

Mathematica Analysis Finds Medicare Savings from Prior Authorization of Non-Emergency Ambulance Transport

Mathematica evaluation shows prior authorization could be an effective strategy in reducing improper use of health care services when targeted appropriately

WASHINGTON, DC, USA, July 20, 2022 /EINPresswire.com/ -- A recent article in the JAMA Health Forum by Mathematica's health experts examined the impact of a Centers for Medicare & Medicaid Services (CMS)



demonstration that implemented prior authorization for repetitive, scheduled non-emergent ambulance transport (RSNAT) services. CMS and the U.S. Department of Health and Human Services' Office of Inspector General had previously cited RSNAT as a Medicare-reimbursed service vulnerable to improper use. The study found that by targeting this service, the program led to a 77 percent decline in RSNAT costs, saved about \$1 billion in total Medicare costs from 2015 to 2019, and had little or no negative impact on patients' access or health outcomes.

The Medicare RSNAT Prior Authorization (RSNAT-PA) Model was a CMS pilot program to assess the impact of prior authorization for certain non-emergency ambulance services. The study examined the link between prior authorization for Medicare coverage of transportation costs and Medicare costs, patients' access to care, and health outcomes for Medicare beneficiaries subject to the pilot.

Mathematica's analysis found that the savings far exceeded the estimated administrative costs to CMS of implementing prior authorization, which are less than \$40 million per year. In addition to the cost savings, the study found no clear evidence of material changes to patients' health outcomes. Mathematica's analysis included 1.7 million Medicare beneficiaries.

"Our findings suggest there was a dramatic reduction in use of and payments for RSNAT services, and savings in overall total cost of care. We found no evidence of an increase in emergency ambulance use, emergency department visits, or unplanned hospital admissions," said <a href="https://example.com/Andrew-nample.com

<u>Asher</u>, senior fellow at Mathematica and co-author of the paper. "Based on our findings, prior authorization could be an effective strategy in reducing improper use of health care services when targeted appropriately."

This article stems from a multiyear evaluation contract Mathematica conducted for CMS to examine its prior authorization demonstrations. Mathematica's team of evaluation, program integrity, clinical, and Medicare transportation experts examined these demonstrations and provided CMS policymakers with rigorous evidence on the programs' impacts.

As noted in a <u>CMS release</u>, the Office of the Actuary certified the RSNAT-PA model and the CMS Administrator approved it for national expansion in September 2020 based in part on the evidence Mathematica provided in this study.

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