



Medicare: Today's Issue

February 17, 2004

BETTER BENEFITS – MORE CHOICES

Good News about the Medicare Prescription Drug, Improvement and Modernization Act of 2003!

Federal Reimbursement of Providers for Furnishing Emergency Health Services

Background

- Section 1867 of the Social Security Act (EMTALA) requires a hospital that offers emergency services to provide appropriate medical screening to individuals who request examination or treatment to determine whether or not an emergency medical condition exists. If such a condition does exist, the hospital must stabilize the condition and/or provide an appropriate transfer. This must be done regardless of the individual's ability to pay for treatment.
- Undocumented aliens are frequently unable to pay for the EMTALA-required care they receive from hospitals and the doctors and ambulance services associated with them. This is a growing burden, particularly in areas with significant numbers of undocumented aliens.

New Provisions

- The new law provides \$250 million per year for FY 2005-2008 to help pay for the costs of EMTALA-related care for undocumented aliens. Two-thirds of the funds will be divided among all 50 states and District of Columbia based on their relative percentages of undocumented aliens. One-third will be divided among the 6 states with the largest number of undocumented alien apprehensions. The data used to determine the division of funds among states will come from the Department of Homeland Security.
- From the amounts set aside for each state, the Secretary (acting through the Centers for Medicare and Medicaid Services, CMS) will directly pay eligible providers for their otherwise unreimbursed costs of providing emergency health care required under EMTALA and related hospital inpatient, outpatient, and ambulance services to undocumented and certain other groups of aliens. Eligible providers include hospitals, physicians, and providers of ambulance services (including facilities of the Indian Health Service operated by the Indian Health Service or by an Indian tribe or tribal organization).
- Payments will be made quarterly and may be made based on advance estimates with retrospective adjustments. The Secretary must establish a process for eligible providers to request payments no later than September 1, 2004.