSSP)
  - Accountable Care Organizations (ACO)
  - Early steps in Bundled Payments (BPCI)
  - Early steps in Comprehensive Primary Care (CPC)
An imperative for payment and incentives affecting growing U.S. population: **Volume to Value**

- **Direct:**
  - CMS in midst of active reform to incentivize the new models of care

- **Indirect:**
  - Provider payer mixes shift
  - Medicaid enrollment expanding with similar reforms
  - Commercial insurers following suit
Jan. 26, 2015: Better, Smarter, Healthier: In historic announcement, CMS sets clear goals and timeline for shifting Medicare reimbursements from volume to value.
The health system’s response to growing population of seniors

- Episodic
- Hospital-based
- Acute care
- Cross-functionally isolated

- More continuous
- Home- and community-based
- Chronic disease management
- Coordinated
- Cross-functionally integrated
SO WHAT DOES THIS HAVE TO DO WITH EMS YOU ASK?

I wanna ask...
EMS 2.0
EMS and health systems: 20 years of historically recognized potential – now can be realized

EMS Agenda for the Future: (circa 1996)

- Episodic emergencies
- Hospital-transport
- Acute care
- Transport only
- Cross-functionally isolated

“(EMS) of the future will be community-based health management that is fully integrated with the overall health care system…contribute to treatment of chronic conditions and community health…”

Development of care and services better matched to seniors’ needs
Recognized EMS innovations in ED to Home

Geisinger Health System’s community paramedicine program

Mount Sinai’s Mobile Acute Care Team (MACT)
EMS and health systems: 20 years of historically recognized potential – **now more broadly incentivized**, through Medicare APMs

**EMS Agenda for the Future: 1996**

“(EMS) of the future will be community-based health management that is **fully integrated with the overall health care system**…contribute to treatment of chronic conditions and community health…”
Health Care System Changes That Will Impact EMS Delivery

• Evidence Based Medicine and Outcomes

• Payment for Value vs. Volume
  • Providers rewarded to High quality vs. Quantity of charges

• Capitated Payments to Large Health Care Organizations
  • Medicare goal to be out of fee for service by 2020
  • Alternate Payment Models
  • At Risk Payments
  • Will become the “insurer” for the allotted patient population.
IS MODERN EMS A “VALUE”?  

• “One Trick Pony”  
  • Single Solution to Every problem  
    • Transport by ambulance (most expensive means of transport) to the Emergency Room (most expensive means of medical care).

• Questions to be Asked:  
  • Does it improve the patient’s outcome?  
  • Does it improve their experience of care?  
  • Does it reduce the cost of healthcare?

• PROVE IT!
TRADITIONAL EMS WILL REMAIN A NECESSITY

24/7 emergency medical dispatch (911)

Rapid response, medical assessment and treatment

Urgent cardiac, stroke, trauma, mass casualty/disaster care

Emergency and critical care transport

The Percentage of 911 Calls needing all this is estimated to be less than 10%
HEALTHCARE PAYERS WILL WANT MORE FROM EMS AGENCIES IN ORDER TO “SHARE” THEIR FUNDS

EMS MUST OFFER EXPANDED SERVICES

- Nurse advice
- Post-discharge follow up, preventive care
- Chronic disease management and support
- Alternative transportation or referral to community health or social services resources
EMERGENCY CARE + EXPANDED SERVICES = VALUE

Better patient health

Lowered costs
Our nation's healthcare system is transforming from a "fee-for-service" model to a patient-centered, and value and outcomes-based model, referred to as Healthcare 3.0. EMS can be a part of Healthcare 3.0 only if it undergoes its own transformation by expanding services and demonstrating value. EMS 3.0 includes...

- Nurse advice
- Post-discharge follow up, preventive care
- Chronic disease management and support
- Alternative transportation or referral to community health or social services resources
- 24/7 emergency medical dispatch (911)
- Rapid response, medical assessment and treatment
- Urgent care: cardiac, stroke, trauma, mass casualty/disaster care
- Emergency and critical care transport

EMS is uniquely positioned to support our nation's healthcare transformation by assessing and navigating patients to the right care, in the right place, at the right time. Let's move our profession to EMS 3.0.
Next steps for EMS Transformations

- Support research collaborations in ED to Home transitions and other new EMS-based delivery models of care
- Develop value propositions and returns on investment
- Develop resources and outreach to facilitate adoption:
  - Mentorships
  - Learning collaboratives
  - How-to-guides
HOW DOES A PRIMARILY VOLUNTEER STAFFED EMS SERVICE FIT INTO EMS 3.0?
I DON’T KNOW, BUT........

• ND EMS may need to “Reinvent” itself to be Eligible for Health Care Dollars
  • National Accreditation Standards for EMS
    • Higher Documentation Standards
  • Provider Recognition vs. Supplier
  • Expanded Role and Services
    • Community Paramedic & AEMT/EMT Health Workers
    • Health Screenings
    • Wellness Visits
    • Re-admission Reduction Strategies
  • Hospice Support
  • Integrated Staffing Models
    • Fire Service, Hospitals, Health Centers
Summary and Conclusions

- Payment reforms and aging demographic driving home- and community-based care better matched to patient needs.
- EMS now has both a role and more reimbursement paths directly tied to the healthcare system.
- EMS must demonstrate and provide tangible value to realize the opportunity in new reimbursement landscape.
QUESTIONS?