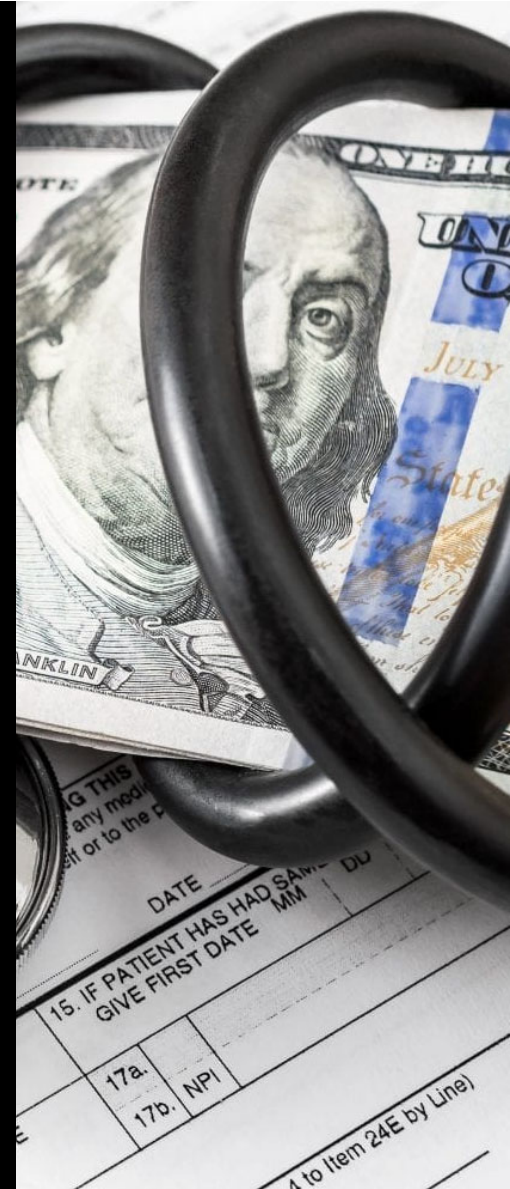


Introduction to EMS Reimbursement

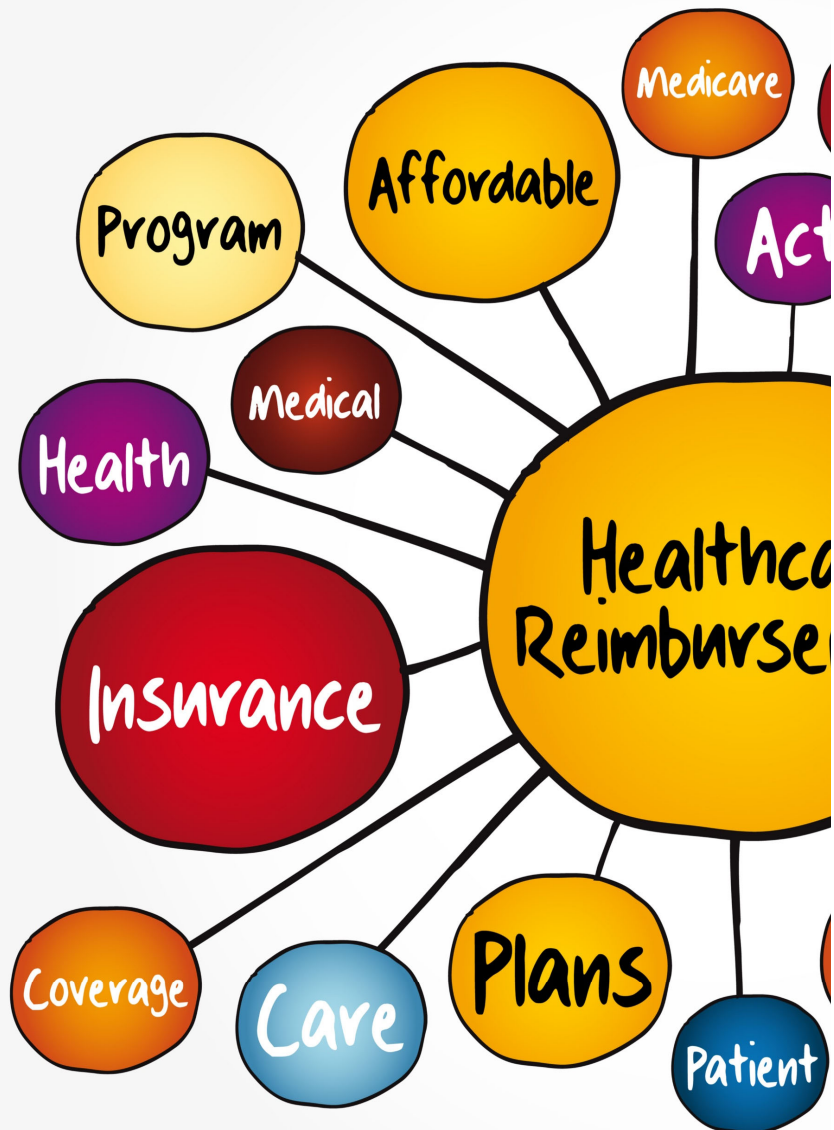




Ambulance Association of Orange County (AAOC)

Current Member Companies

- Care Ambulance / Falck Mobile Health Corp.
- Doctor's Ambulance Service
- Emergency Ambulance Service
- Premier Ambulance Service
- PRN Ambulance
- Shoreline Ambulance



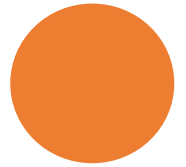
No sane person would ever intentionally design our current healthcare reimbursement methodology, but it is our current system...

Today's Discussion

- Review of ambulance billing practices and Orange County Ambulance Ordinance
- Adjusting ambulance rates to cover increases in minimum wage laws
EMT demands for higher salaries and soaring fuel prices
- Request to amend policy and seek increase in approved ambulance rates

Introduction

- Historically, Orange County's regulated 9-1-1 rates have been set well below other local and state-wide ambulance charges.
- This has provided an artificial subsidy for commercial insurance carriers and contributed to the lower wages paid to Orange County EMTs by both private ambulance companies and public fire agencies.
- Recent news article about California paying less than almost every state for ambulances to transport Medicaid patients, Shelly Hudelson, spokesperson for the International Association of EMTs and Paramedics said, "With a starting salary of \$15 to \$17 for EMTs, they're leaving in droves for fast-food jobs".
- Today, following the effects of COVID, EMTs are demanding a higher wage.
- Regulated ambulance rates need to be adjusted to meet this new demand.



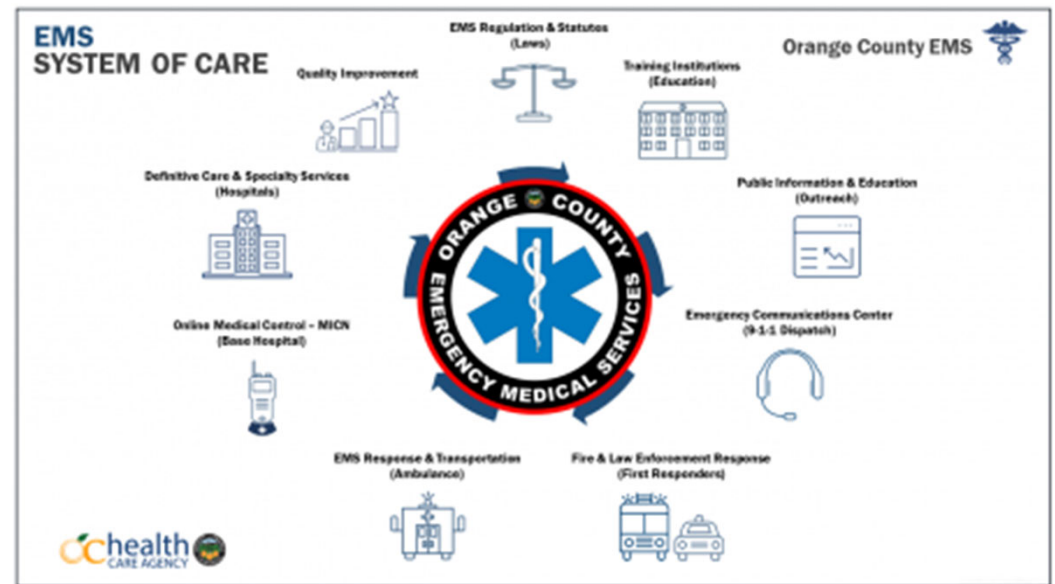


Who Sets the Rules for Ambulance Billing?

- Federal Level – Center for Medicare and Medicaid Services (CMS), Commonly known as MediCare
- State Level – Medi-Cal, CalOptima, or other governmental managed care programs found in California Code of Regulations – Title 22
- Commercial Insurance Carriers – Trend is to follow Medicare / CMS standards, rules and procedures but can make up own rules

Orange County Specific Regulations

- Ambulance Ordinance #3517 – Adopted April 1985, Establishing requirements for operations of ambulances in Orange County
- Ambulance Ordinance requires Orange County Board of Supervisors to set ambulance rates



Who is Covered Under the Ambulance Ordinance?

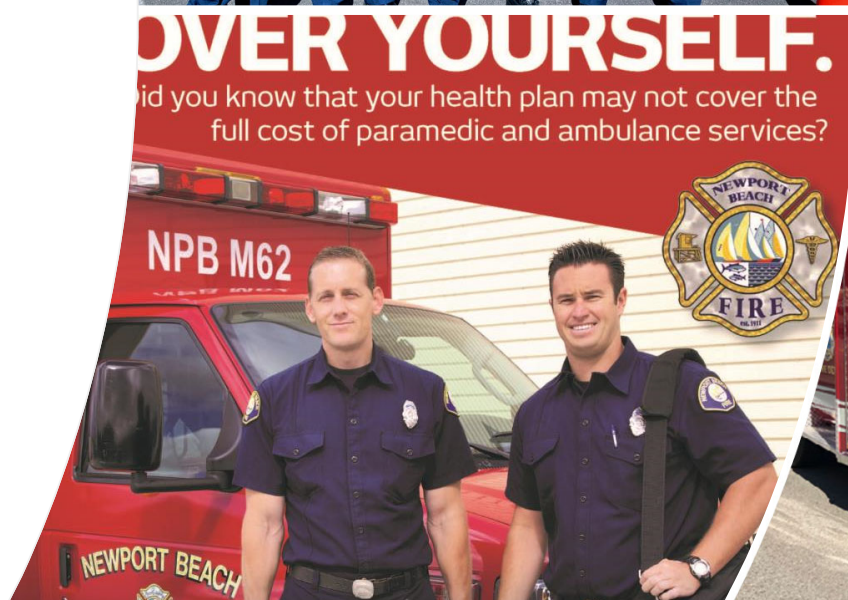
- Only private ambulance companies providing emergency (9-1-1) ambulance transport services
- Current contracted 9-1-1 providers are: Care Ambulance / Falck Mobile Health Corp., Emergency Ambulance and Doctor's Ambulance but recently many ambulance companies have provided back-up 9-1-1 services, including Premier Ambulance, Shoreline Ambulance, Lifeline Ambulance and American Med Ambulance
- Many private companies also index their I.F.T. rates to the established County rates but this is not required
- Does not apply to fire or city operated ambulance services

Current Approved OC EMS BLS Rate

Emergency (9-1-1) BLS Base Rate	\$1,290.15
Mileage, per mile	\$19.05
Oxygen	\$93.40
Standby, per 15 minutes	\$45.75
Expendable Medical Supplies	\$36.87

OC Fire Departments – BLS Ambulance

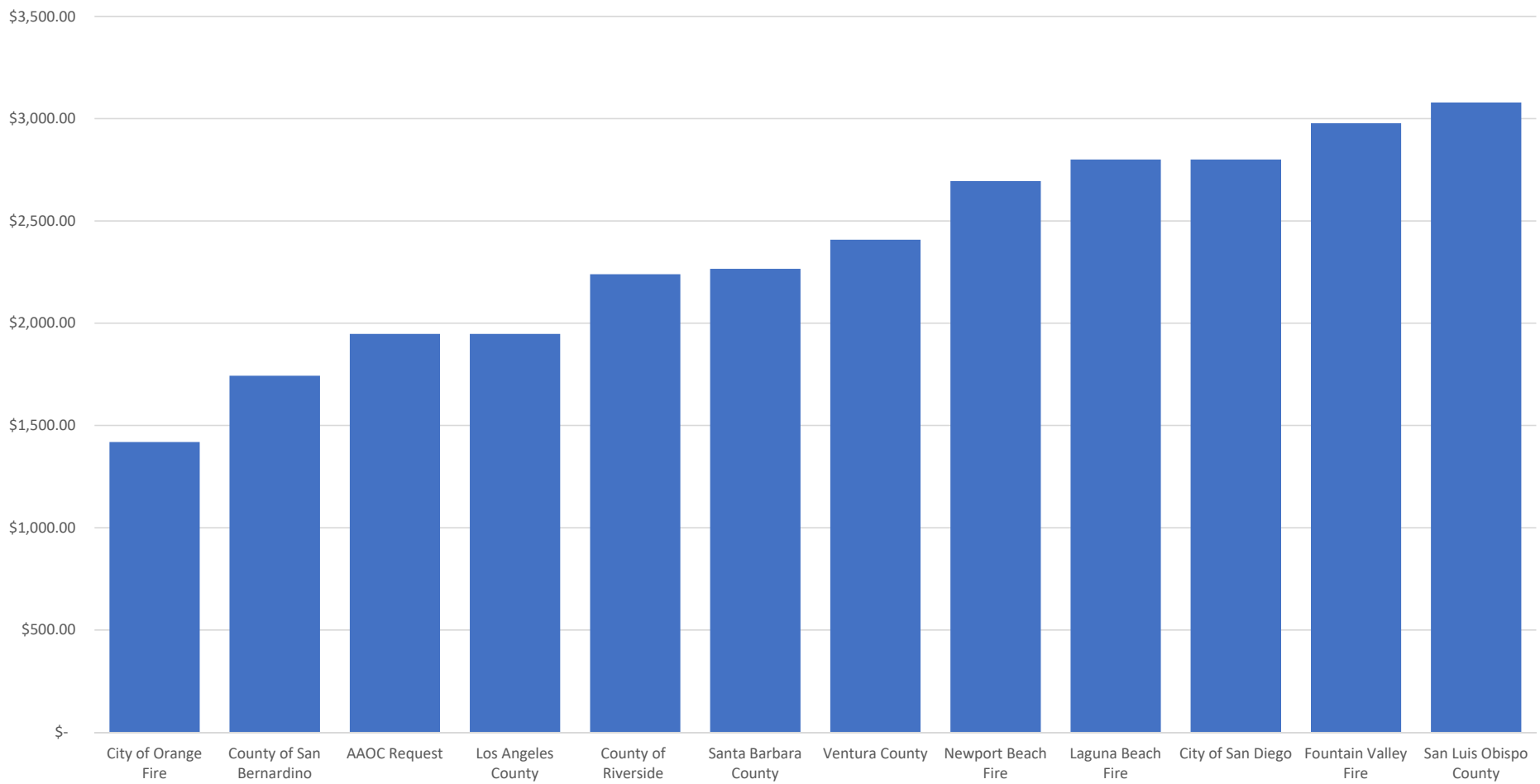
- Newport Beach
\$2,694.96
- City of Orange
\$1,418.84
- Fountain Valley
\$2,977.65
- Laguna Beach
\$2,800.00



OC Ambulance Rate Adjustment

The AAOC is requesting a one-time adjustment of ambulance rates to index to the LA County General Public Ambulance Rates, with the consolidation of Expendable Medical Supplies and Oxygen into the BLS Base Rate;

BLS Base Rate (and expendable medical supplies included)	\$1,948
Mileage, per mile	\$23.00
Standby Time, for each 15 mins.	\$68.50



Who Actually Pays for Ambulance Services?

- Medi-Cal, CalOptima and Governmental Managed Care programs, reimbursement is set by State of CA and CA Code of Regulations. Average Payment is \$126 with remaining balance dismissed / written off.
- Medicare and Senior HMO, reimbursement is set by CMS / Medicare. CMS pays 80% of allowable FFS charges and Senior HMO, HMO typically pays all of the allowable charges, less any required co-pay or deductible. Average payment is \$379 with remaining balance dismissed / written off.
- Commercial Insurance – Paid, less any plan required co-pay or deductible or non-covered charges.



Who Will Pay This Increase?

- Commercial insurance companies that already pay much higher transport fees in other Counties and other Orange County Cities. Nationally, ambulance companies represent less than **1%** of insurance spending.
- This cost shift is by Federal design.
- By not billing at the higher rates, you are forcing your emergency (9-1-1) ambulance providers to subsidize these commercial insurance companies.
- Increase is NOT paid by any MediCare, MediCal or CalOptima patient.
- “America’s way of paying for healthcare is already heartless. Twenty-five percent of the citizens of the richest country in the world have medical debt. This is not a problem we can solve locally but as one of the most fortunate communities in America we should be ashamed to add to it.”

Laguna Beach Fire Chief Mike Garcia

Request and Conclusion

- Index regulated emergency (9-1-1) ambulance rates to the July 2022 rates for County of Los Angeles General Public Ambulance Rates
- Adopt MediCare standard and consolidate BLS Base Rate, Disposable Medical Supplies and Oxygen into BLS Base Rate **\$1,948**
- Mileage, per mile **\$23.00**
- Waiting Time, per 15 mins **\$68.50**

- **Desired Outcome is increased EMT wages and reduction of patient complaints for charges not authorized by MediCare and other insurance carriers.**

