

HB26-1069: Availability of Emergency Medical Services

Sponsors: Rep Feret, Rep K. Stewart, Sen Mullica



Our current emergency transportation system is outdated and too expensive. We can adjust policies to reduce ER admissions, save patients, the state and carriers money, all while providing the appropriate treatment at the appropriate location.

The Issues:

- Many patients transported by EMS to the ER have issues that could be addressed at a more appropriate location and for a lower cost
- EMS provides, on average, up to 40% of care to patients on scene. These calls do not need transport, however, EMS is only reimbursed when they transport patients to the ER, not for essential treatment provided on-scene.

Why Reimburse Treatment in Place?

'Treatment in Place' (TIP) is care given to a patient at the scene, within EMS's scope of practice, to patients that do not need to go to the ER.

- Colorado's 911 calls show TIP reimbursement would pay for itself in avoided transport costs alone, not including downstream hospital system savings (Eagle County TIP Report).
 - Preliminary cost savings found \$1,285.40 savings to Medicaid per TIP call.
- A federal TIP pilot program showed a 193% cost-to-savings ratio for Medicare members receiving TIP services vs. ED transport (NAEMT, 2023).

Why Allow Transport to Alternate Locations?

- Transport to alternate destinations creates significant cost savings for patients and the state – **especially in rural areas.**
- Emergency rooms are already overcrowded and the current method is unsustainable. This will address the issue head on by decreasing unnecessary ER visits.
- Allowing for transport to alternate locations lets patients be treated in the most appropriate setting for the kind of care they need and makes sure ER physicians can focus on the patients that need them the most

What will HB26-1069 do?

- Requires Medicaid and private insurance to reimburse for Treatment in Place, Telehealth during EMS calls, and transport to alternate locations: behavioral crisis centers and urgent cares, at the discretion of the EMS medical director
- Requires private insurance to reimburse EMS for transport to behavioral crisis response centers
- Makes social workers who co-respond in emergency settings be considered first responders

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Who Supports HB26-1069?

- Colorado State Fire Chiefs
- Emergency Medical Services Association of Colorado
- Denver Health
- Colorado Counties Inc
- Healthier Colorado
- Colorado Rural Health Center
- Colorado Behavioral Healthcare Council
- Colorado Counseling Association
- Adams County
- Mesa County
- Falck Rocky Mountain Ambulance Service (Aurora)
- Global Medical Response Ambulance Service

Amendment Descriptions:

L.002:

- Removes section 1 to avoid the changes in HB26-1069 unintentionally affecting unrelated parts of statute.
- Changes definition of “health information organization network” to match existing statute

L.006

- Changes "COMMUNITY INTEGRATED HEALTH-CARE" to "AN AGENCY PROVIDING OUT-OF-HOSPITAL SERVICES" to avoid improperly requiring CIHCs be regulated like ambulance services.
- Removes the requirement that private insurance cover telehealth as part of Treatment In Place
- Clarifies that private insurance must cover alternate destination transport only to crisis stabilization units, defines the circumstances for that transport, and the reimbursement rate at which it must be covered by the carrier.
- Defines “out of hospital services” in the context of emergency response.

L.007

- Strikes section 4 and 5 related to community paramedics. This policy area is currently undergoing rulemaking that we do not want to interfere with.
 - Removes "COMMUNITY INTEGRATED HEALTH-CARE" from sections about transport to avoid improperly requiring CIHCs be regulated like ambulance services.
 - Clarifies that we are referring only to ground transportation for alternate transportation.
 - Adds definition of out of hospital services to the Medicaid portion of the bill
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Current EMS Utilization and Potential for Diversion

Public demand for EMS and ER access is high and still rising, with utilization volumes growing each year since 2019 (NEMSIS, CDC). Our health system's reliance on emergency care has led to crowded ERs and high bills, and driven professionals to rethink how we do emergency care.

- The National Emergency Medical Services Information System (NEMSIS) reports 60.3 million EMS responses in 2024, 36.4 million of which resulted in treatment and transport.
- In Colorado, EMS agencies – made up of 200 ambulance services of 20,844 EMS providers – annually transport and provide care to about 481,600 patients.¹²

National EMS stakeholder organizations have advocated sustainable reimbursement models for treatment given on-scene and alternative transport destinations. These “right care, right place” measures will reduce unnecessary ER use, improve system capacity, and lower patient costs.

HB26-1069 addresses the issue of people being transported to the ER when a more appropriate location would be both suitable and affordable.

- Coverage for emergency ambulance transport is an essential health benefit for state-regulated health plans. However, EMS routinely evaluate individuals when responding to a 911 emergency and determine that the appropriate care can be provided without admission to an ER.
- Providing evaluation and treatment on scene is called Treatment in Place (TIP), and makes up up-to 40% of ambulance services' call volume. Under current coverage laws, EMS are only reimbursed for transport to an ER.
- TIP and transport to alternate destinations are not currently covered, which does not reflect the reality of how resources are used on the ground. EMS personnel are responsible for responding to these calls and providing treatment, under EMS protocols and medical direction, in response to a 911 dispatch.

This misalignment is the core problem HB26-1069 fixes by clarifying that ambulance-based emergency evaluation and treatment pathways fall within “emergency services,” and therefore must be covered under health plans and Medicaid's payment obligations.

¹Colorado's EMS Data Collection

²2023 CO EMTS Report

Reimbursement for TIP, Alternate Destinations, and Telehealth

People often delay or avoid seeking emergency care due to concern about cost. KFF data from January 2026 found that about one-third (36%) of adults say that in the past year they skipped or postponed getting health care they needed because of the cost.³

Transport to the Emergency room should be reserved for situations when it is a true emergency. The current model requires that EMS transport to only the ER and that is the only way they get paid. This is not a sustainable or smart policy. Statewide data shows that about 40% of ER visits are avoidable but since this is the only way EMS can be reimbursed, they transport people there, even when protocols and medical direction support safe, alternative locations or even doing treatment in place.

Colorado Data from the All Payer Claims Database show the average ambulance transport costs \$1,500, with the average ER visit costing up to \$6,000. This means an ER visit and admission is \$8,500 per admission

This is the key reason for HB26-1069. Treatment and transport to alternate locations like behavioral health crisis centers can be a better approach for both care and costs.

By adjusting current policies, we can offset the overuse of Emergency Rooms, allowing for the physicians and staff to focus on the patients who most need their time and attention, rather than minor cases that could be handled directly by EMS personnel or at another healthcare facility. Additionally, direct transportation to behavioral health crisis centers can reduce inter-facility transports when ERs do not have the resources to handle a patient's behavioral health crisis.

Common conditions that result in unnecessary ER admissions like UTIs, minor cuts, and falls, can often be adequately treated on the scene or at an urgent care for a fraction of the cost those treatments would be in an ER setting.

- Example 1 (status quo): An elderly patient who lives alone and calls 911 feeling weak, feverish, and confused. EMS evaluates and finds no life-threatening emergency, with symptoms that suggest a UTI. Under current reimbursement structures, EMS must transport the patient to ER because they need an antibiotic prescription immediately. It would be the only way they are able to be seen by a doctor and for EMS to get paid
 - Average Cost: \$8,500 and many hours spent in the ER
- Example 2 (proposed policy): Elderly patient has UTI, EMs is dispatched out and determines they are stable, just need antibiotics. They use EMS Telehealth where they

³ <https://www.kff.org/health-costs/americans-challenges-with-health-care-costs/>

Speak to a doctor and are done within thirty minutes. EMS is now back online and ready for the next call.

- Average Cost: \$600-800 dollars

State and National Data on TIP, Alternate Destinations, and Telehealth

The Centers for Medicare and Medicaid (CMS) ET3 model was designed specifically to test payments for treatment in place and alternative destinations following a 911 call and EMS response.

- The ET3 report found a 193% cost-to-savings ratio for participants receiving TIP services as compared to an ER transport. By treating a patient on-scene, the ER visit cost (\$8,500) was eliminated and the cost for clinically appropriate care was between \$600 and \$800.
- ET3's findings calculated that proposed TIP reimbursement at the average ambulance transport rate would pay for itself in avoided transport expenditures alone, not including downstream hospital system savings for both patient and carrier.⁴

Colorado-specific studies conducted by the Eagle County Paramedics, Ute Pass Regional Health District, and Delta County Ambulance District demonstrate a savings of \$1,385.40 for each patient treated and released instead of transported to the ER.

This represents a total estimated savings of \$145 million statewide per year.

Under HB26-1069, EMS could evaluate and stabilize the patient, use telemedicine to consult a clinician, and initiate a treatment plan. They avoid long ER wait times, have lower out-of-pocket costs, and, without transport, the EMS personnel will be more quickly available to respond to the next emergency. This model is especially useful in rural areas, where long transport times limit the number of calls that the already stretched EMS services can take.

HB26-1069 will modernize our current Medicaid system to allow for coverage for TIP, transport to alternative destinations and emergency telehealth for Medicaid in order to maximize cost savings for Colorado and low income patients. For private health insurance, this bill will limit plan coverage requirements to just treatment in place and transport to behavioral health crisis centers, so that insurers have time to understand the impact these practices will have on their rates and premiums, which we believe based on all the reported data we researched, will be lower!

Thank you for taking the time to read this legally required legislative report to the health committee!

⁴ TIP cost savings report

