

# MANAGEMENT FOCUS

— FOR PROVIDERS OF EMERGENCY MEDICAL SERVICES —

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FITCH & ASSOCIATES, LLC

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## OVER-THE-COUNTER AEDs APPROVED

The *Philips HeartStart Home Defibrillator* became the first AED approved by the U.S. Food & Drug Administration (FDA) for purchase without a prescription. For \$2,000, anyone may now buy a personal AED and the manufacturer expects to sell as many as 20,000 in the next year. With over a quarter of a million deaths annually attributed to sudden cardiac arrest (SCA) and 80% of those happening in the home, one would expect this to be hailed as a breakthrough in cardiac arrest intervention.

In an interview on *National Public Radio*, Dr. Arthur Kellerman, an Emory University Emergency Medicine Specialist, cautioned to consider the likelihood of experiencing SCA in the presence of a witness. Having researched prehospital cardiac care, he wonders: Will they know an AED exists and how to locate it? Can they operate it? Will it delay initiation of 911? Dr. Kellerman worries people will invest in the odds instead of focusing on prevention and health.

Other leading industry researchers like Dr. Mickey Eisenberg and Dr. Joseph Ornato disagree. They have been quoted in the national press supporting the FDA approval as a big step forward in the chain of survival. Dr. Eisenberg even related the potential impact of home

AEDs to that of smoke detectors and enhanced fire safety.

Philips hopes AEDs will become as common as fire extinguishers are today. Obviously recognizing concerns over layperson user ability, the *HeartStart Home Defibrillator* is light and compact, with simple operating features, voice prompts, and CPR instructions scripted specifically for the untrained rescuer. It even won an award for 'Best of What's New' from *Popular Science* for making a significant step forward in its class. FDA approval was predicated on the company's ability to demon-

strate untrained laypeople could operate the AED by using only the device and its accompanying materials, which they did.

Not missing a beat, late last month Philips launched the device onto the consumer consciousness with a national media campaign. The television advertisement has attracted some criticism from EMS professionals due to its portrayal of an ambulance struggling to proceed through a congested urban street. The voiceover reports SCA survival is dependent on defibrillation occurring within 5 minutes of arrest and indicates

most ambulance respond within 9 minutes. Absent, is mention of public access and aggressive first response AED programs that aim to beat the 5 minute mark. At time of print, the company has not responded to the criticism.

Regardless, AEDs continue to be hailed as a key link in the chain of survival and, with this latest enhancement, their presence will only increase. This is an opportunity for EMS Agencies to lead in the evolution of layperson prehospital cardiac resuscitation in the community.

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## REIMBURSEMENT CHANGES - GOOD OR BAD?

Ambulance and air medical providers have been struggling with unstable and inconsistent reimbursement policies for decades—particularly from the federal government. The imposition of a Medicare national fee schedule is, for the first time, stabilizing the industry's primary source of reimbursement.

While many providers are suffering from decreased reimbursement, others are enjoying increases and all will benefit from stabilization. Predictable Medicare reimbursement levels allow service providers to develop operational and performance

plans to account for revenue changes. EMS systems can respond to match service levels, subsidies, and performance requirements to balance costs and revenue.

Some EMS systems have lengthened response time requirements as a reaction to decreased revenue while others have been able to upgrade performance and staffing levels as a result of reimbursement.

### Good Signs from D.C.

There are indications that legislators and bureaucrats in D.C. are finally paying attention to EMS and ambulance

services issues. Positive signs include:

- The Ambulance Relief provisions of the Medicare Modernization Act passed this year add an estimated \$600 million to Medicare ambulance reimbursement.
- CMS has indicated its support for the implementation of condition codes to replace diagnoses as a basis for determining medical necessity for ambulance transportation.
- Congress has recognized the high costs associated with rural EMS and has implemented the "super-rural" bo-

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# EMS & HOSPITAL TRENDS & NOTES



**AAA Releases Community Guide.** The long awaited updated edition of the American Ambulance Association's *Contracting Guide* will be unveiled in October at the AAA's Annual Conference & Trade Show. The new edition, titled the *Community Guide for Ensuring High Performance Emergency Ambulance Service*, was developed for communities to create sustainable results oriented emergency ambulance service.

**Response Time Defined?** It has long been advocated as a measure of quality high per-

formance EMS and studies link time to intervention with improved patient outcomes, but a recent study in the *EMS Management Journal* looked at the reporting methods of 120 services in Florida and found 9 different definitions. The researcher concluded definitions were often based on data availability and, in many cases, conscious decisions were made to use data more favorable to the entity and not necessarily reflective of what elected officials or citizens would highlight. Inconsistency was attributed to a lack of external input and an absence of an industry expectation.

**TX Taskforce Tackles Non-Emergency Transportation.** A year long investigation into the regulation of non-

emergency interfacility-transport on behalf of the Governor's EMS & Trauma Advisory Council concluded with several recommendations: stronger definitions, increased fees, and stronger licensing requirements. The taskforce was assembled as a result of State-wide concerns over an increase in ambulance providers in areas that were also experiencing increases in Medicare fraud. Currently the State has no regulatory authority over non-emergent inter-facility transportation.

**EMS/Fire Merger Scrapped.** Following a June grand jury report, Mayor Gavin Newsom announced a new plan to halt the merger of EMS into the San Francisco Fire Department. The new plan proposes paramedics re-

main civilians, work 10-hour shifts instead of 24s, be housed in separate facilities, and make a reduced compensation package than firefighter colleagues. Among the report's many findings: poor preplanning, conflicting cultures, and a lack of leadership support for EMS.

**Plan to Privatize on Hold.** The City of Pittsburgh's proposed transition from a city run service to a privatized hospital model appears on the back burner. The Pittsburgh Tribune-Review reported it would not be ready for a 5-year budget plan just released. The proposal privatizes EMS under an authority funded by local hospitals to save money, but reportedly the hospitals are still in negotiations on specifics.

## OVER-THE-COUNTER

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Consider the following.

**AED Registration.** Create a public information program encouraging consumers to register their AEDs. Add the details to CAD and schedule a home visit with the owner. Provide pamphlets on the device and SCA prevention, offer advice on ideal placement and confirm it's operational, and just answer any questions.

**AED Layperson Training.** Encourage the public to take a layperson AED class. Hold marathon mass trainings on Valentines Day, work with radio and TV stations to promote upcoming classes, and

post schedules on your website. The more people hear about them, the more likely they are to listen.

**Healthy Fund Drives.** Promote AED awareness and cardiac health and wellness by sponsoring a walk or running race to benefit public access defibrillation programs and feature education on heart healthy living.

**Cardiac Arrest Survival Awareness.** Show the public the results of an aggressive AED program. Solicit local businesses to sponsor a picnic to reunite survivors with the rescuers that saved them. Invite the media and use the

event to raise awareness about SCA and AEDs.

**AED Information Source.** Increasingly, the public will be exposed to news stories about SCA and AED use. Be the local experts; answer questions and proactively search out opportunities to educate the public on the issue. Create a media liaison, put an informational page on your website, and become the source of digestible and reliable information.

Over the counter AEDs are a great opportunity to ignite local efforts to strengthen the chain of survival, elevate awareness, and be a leader in

saving lives. Make the effort to be that leader.

### MANAGEMENT FOCUS

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## REIMBURSEMENT

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nus for 5½ years and increased mileage reimbursement for extremely long distance transports.

- Congress is beginning to understand the importance of EMS's role in homeland security.

Well directed lobbying efforts, grass roots campaigns, and a common message from providers is resulting in a better understanding of the industry in Washington. This trend could portend the continued, stable improvement of medical transportation reimbursement.

### Benefits

The stabilization of Medicare reimbursement benefits ambulance services by:

- Leveling the playing field between hospital ambulance service providers and independent ambulance suppliers.
- Improving reimbursement for rural ambulance services

to improve its long-term viability.

- Recognizing the high cost of providing emergency services - ALS or BLS.

*...many EMS agencies will not be able to offer life-saving or outcome-improving medications.*

- Clarifying the definition of "Emergency" to reflect immediate response rather than the patient's ultimate condition.

- Allowing ALS reimbursement when the ALS assessment determines no ALS care is needed.

- Eliminating most of the regional and provider type variations in reimbursement for the same services.

Over time, these improvements will provide a more stable environment for operating ambulance services and allow EMS systems to be better designed with more consistent levels of service and performance regardless of

their geographic locations.

### Challenges Remain

The EMS industry cannot remain complacent. Although strides have been made in improving and stabilizing Medicare reimbursement, serious challenges remain.

**Medicaid Reimbursement.** In the vast majority of states, Medicaid reimbursement for ambulance services still does not cover the cost of providing the services. Some Medicaid programs have discontinued coverage of the Medicare co-insurance and many have decreased the already minimal payments for ambulance services. Inadequate Medicaid reimbursement remains one of the industry's most significant vulnerabilities.

Since Medicaid is a state-administered program, it will be difficult to effect positive change in Medicaid reimbursement. Efforts to improve Medicaid reimbursement do not lend themselves to a national strategy. Providers in each state will need to collaborate to increase reimbursement from Medicaid for the essential ambulance services provided to recipients.

**Medicare Drug Coverage.** CMS has decided that there will not be separate coverage or reimbursement for pharmaceuticals. This will preclude EMS systems from incorporating innovative and effective treatment protocols to improve patient outcome. Many of the potentially most effective drug interventions are costly. Without payment

### PASSING OF A FRIEND: JAMES O. PAGE

The public safety community lost a colleague, a champion, a defender, and most of all a friend last month with the unexpected passing of James O. Page. As a street level fire officer, technical advisor on the TV show *Emergency!*, EMS attorney, consultant, and publisher, he gave himself to an industry we would eventually all learn to love as much as he did. His void will forever be felt. Our best wishes go out to his family.

mechanisms, many EMS agencies will not be able to offer life-saving or outcome-improving medications.

**Compliance.** Scrutiny of ambulance services will continue. Medical necessity and alternative modes of transportation issues remain a focus of CMS and the OIG. New areas of investigation will arise from the implementation of the fee schedule. Abuses in classifying responses as ALS1-emergencies based on ALS assessment, misinterpretation of the definition of emergency, and classifying transports at the Specialty Care level will open new avenues for abuse and scrutiny.

### Summary

While the implementation of the Medicare fee schedule represents a significant challenge for many, ultimately the stabilization of federal reimbursement will improve the ability of organizations and systems to balance their levels of service and performance with the funding resources.

## WELCOME . . .

Fitch & Associates is pleased to announce the addition of Dave Williams, MS as a new Senior Associate. Dave joins us from Austin-Travis County (TX) EMS where he was the Commander over Quality Management. Active in EMS for over a decade, Dave is a frequent author and speaker in the industry. In addition, he is currently pursuing his PhD studying patient/customer centered system design.

MedServ Air Medical Transport is pleased to an-

nounce the addition of Edward R. Eroo, MHSA, CHE, CAE, CMTE as the new Partner and Chief Executive Officer. Ed comes to us from Duke University Hospital in Durham, NC where he served as Associate Operating Officer for Emergency Services. He has over 20 years of leadership experience in medical transportation and hospital administration. In addition, Ed is the current Treasurer of the Association of Air Medical Services Foundation.

## GENERATIONS X, Y, & Z IN EMS . . .

The American workplace has entered uncharted waters. For the first time ever, four distinctly different generations (Veterans, Boomers, Xers, & Nexters) make up today's workforce, creating a new leadership challenge. Unfortunately, many are still approaching and managing everyone the same and thus encountering the frustrations of an environment where one size no longer fits all. Before you throw up your hands, consider this:

- The economy, family situation, social events, and the popular culture present while growing up, all have an impact on their view of the world and approach to work. Each generation is a product of their experiences, take the time to appreciate the events that framed who they are and you will better understand how to lead them.
- Customer skilled, techno savvy, a multi-tasker; each generation comes uniquely wired. Instead of focusing on differences, encourage people

to embrace the varying attributes brought to the team.

- For some its immediate accomplishments, while others thrive for distant goals. Discovering what drives each generation can help you effectively motivate your staff.
- Traditional classroom, on-line lessons; each generation learns in their own way and carries different preferences. Diversify the content and delivery of your training to meet all.
- Job security, technology, experience gaining, flexibility; each generation looks at ideal employment through

their own lens. Recognizing their needs and wants can assist in recruiting and retaining a diverse workforce.

Getting a firm grasp on managing four distinct generations in your organization is a daunting task. Pretending it's not something warranting your attention can create an unforgiving headache. Embracing the generational variety that exists and targeting efforts towards their individual needs can make for a more effective and efficient operation and turn your shop into a preferred employer in the industry.

### PREHOSPITAL CARE ADMINISTRATION - SECOND EDITION NOW AVAILABLE

Fitch & Associates is pleased to announce the recent publication of the *Prehospital Care Administration Second Edition: The Industry's Best Articles, Essays and Case Studies on The Toughest EMS Issues*. Filled with new articles, updated classics, and

real case studies that put theory into practice, *Prehospital Care Administration* is a must have on any manager or supervisor's office bookshelf. Get your personal copy today at <http://www.emergencybookstore.com>

### AMBULANCE

### SERVICE MANAGER'S PROGRAM - 2005

2005 marks the 12th year that Fitch & Associates and the American Ambulance Association have collaborated on the Ambulance Service Manager's (ASM) Accelerated Program. This dynamic class offers an exciting and interactive learning environment. Participants work alone, in teams, and on the internet sharpening and developing competitive skills for today and beyond.

Classes begin online January 17, 2005 with onsite sessions in Kansas City February 27-March 5 and April 17-23. All session must be completed consecutively.

For more information go to [www.fitchassoc.com/services/conferences.htm](http://www.fitchassoc.com/services/conferences.htm). Registration deadline is December 31, 2004 (class is already filling up). To register, contact Erika Davis with AAA at (800) 523-4447 or [edavis@the-aaa.org](mailto:edavis@the-aaa.org).

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