

# OUTSIDE LINES



## ET3 TO CHANGE ED VISITS

Today's Top Pick, Curated for Leaders Changing Healthcare

February 19, 2019

*ET3 – Emergency Triage, Treat, and Transport – is a new payment model announced last week by HHS. On the table is \$560 million per year that Medicare could save by transporting individuals to doctors' offices rather than hospital EDs.*

A new Medicare payment model – called ET3, or Emergency Triage, Treat, and Transport – could actually make a dent in ED use, while still protecting access to care and advancing the healthcare industry's mantra for the right care, at the right place, at the right time.

Announced by HHS last week (February 14), the model is voluntary, will last for 5

years, is expected to start in early 2020, and for the first time, will pay ambulance suppliers and providers for treating patients directly or transporting them to sites of care that do not only include hospital EDs. This could be majorly transformational. And this is possible now because of the years of innovation led by community-based paramedics which *USA Today* describes as “America’s ‘Guerrilla’ Medics working to fill the cracks in the nation’s healthcare system.”

**On the table is \$560 million per year** – according to HHS’ Center for Medicare and Medicaid Innovation (CMMI) – that Medicare could save by transporting individuals to doctors’ offices rather than hospital EDs. What will change to make this possible? Medicare’s new model will pay participating ambulance suppliers and providers to:

- 1) Transport a patient to a hospital ED (currently, Medicare only pays when patients are transported to hospitals, critical access hospitals, SNFs, and dialysis centers), or
- 2) Transport the patient to an alternative destination (such as a primary care doctor’s office or an urgent care clinic), or
- 3) Provide treatment in place with a qualified healthcare practitioner, either on the scene or via telehealth.

**A brewing debate has been rising on the topic of “unnecessary ED visits.”** A week before the ET3 announcement – on February 7 – Premier Inc. announced that \$8.3 billion could be saved in ED costs if more effective primary care was provided for people with chronic conditions. Also, payers and employers (most notably, Anthem) have been attempting to restrict payment for ED visits that they deem to be medically unnecessary. Emergency doctors, consumer advocates, and others take issue with this, arguing that patients have a right to seek care for urgent concerns, and that the ED is a critical source of care for high-risk patients. But a *JAMA* commentary written in October noted that a better solution is to improve access to primary care, behavioral health, and community-based resources. It seems that ET3 might just be the better solution.

We are constantly scanning the horizon of healthcare, to help you stay on top of, and in front of, key trends. ED utilization is a key tenet as the healthcare industry evolves and fights for value-based care. Paramedic, EMS, and CMMI innovators are shedding light on what is possible for serving communities, altering where and how emergency care is provided, and doing this in a way that is intentionally “right.” HHS is committed to a 5-year period for ET3, and CMS plans to invite state Medicaid programs and other insurance companies to adopt the model. What might this mean for hospitals, their EDs, and for the many emergency ambulance service companies – including innovators like Dispatch Health – who will jump on

this bandwagon? It could be a game-changer.

Always Looking Ahead,  
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## **X·CO: MEET HARRY, A SURGEON AND MEDICAL LEADER TO HELP DRIVE YOUR SUCCESS**



[Harry Sax](#), one of our Strategy Advantage [X·CO Partners](#), is a board-certified surgeon and expert in health system medical staff and clinical transformation. Given his many years of working as the Executive Vice Chair of Surgery at Los Angeles-based Cedars-Sinai Health System, he understands the challenges associated with reducing “avoidable” ED usage. Harry can assist with questions like how to facilitate discussions among medical staff and other providers to reach consensus on key issues, how to engage medical staff in best practices, and how to optimize organization-wide clinical performance. Harry is available for executive-to-executive, short-term consulting and advice, to help drive your success forward. To get started with Harry, email us at [XCO@xcoadvantage.com](mailto:XCO@xcoadvantage.com) or call 310/ 416-1400 x4.

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### **ADDITIONAL RESOURCES**

Read more [here](#) about the ET3 (Emergency Triage, Treat, and Transport) model announced by HHS’ CMMI on February 14, 2019.

Read more [here](#) – from Premier Inc., published on February 7, 2019 – about the \$8.3 billion savings opportunity in ED visits.

Read more [here](#) – from JAMA in October 2018 – about the ED’s role in providing a critical source of care for high-risk patients.

Read more [here](#) – from *USA Today* in June 2018 – about innovative paramedic programs filling the cracks in healthcare.

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This bi-weekly e-mail is curated by the expert team from Strategy Advantage and provides a look across the horizon, and outside the lines, of the healthcare industry.

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