COUNTY DEPARTMENT AGENDA REQUEST

Department:	Administration	Presenter(s):	County Administrator Steve Rapson
Meeting Date:	March 28, 2013	Type of Request:	New Business

Wording for the Agenda:

Approval of proposed EMS ambulance fee adjustment recommendation.

Background/History/Details:

September of 2006 was the last adjustment made to EMS ambulance fees. We have conducted a comprehensive review of government, public and private service agencies that provide BLS (Basic Life Support) and ALS (Advance Life Support) and propose the following adjustments to our existing rate structure:

Mileage increase $.75; BLS Non-Emergency decrease ($150); ALS 1 Non-Emergency decrease ($50); BLS Emergency increase $150; ALS 1 Emergency increase $125; ALS 2 Emergency increase $150; Specialty Care Transport increase $75 and establishing Helicopter Transport equal to ALS 1 Emergency rate of service.

Adopting this new pricing structure would place Fayette County in line with other area services. The recommendations in the ambulance fee schedule is conservative and fair and continues to place our fee schedule less than the services in comparison.

This recommendation addresses fees for users of the service and improves our collection from the various third party payers for reasonable reimbursement that similar services receive.

What action are you seeking from the Board of Commissioners?

Approval of proposed EMS ambulance fee adjustment recommendation.

If this item requires funding, please describe:

N/A

Has this issue come before the Commissioners in the past?	Yes	If so, when?	March 2010
Do you need audio-visual for the presentation?	No	Back-up Material Submitted?	No

STAFF USE ONLY

Approved by Finance	Yes	Reviewed by Legal	
Approved by Purchasing	Not Applicable	Approved by County Clerk	Yes
Administrator's Approval			

Staff Notes:

FY2011 EMS millage reduction from 0.548 to 0.450 negatively impacted the EMS budget by $350,000. These adjustments to our existing EMS rate structure will allow the EMS Budget to meet present and future needs of medical services for our community.

Fayette County

"Where Quality Is a Lifestyle"

140 Stonewall Avenue West, Ste 100
Fayetteville, Georgia 30214
Phone: 770-305-5200
www.fayettecountyga.gov

To: Steve Rapson, County Administrator

From: M. Allen McCullough, Fire Chief
Director of Public Safety

CC: Thomas F. Bartlett, Deputy Fire Chief
Steven G. Folden, Commander

Date: March 8, 2013

Subject: EMS - Ambulance Service Fee Structure

Thank you for the opportunity to share our report and recommendation regarding the EMS – Ambulance fee structure. As you are aware from our previous discussion the Board of Commissioners have not been provided a presentation regarding our ambulance fee structure since September of 2006 at which point our present schedule was adopted. Staff conducts a fee schedule review on an annual basis to determine our comparison with various local providers which includes both government, public and private service agencies. The review has just been completed and Fayette County continues to be significantly less in both the base rate for service as well as in the mileage rate in comparison.

In CY 2012, we billed for $2,812,855.50 in services. During the same period, we collected $1,731,881.52. This equates to an average collection rate of 61.5%. The figures below will be based on this collection percentage.

Based on call typing and revenue potential, staff recommends that we increase our rates for the following transport types:

1. **MILEAGE RATE** INCREASE from $7.50 to $8.25, an increase of $0.75. This increase will put our mileage charge in line with other similar agencies according to our billing survey. Billing data shows a total of 53,354 billed miles in 2012. Assuming a 61.5% collection rate, this would yield an additional $24,609.50 in mileage revenue per year assuming no increase or decrease in transport volume.

2. **BLS NON-EMERGENCY RATE** DECREASE from $500 to $350 Base Rate. Our current rate is $278.94 above the Medicare Allowable. Although we have a 42% Medicare population, we billed 0 calls to this level in CY 2012.

3. **ALS 1 NON-EMERGENCY RATE** DECREASE from $500 to $450 base rate. Our current rate is $234.73 above the Medicare Allowable. Like the above example, we billed 0 calls to this level in CY 2012.

4. **BLS EMERGENCY RATE** INCREASE from $500 to $550. This billing code generated 1507 calls in CY 2012. With this increase, and assuming the above return rate, the County could see an additional $46,340.25 in revenue assuming no change in transport volume.

5. **ALS 1 EMERGENCY RATE** INCREASE from $500 to $625. This billing code generated 3171 calls in CY 2012. Adopting this increase at the current recovery rate would increase revenue by $243,770.62 per year assuming no change in transport call volume.

6. **ALS 2 EMERGENCY RATE** INCREASE from $500 to $650. Our current rate for this category is $107.91 BELOW the current Medicare Allowable. This billing code generated 88 transports in 2012. Assuming an unchanged transport volume, this increase could add $8,118.00 in revenue.

7. **SPECIALTY CARE TRANSPORT RATE** INCREASE from $725 to $800. This billing code generated 32 calls in CY 2012. This increase would net an additional $1,476.00 per year.

8. **HELICOPTER TRANSPORT** INCREASE the charge for response to a Base rate equivalent to the ALS 1 Emergency rate at $625. Currently, we levy a $175.00 air ambulance assistance fee unless we transport to a landing zone. In any transport to the landing zone, we charge the base rate plus applicable mileage. Moving to an ALS base rate on each of these calls removes the incongruity in this pricing schema.

As a reference, the following table gives a view of our service in comparison to other local services. The rates are current as of our last survey taken in August 2012.

Service	Fayette	Gwinnett	Spalding	Clayton	Peachtree City	Atlanta Grady	Coweta	Henry	Upson
BLS	$500	$975	$700	$608	$425	$1800		$425	$795
ALS1	$500	$975	$1000	$670	$475	$1800	$415*	$525	$925
ALS2	$500	$975	$1000	$776	$650	$1800		$650	$1275
SCT	$725	$975	$1000	None	None	$1800	Refused	$650	$1400
Mileage	$7.50	$15.00	$14.00	$10.00	$10.00	$14.00	$8.25*	$8.00	$16.00

Fulton / Rural Metro Refused to provide rate information.

Adopting this new pricing structure would place Fayette County in line with other area services. Additionally, based on the aforementioned calculations, this change could potentially add $527,341.00 in fees and an additional $324,238.00 in revenue.

The EMS Tax District was established by the Board of Commissioners in 2007 with gradual decreases from 0.550 to 0.450 for 2012/2013. See below:

2007 - 0.550 mills
2008 - 0.548 mills
2009 - 0.548 mills
2010 - 0.548 mills
2011 - 0.450 mills
2012 - 0.450 mills

A request was made in 2011 to maintain the mill rate at 0.548 to address identified capital needs which includes:

1) Ambulance replacement plan
2) Capital medical equipment such as ECG/Defibrillator
3) Radio replacement
4) Increase need to upgrade from FF/EMT to FF/Paramedic (not new positions) for the lack of advanced life support coverage on first responder units
5) Contribution for Headquarters/EOC construction project
6) Future Fire/EMS station growth

As a result of the reduction in the EMS millage from 0.548 to 0.450 the annual EMS budget has seen a decline in revenues by approximately $350,000.00.

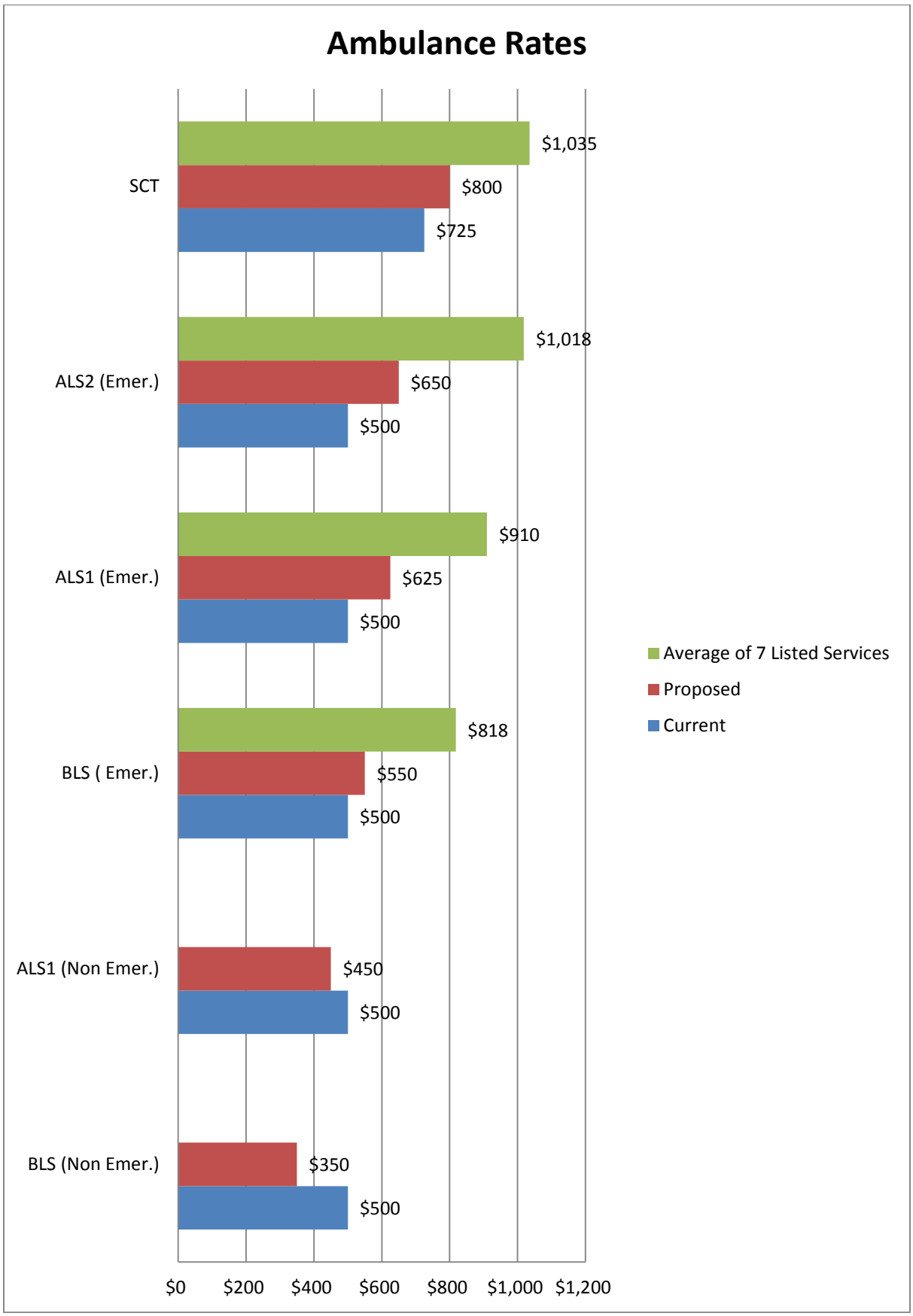
The adoption of staff's recommendations in the ambulance fee schedule both in base rates and mileage rate is conservative and fair and continues to place our fee schedule less than the services in comparison. This recommendation addresses fees for users of the service and improves our collection from the various third party payers for reasonable reimbursement that similar services receive. This additional revenue will greatly assist the EMS in meeting present and future needs of medical services for our community. Thank you for your consideration.

*Coweta County Rates obtained from Coweta County RFP for Ambulance Services
*www.**coweta**.ga.us/Modules/ShowDocument.aspx?documentid=4915*

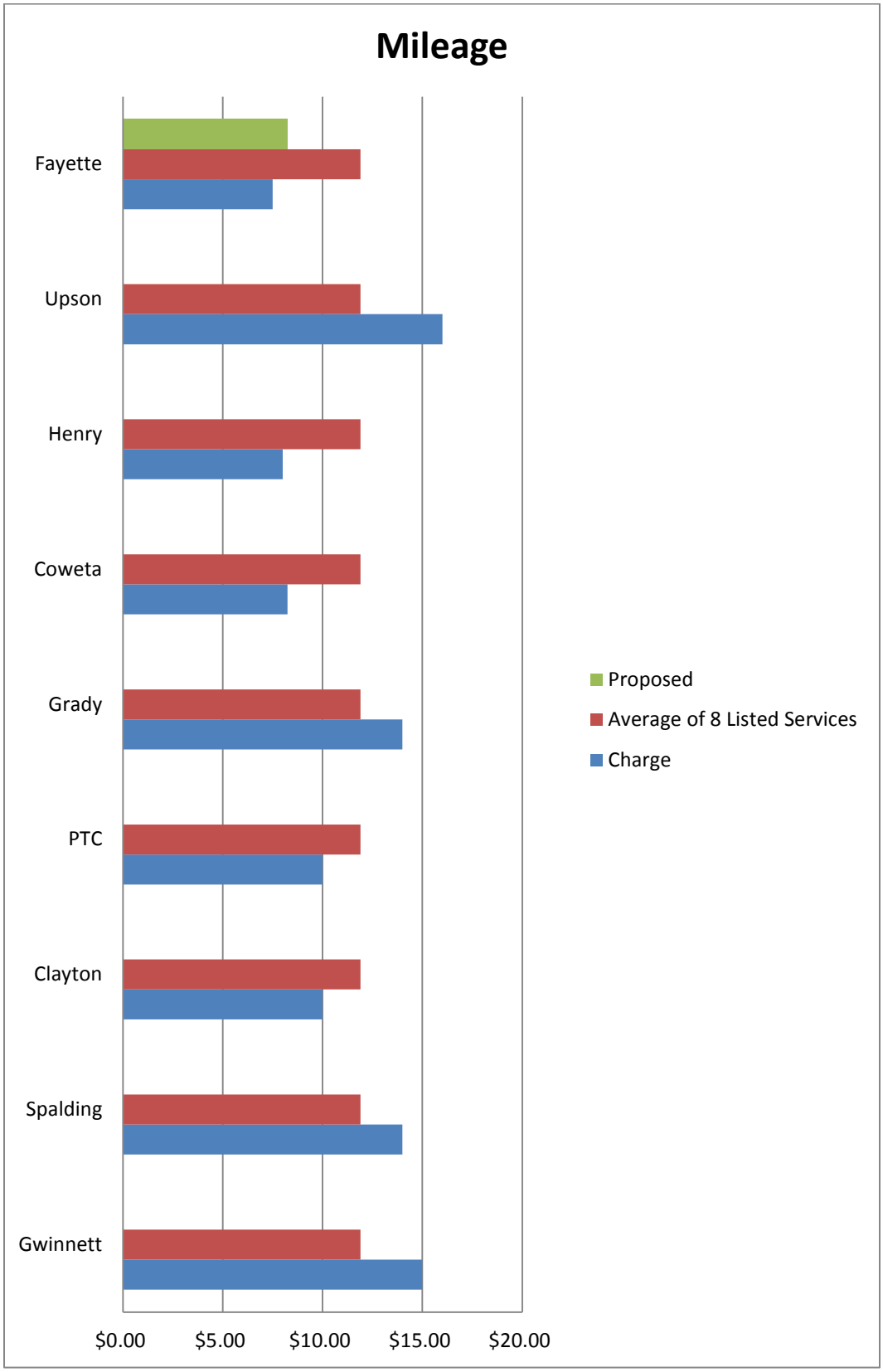
MAM:tl

Attachments

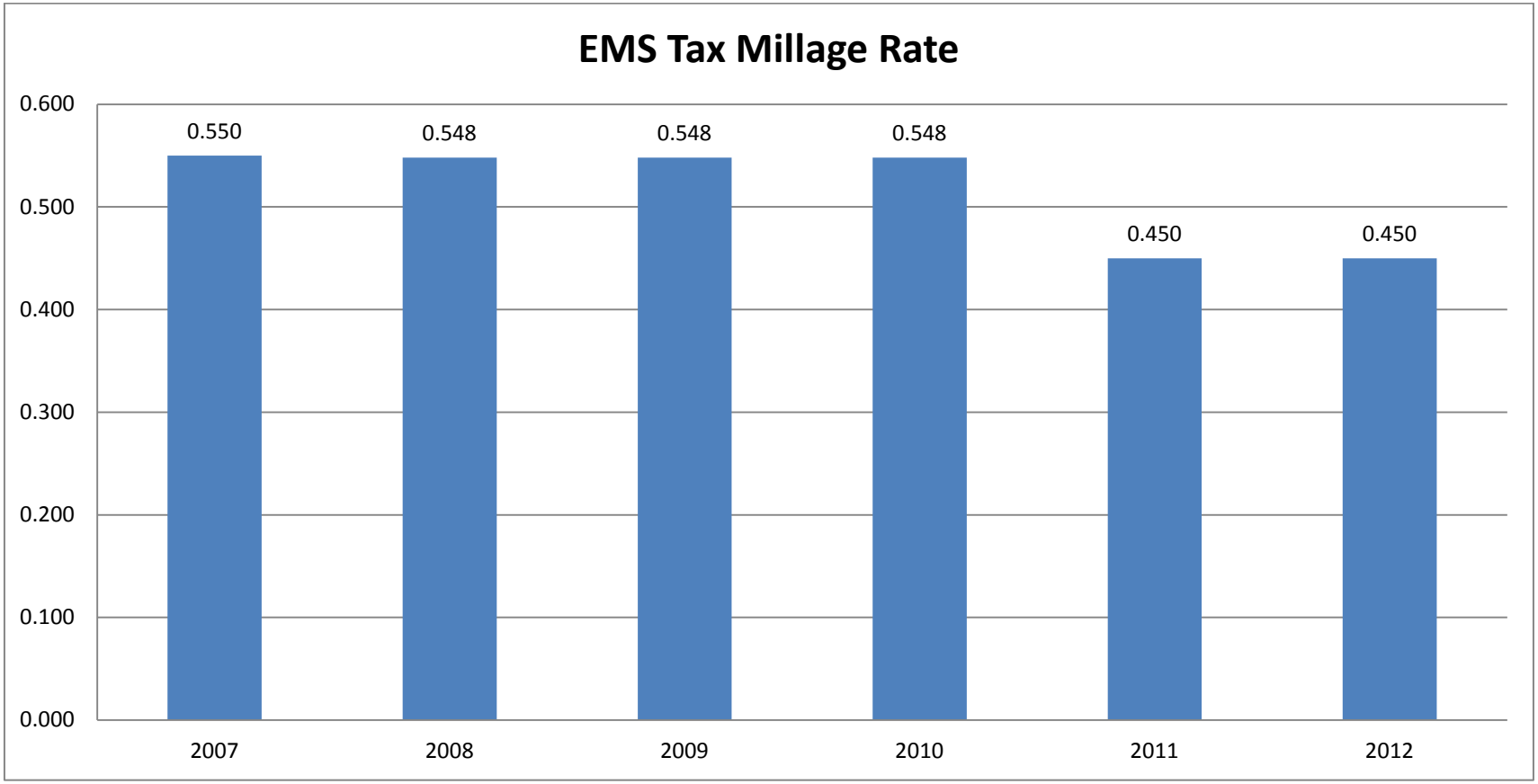
Appendix A


Ambulance Rates
SCT
$1,035
$800
$725
ALS2 (Emer.)
$1,018
$650
$500
ALS1 (Emer.)
$910
$625
$500
BLS (Emer.)
$818
$550
$500
ALS1 (Non Emer.)
$450
$500
BLS (Non Emer.)
$350
$500
$0
$200
$400
$600
$800
$1,000
$1,200
Average of 7 Listed Services
Proposed
Current

Appendix B


Mileage
Fayette
Upson
Henry
Coweta
Grady
PTC
Clayton
Spalding
Gwinnett
$0.00
$5.00
$10.00
$15.00
$20.00
Proposed
Average of 8 Listed Services
Charge

Appendix C


EMS Tax Millage Rate
0.600
0.500
0.400
0.300
0.200
0.100
0.000
0.550
0.548
0.548
0.548
0.450
0.450
2007
2008
2009
2010
2011
2012

Appendix D

	Existing	Proposed	Increase	Percent	Basis	Existing $	Proposed $	Increase	Collection
Mileage	$7.50	$8.25	$0.75	10.0%	53,354	$400,155	$440,171	$40,016	$24,610
BLS	$500.00	$350.00	($150.00)	-30.0%	0	$0	$0	$0	$0
ALS1	$500.00	$450.00	($50.00)	-10.0%	0	$0	$0	$0	$0
BLS-E	$500.00	$550.00	$50.00	10.0%	1,507	$753,500	$828,850	$75,350	$46,265
ALS1-E	$500.00	$625.00	$125.00	25.0%	3,171	$1,585,500	$1,981,875	$396,375	$243,771
ALS 2-E	$500.00	$650.00	$150.00	30.0%	88	$44,000	$57,200	$13,200	$8,118
SCT	$725.00	$800.00	$75.00	10.3%	32	$23,200	$25,600	$2,400	$1,474
T & R	$125.00				69	$8,625			
						$2,814,980	**$3,333,696**	**$527,341**	**$324,238**
					Billed	**$2,812,855**			
					Late Billing	**$1,550**			
					Variance	**-$575**			

ATTACHMENT A

EMS Fee Analysis - Proposal

Mileage

Service	Fayette	Henry	Coweta	Clayton	PTC	Atlanta	Spalding	Gwinnett	Upson	Impact
Mileage	$7.50	$8.00	$8.25	$10.00	$10.00	$14.00	$14.00	$15.00	$16.00	
Service	**Henry**	**Coweta**	**Fayette**	**Clayton**	**PTC**	**Atlanta**	**Spalding**	**Gwinnett**	**Upson**	
Mileage	$8.00	$8.25	$8.25	$10.00	$10.00	$14.00	$14.00	$15.00	$16.00	$24,610

BLS-E

Service	Henry	PTC	Fayette	Clayton	Spalding	Upson	Gwinnett	Atlanta	Coweta	
BLS-E	$425	$425	$500	$608	$700	$795	$975	$1,800	N/A	
Service	**Henry**	**PTC**	**Fayette**	**Clayton**	**Spalding**	**Upson**	**Gwinnett**	**Atlanta**	**Coweta**	
BLS-E	$425	$425	$550	$608	$700	$795	$975	$1,800	N/A	$46,340

ALS-1E

Service	Coweta	PTC	Fayette	Henry	Clayton	Upson	Gwinnett	Spalding	Atlanta	
ALS1-E	$415	$475	$500	$525	$670	$925	$975	$1,000	$1,800	
Service	**Coweta**	**PTC**	**Henry**	**Fayette**	**Clayton**	**Upson**	**Gwinnett**	**Spalding**	**Atlanta**	
ALS1-E	$415	$475	$525	$625	$670	$925	$975	$1,000	$1,800	$243,771

ALS-2E

Service	Fayette	PTC	Henry	Clayton	Gwinnett	Spalding	Upson	Atlanta	Coweta	
ALS2-E	$500	$650	$650	$776	$975	$1,000	$1,275	$1,800	N/A	
Service	**Fayette**	**PTC**	**Henry**	**Clayton**	**Gwinnett**	**Spalding**	**Upson**	**Atlanta**	**Coweta**	
ALS2-E	$650	$650	$650	$776	$975	$1,000	$1,275	$1,800	N/A	$8,118

SCT

Service	Henry	Fayette	Gwinnett	Spalding	Upson	Atlanta	Clayton	PTC	Coweta	
SCT	$650	$725	$975	$1,000	$1,400	$1,800	None	None	Refused	
Service	**Henry**	**Fayette**	**Gwinnett**	**Spalding**	**Upson**	**Atlanta**	**Clayton**	**PTC**	**Coweta**	
SCT	$650	$800	$975	$1,000	$1,400	$1,800	None	None	Refused	$1,476

Proposed Impact	**$324,314**