



Association of Air Medical Services

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**STATEMENT FOR THE RECORD
Association of Air Medical Services
For the: House Veterans' Affairs Committee, Subcommittee on Health
On Pending Legislation
March 21, 2024**

Chairwoman Miller-Meeks, Ranking Member Brownley, and members of the Subcommittee, the Association of Air Medical Services (AAMS) fully supports H.R. 5530, the *VA Emergency Transportation Access Act*, which is set for a hearing on March 21, 2024. On February 16, 2023, the VA published a final rule that would establish a new payment methodology for ambulance services (AP89-Change in Rates VA Pays for Special Modes of Transportation) in which the Veterans Health Administration (VHA) would pay the lesser of the actual charge for ambulance transportation or the Medicare rate, unless the VA has entered into a contract for that transportation.

AAMS, alongside a coalition of other organizations, has shared with both Congress and VA the negative impact this rule will have on access to emergency ambulance services for Veterans and their communities, particularly those in rural and underserved areas. AAMS is grateful to VHA for delaying the effective date of this rule until February 16, 2025, while VHA considers a new contracting process for air ambulance services. However, AAMS remains concerned that VHA's contract proposal is both unworkable and insufficient to preserve the access to ambulance services currently available for our nation's Veterans and the communities in which they live. The most recent proposal will only allow for a contracted rate for emergency transports initiated by VHA for transports to and from a VA facility. However, air ambulance providers report that VHA-initiated emergency air ambulance transports represent a very small percentage (less than 5%) of Veteran transports, limiting the applicability or benefit of VHA's proposed contract process.

H.R. 5530 is essential in protecting access for Veterans, especially in rural and highly rural areas. H.R. 5530 will ensure that VHA does the appropriate economic analysis and review of effects of the rule change on Veteran access. Further, H.R. 5530 requires the VHA to work with the industry experts, CMS, and Veteran Service Organizations on a workable solution, and develops and implements a workable contracting process. These commonsense actions will prevent the drastic erosion in access to emergency air ambulance services that will occur after February 16, 2025, if the final rule for special modes of transport is implemented in its current form. AAMS remains committed to meaningful engagement with VHA to resolve this issue to ensure continued Veteran access to emergency services and critical care.

Based on air ambulance cost and reimbursement data collected and analyzed by a reputable third party¹, Medicare rates significantly undercompensate for air ambulance transports, covering just over half of the associated costs in 2017. Should VHA move its reimbursement for air ambulance transports to parity with the Ambulance Fee Schedule, air medical providers will not be able to cover the costs of operating air medical bases, which will lead to air ambulance base closures and a reduction of ground ambulance services. Such a reduction in services will reduce access to emergency air and ground ambulance services for our nation's Veterans, as well as their neighbors in the communities in which they live.

We are grateful to Chairman Bost and the robust bipartisan group of Representatives who have recognized the negative impact of this rule. We applaud the Chairman for introducing H.R. 5530 and we appreciate all Representatives who have joined as cosponsors.

H.R. 5530 protects access to ambulance services by requiring the VA to engage with air ambulance providers, CMS, and VSOs and evaluate the effects on access to such services before proposing reductions in reimbursement to emergency transportation services. By requiring the VA to consult air and ground ambulance services and Veteran Service Organizations for stakeholder input, H.R. 5530 ensures that the VA considers all available information that is relevant to the effects of any reduction in reimbursement to emergency transportation services. Importantly, while H.R. 5530 does not prohibit the VA from making reductions in reimbursement, it includes a backstop ensuring that any reduction must still cover the basic costs of providing this lifesaving service and requires any change in rates to take place after careful consideration of cost data.

AAMS is joined in support of H.R. 5530 by the attached list of organizations. We urge all VA Committee members to support H.R. 5530 and move this bill towards passage by the House of Representatives.

Background information:

AAMS is the international trade association that represents over 93 percent of air ambulance providers in the U.S. Together, our more than 150 members operate over 1,000 helicopter air ambulances and 200 fixed-wing air ambulance services across the U.S. AAMS represents every emergency air ambulance care model, including aircraft based at hospitals, independent aircraft at bases in rural areas far from hospitals, and many hybrid variations.

Sincerely,



Jana Williams
President & CEO
Association of Air Medical Services

¹ "Air Medical Services Cost Study Report"; March 24, 2017; Xcenda

Appendix 1—Supporting Organizations

- Association of Air Medical Services (AAMS)
- American Ambulance Association (AAA)
- Association of Critical Care Transport (ACCT)
- Wounded Warriors
- Jewish War Veterans
- American Legion
- Disabled American Veterans
- Paralyzed Veterans of America
- VFW
- International Association of Fire Chiefs (IAFC)
- International Association of Fire Fighters (IAFF)
- International College of Advanced Practice Paramedics (I-CAPP)
- National Association of Emergency Medical Technicians (NAEMT)
- Helicopter Association International (HAI)
- Arizona Association of Air Medical Services (AzaAMS)
- California Association of Air Medical Services (Cal-AAMS)
- Kentucky Air Medical Association (KAMA)
- Michigan Association of Air medical Providers (MAAP)
- Texas Association of Air Medical Services (TAAMS)
- Indiana Association of Air Medical Services (INAAMS)
- Northwest Association of Aeromedical Responders (NWAAR)
- Air Methods Corporation
- Global Medical Response
- PHI Health
- Life Flight Network
- Enterprise Rescue (Alabama)
- Airbus
- Leonardo
- Bell-Textron