



## Rapid City Department Of Fire & Emergency Services

### Ambulance Rate Structure:

This document details the proposed new ambulance rate schedule to be utilized by the Rapid City Department of Fire and Emergency Services. Its content is tentative pending final approval by the Emergency Medical Services Oversight Committee.

In considering a new rate structure many factors had to be considered. The federal government has not and will not publish a set formula for establishing the “bundled” charge sets. Some factors that had to be considered:

- Mandated Medicare method of billing
- Current AMR / Rapid City approved rates
- Average billing for current provider patients
- Classification of new levels of service as described by Medicare
- Pledge to refrain from significant arbitrary raising or lowering of rates. \*

#### **Medicare Method of Billing:**

As a new provider, and in consideration of the new 2002 Medicare fee schedule for ambulance transportation services, the department will be mandated to bill according to “Method 2” billing.

**Definition:** Method 2 billing requires that the provider must “bundle” all charges for services and supplies into one charge. **The only additional charge allowed is for mileage.** Previous providers were allowed to use “Method 4” billing, which allows the provider to charge “itemized” billing for all procedures and supplies as well as mileage, outside of their prospective base rates.

#### **Method used to calculate new rates:**

To accomplish this change and to maintain a reasonable level of reimbursement for the city, the new bundled charges utilized the approved 2002 AMR list of itemized services, which include the proposed 5.3% CPI increase. That increase is typically added to the rates annually.

**Explanation of the Method Utilized:** Calculating the bundled rate involved three specific determinants: (1) The new Medicare defined levels of service were studied to determine the types of procedures and services that could be included within each level of service. (2) Billing charges were taken from a number of current, randomly selected patient care reports, the actual invoiced charges were averaged to determine what was an average bill for that general type of patient and call, based on the types of procedures and services that were provided. (Two examples of each level of service are included as comparisons). (3) The 2002 AMR itemized rates were increased with the CPI increase that AMR is typically granted under the current contract (5.3% this year). These new “itemized rates” (on the next pages) and the averages were then used to determine specific “all inclusive” base rates for each level of service defined by Medicare.

**Current city approved itemized ambulance rates**

DESCRIPTION	1998	1999	2000	2001	2002 <sup>®</sup>
<b>BASE RATES</b>					
ALS BASE RATE	\$ 375.00	\$ 387.75	\$ 403.65	\$ 421.81	\$ 444.17
BLS BASE RATE	\$ 190.00	\$ 196.46	\$ 204.51	\$ 213.72	\$ 225.05
EMERGENCY	\$ 50.00	\$ 51.70	\$ 53.82	\$ 56.24	\$ 59.22
STANDBY	\$ 70.00	\$ 72.38	\$ 75.35	\$ 75.00	\$ 78.98
NON PROFIT/SCHOOL STANDBY	\$ 35.00	\$ 35.00	\$ 35.00	\$ 35.00	\$ 36.86
<b>MILEAGE RATES (PER LOADED MILE)</b>					
ALS MILEAGE	\$ 6.00	\$ 6.20	\$ 6.46	\$ 6.75	\$ 7.11
BLS MILEAGE	\$ 6.00	\$ 6.20	\$ 6.46	\$ 6.75	\$ 7.11
<b>SUPPLIES</b>					
OXYGEN	\$ 40.00	\$ 41.36	\$ 43.06	\$ 44.99	\$ 47.38
AIRWAY NASAL	\$ 5.60	\$ 5.79	\$ 6.03	\$ 6.30	\$ 6.63
AIRWAY ORAL	\$ 7.84	\$ 8.11	\$ 8.44	\$ 8.82	\$ 9.29
COLD/HOT PACK	\$ 6.27	\$ 6.48	\$ 6.75	\$ 7.05	\$ 7.43
CRICOTHYROTOMY	\$ 153.36	\$ 158.57	\$ 165.08	\$ 172.50	\$ 181.65
DEFIB RILLATION SUPPLIES	\$ 7.84	\$ 8.11	\$ 8.44	\$ 8.82	\$ 9.29
DRESSING MAJOR	\$ 10.08	\$ 10.42	\$ 10.85	\$ 11.34	\$ 11.94
DRESSING MINOR	\$ 7.36	\$ 7.61	\$ 7.92	\$ 8.28	\$ 8.72
GLUCOMETER	\$ 5.00	\$ 5.17	\$ 5.38	\$ 5.62	\$ 5.92
INTUBATION SUPPLIES	\$ 84.45	\$ 87.32	\$ 90.90	\$ 94.99	\$ 100.03
IO IV SUPPLIES	\$ 20.30	\$ 20.99	\$ 21.85	\$ 22.83	\$ 24.04
IRRIGATION FLUID	\$ 9.90	\$ 10.24	\$ 10.66	\$ 11.14	\$ 11.73
IV ADMINISTRATION SUPPLIES	\$ 8.62	\$ 8.91	\$ 9.28	\$ 9.70	\$ 10.21
BUFF CAP	\$ 8.68	\$ 8.98	\$ 9.34	\$ 9.76	\$ 10.28
IV VOLUME EXPANDER	\$ 8.74	\$ 9.04	\$ 9.41	\$ 9.83	\$ 10.35
EKG MONITOR SUPPLIES	\$ 7.43	\$ 7.68	\$ 8.00	\$ 8.36	\$ 8.80
NEBULIZER- ALS	\$ 6.50	\$ 6.72	\$ 7.00	\$ 7.31	\$ 7.70
OB SUPPLY PACK	\$ 73.70	\$ 76.21	\$ 79.33	\$ 82.90	\$ 87.29
RESTRAINTS	\$ 34.30	\$ 35.47	\$ 36.92	\$ 38.58	\$ 40.63
EXTREMITY SPLINTS	\$ 11.23	\$ 11.61	\$ 12.09	\$ 12.63	\$ 13.30
C-SPINE IMMOBILIZATION	\$ 25.00	\$ 25.85	\$ 26.91	\$ 28.12	\$ 29.61
SUCTION SUPPLIES	\$ 34.72	\$ 35.90	\$ 37.37	\$ 39.05	\$ 41.12
RESUSCITATION BAG	\$ 35.20	\$ 36.40	\$ 37.89	\$ 39.59	\$ 41.69
GLUCOMETER- ALS	\$ 5.94	\$ 6.14	\$ 6.39	\$ 6.68	\$ 7.04
INFECTION CONTROL SUPPLIES	\$ 18.00	\$ 18.61	\$ 19.38	\$ 20.25	\$ 21.32
COLD PAK - BLS	\$ 12.50	\$ 12.93	\$ 13.45	\$ 14.06	\$ 14.81
DRESSING MINOR	\$ 19.00	\$ 19.65	\$ 20.45	\$ 21.37	\$ 22.50
GLUCOMETER - BLS	\$ 5.00	\$ 5.17	\$ 5.38	\$ 5.62	\$ 5.92
C-SPINE IMMOBILIZATION - BLS	\$ 25.00	\$ 25.85	\$ 26.91	\$ 28.12	\$ 29.61
INFECTION CONTROL SUPPLIES - BLS	\$ 18.00	\$ 18.61	\$ 19.38	\$ 20.25	\$ 21.32
<b>MEDICATIONS</b>					
ALBUTEROL	\$ 2.69	\$ 2.78	\$ 2.90	\$ 3.03	\$ 3.19
ADENOCARD	\$ 42.13	\$ 43.56	\$ 45.35	\$ 47.39	\$ 49.90
ATROPINE	\$ 18.85	\$ 19.49	\$ 20.29	\$ 21.20	\$ 22.33
BENADRYL	\$ 18.70	\$ 19.34	\$ 20.13	\$ 21.03	\$ 22.15
BRETYLIUM	\$ 19.22	\$ 19.87	\$ 20.69	\$ 21.62	\$ 22.77
CALCIUM	\$ 18.89	\$ 19.53	\$ 20.33	\$ 21.25	\$ 22.37
50% DEXTROSE	\$ 11.62	\$ 12.02	\$ 12.51	\$ 13.07	\$ 13.76
DOPAMINE	\$ 18.39	\$ 19.02	\$ 19.79	\$ 20.69	\$ 21.78
EPINEPHRINE 1:1000	\$ 17.92	\$ 18.53	\$ 19.29	\$ 20.16	\$ 21.23
EPINEPHRINE 1:10000	\$ 18.72	\$ 19.36	\$ 20.15	\$ 21.06	\$ 22.17

<sup>®</sup> 2002 ambulance rates included the addition of the 5.3% CPI increase

GLUCAGON	\$ 44.80	\$ 46.32	\$ 48.22	\$ 50.39	\$ 53.06
ISUPREL DRIP	\$ 20.14	\$ 20.82	\$ 21.68	\$ 22.65	\$ 23.85
LASIX	\$ 17.92	\$ 18.53	\$ 19.29	\$ 20.16	\$ 21.23
LIDOCAINE 100MG	\$ 18.48	\$ 19.11	\$ 19.89	\$ 20.79	\$ 21.89
LIDOCAINE DRIP	\$ 30.24	\$ 31.27	\$ 32.55	\$ 34.01	\$ 35.82
MORPHINE	\$ 31.36	\$ 32.43	\$ 33.76	\$ 35.27	\$ 37.14
NARCAN	\$ 23.27	\$ 24.06	\$ 25.05	\$ 26.17	\$ 27.56
NITROSPRAY(UNLIMITED DOSAGES)	\$ 32.82	\$ 33.94	\$ 35.33	\$ 36.92	\$ 38.87
PITOCIN	\$ 18.82	\$ 19.46	\$ 20.26	\$ 21.17	\$ 22.29
SODIUM BICARBONATE	\$ 18.50	\$ 19.13	\$ 19.91	\$ 20.81	\$ 21.91
VALIUM	\$ 19.31	\$ 19.97	\$ 20.79	\$ 21.72	\$ 22.87
AMINOPHYLLINE	\$ 17.41	\$ 18.00	\$ 18.74	\$ 19.58	\$ 20.62
ATROPINE 20ML MDV		\$ 19.31	\$ 20.10	\$ 21.01	\$ 22.12
ANECTINE		\$ 19.27	\$ 20.06	\$ 20.96	\$ 22.07
INASPINE	\$ 9.50	\$ 9.82	\$ 10.23	\$ 10.69	\$ 11.25
ACTIVATED CHARCOAL	\$ 18.50	\$ 19.13	\$ 19.91	\$ 20.81	\$ 21.91
ATIVAN	\$ 25.43	\$ 26.29	\$ 27.37	\$ 28.60	\$ 30.12
D5W SOLUTION	\$ 9.90	\$ 10.24	\$ 10.66	\$ 11.14	\$ 11.73
ORAL GLUCOSE	\$ 7.99	\$ 8.26	\$ 8.60	\$ 8.99	\$ 9.46
LACTATED RINGERS	\$ 9.98	\$ 10.32	\$ 10.74	\$ 11.23	\$ 11.82
MEPERIDINE	\$ 23.90	\$ 24.71	\$ 25.73	\$ 26.88	\$ 28.31
NEOSYNEPHRINE(UNLIMITED DOSAGES)	\$ 20.27	\$ 20.96	\$ 21.82	\$ 22.80	\$ 24.01
NIFEDIPINE	\$ 2.82	\$ 2.92	\$ 3.04	\$ 3.17	\$ 3.34
NITROGLYCERIN (TABLET/PER DOSE)		\$ 10.53	\$ 10.96	\$ 11.46	\$ 12.06
NORCURON	\$ 37.26	\$ 38.53	\$ 40.11	\$ 41.91	\$ 44.13
NORMAL SALINE	\$ 14.22	\$ 14.70	\$ 15.31	\$ 16.00	\$ 16.84
PROCAINAMIDE	\$ 22.00	\$ 22.75	\$ 23.68	\$ 24.75	\$ 26.06
PROMETHAZINE	\$ 20.21	\$ 20.90	\$ 21.75	\$ 22.73	\$ 23.94
REGLAN	\$ 20.01	\$ 20.69	\$ 21.54	\$ 22.51	\$ 23.70
TERBUTALINE	\$ 20.67	\$ 21.37	\$ 22.25	\$ 23.25	\$ 24.48
THIAMINE		\$ 19.42	\$ 20.22	\$ 21.13	\$ 22.25
AMIODARONE				91.32	\$ 96.16
<b>PROCEDURE CHARGES</b>					
DEFIBRILLATION	\$ 87.00	\$ 89.96	\$ 93.65	\$ 97.86	\$ 103.05
GLUCOMETER	\$ 5.50	\$ 5.69	\$ 5.92	\$ 6.19	\$ 6.51
INTUBATION	\$ 55.00	\$ 56.87	\$ 59.20	\$ 61.87	\$ 65.14
IO IV	\$ 17.00	\$ 17.58	\$ 18.30	\$ 19.12	\$ 20.14
IV SALINE LOCK	\$ 33.00	\$ 34.12	\$ 35.52	\$ 37.12	\$ 39.09
IV VOLUME EXPANDER	\$ 33.00	\$ 34.12	\$ 35.52	\$ 37.12	\$ 39.09
EKG MONITOR	\$ 55.00	\$ 56.87	\$ 59.20	\$ 61.87	\$ 65.14
RESTRAINTS	\$ 28.00	\$ 28.95	\$ 30.14	\$ 31.50	\$ 33.16
C-SPINE IMMOBILIZATION	\$ 50.00	\$ 51.70	\$ 53.82	\$ 56.24	\$ 59.22
SUCTIONING	\$ 28.00	\$ 28.95	\$ 30.14	\$ 31.50	\$ 33.16
IV MAINTENANCE	\$ 33.00	\$ 34.12	\$ 35.52	\$ 37.12	\$ 39.09
PULSE OXIMETRY	\$ 33.00	\$ 34.12	\$ 35.52	\$ 37.12	\$ 39.09
MAST SUIT	\$ 27.50	\$ 28.44	\$ 29.60	\$ 30.93	\$ 32.57

**New Levels of Service and Cost Comparisons**

**Basic Life Support (BLS)**--When medically necessary, the provision of basic life support (BLS) services as defined in the National Emergency Medical Services EMS Education and Practice Blueprint for the Emergency Medical Technician-Basic (EMT-Basic) including the establishment of a peripheral intravenous (IV) line.

**PROPOSED ALL INCLUSIVE BASE RATE (BLS): \$ 337.89**

***Comparison:***

**Example#1-** 21 y/o female walked into fire station complaining of arm pain had fallen earlier in the day. No paramedic care or assessment necessary.

**Itemized**

\$ 225.05 Current Base Rate  
 \$ 7.11 Mileage (1 mile)  
 \$ 47.38 Oxygen  
 \$ 39.09 Pulse Oximetry  
 \$ 21.32 Infection Control Supplies  
**\$ 339.94**

**Bundled**

\$ 337.89 All Inclusive Base Rate  
 \$ 8.64 Mileage (1 mile)  
**\$ 346.53**

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**Example #2-** A medically necessary, scheduled transfer of a 74 y/o male from hospital to local skilled nursing facility.

**Itemized**

\$ 225.05 Current Base Rate  
 \$ 42.66 Mileage (6 miles)  
 \$ 47.38 Oxygen  
 \$ 39.09 Pulse Oximetry  
 \$ 21.32 Infection Control Supplies  
**\$ 375.50**

**Bundled**

\$ 337.89 All Inclusive Base Rate  
 \$ 51.84 Mileage (6 miles)  
**\$ 389.73**

**Basic Life Support (BLS-Emergency)**—As described previously (BLS)

**EMERGENCY DEFINITION:** The new definition of an "emergency response," which qualifies for higher payment at the BLS and ALS1 levels, is "responding immediately . . . to a 911 call or the equivalent in areas without a 911 call system. An immediate response is one in which the ambulance supplier begins as quickly as possible to take the steps necessary to respond to the call." Notably, Medicare has deleted the phrase "emergency medical condition" as a requirement for payment at the emergency rate. Medicare has thankfully recognized that ambulance services incur higher costs in being prepared to respond to emergencies regardless of what the patient's condition ultimately turns out to be. Of course, the patient must still meet medical necessity requirements for the ambulance service to be eligible for payment, but if the ambulance service "responded immediately" or took the steps necessary as quickly as possible to respond to the call, it would be entitled to the higher emergency payment rate (BLS and ALS1 levels only).

**PROPOSED ALL INCLUSIVE BASE RATE (BLS-Emergency): \$ 422.96**

**Comparison:**

**Example#1-** Responding to 911 call for 23 y/o male altered mental status, alcohol abuse. No Paramedic required no ALS assessment done.

**Itemized**

- \$ 225.05 Current Base Rate
  - \$ 7.11 Mileage (1 miles)
  - \$ 47.38 Oxygen
  - \$ 39.09 Pulse Oximetry
  - \$ 21.32 Infection Control Supplies
  - \$ 59.22 Emergency Response
- \$ 399.17**

**Bundled**

- \$ 422.96 All Inclusive Base Rate
  - \$ 8.64 Mileage (1 mile)
- \$ 431.60**

**Example #2-** Responding to a 911 call for 46 y/o male who was assaulted c/o head pain, no loss of consciousness. No Paramedic assessment required.

**Itemized**

- \$ 225.05 Current Base Rate
  - \$ 21.33 Mileage (3 miles)
  - \$ 59.65 IV (supplies and procedure)
  - \$ 47.38 Oxygen
  - \$ 39.09 Pulse Oximetry
  - \$ 21.32 Infection Control Supplies
  - \$ 59.22 Emergency
- \$ 473.04**

**Bundled**

- \$ 422.96 All Inclusive Base Rate
  - \$ 25.92 Mileage (3 miles)
- \$ 448.88**

**Advanced Life Support, Level 1 (ALS1)**--When medically necessary, this is the provision of an assessment by an advanced life support (ALS) ambulance provider or supplier or the furnishing of one or more ALS interventions. An ALS assessment is performed by an ALS crew and results in the determination that the beneficiary's condition requires an ALS level of care, even if no other ALS intervention is performed. An ALS provider or supplier is defined as a provider or supplier whose staff includes an individual trained to the level of the EMT-Intermediate or Paramedic as defined in the National EMS Education and Practice Blueprint. An ALS intervention is defined as a procedure beyond the scope of an EMT-Basic as defined in the National EMS Education and Practice Blueprint.

<b>PROPOSED ALL INCLUSIVE BASE RATE (ALS 1):</b>	<b>\$ 677.60</b>
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**Comparison:**

**Example#1-** Call to local ambulance office by family by 71 y/o female requesting transport to local hospital, pt not feeling well. Paramedic assessment required as well as administration of qualifying medication.

**Itemized**

- \$ 444.17 Current Base Rate
- \$ 42.66 Mileage (6 miles)
- \$ 47.38 Oxygen
- \$ 39.09 Pulse Oximetry
- \$ 21.32 Infection Control Supplies
- \$ 38.87 Nitroglycerin X2
- \$ 73.94 Cardiac Monitor (supplies and procedure)
- \$ 59.65 IV (supplies and procedure)
- \$ 767.08**

**Bundled**

- \$ 677.60 All Inclusive Base Rate
  - \$ 51.84 Mileage (6 miles)
  - \$ 729.44**
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**Example #2-** Call to local ambulance office by Sioux San for a scheduled transport to RCRH for extremity pain. Paramedic assessment required as well as cardiac monitoring.

**Itemized**

- \$ 444.17 Current Base Rate
- \$ 28.44 Mileage (4 miles)
- \$ 47.38 Oxygen
- \$ 73.94 Cardiac Monitor (supplies and procedure)
- \$ 39.09 IV Maintenance
- \$ 21.32 Infection Control Supplies
- \$ 654.34**

**Bundled**

- \$ 677.60 All Inclusive Base Rate
- \$ 34.56 Mileage (4 miles)
- \$ 712.16**

**Advanced Life Support, Level 1 (ALS1 - Emergency)**—Same as ALS1 definition.

**EMERGENCY DEFINITION:** As previously described.

**PROPOSED ALL INCLUSIVE BASE RATE (ALS 1 – EMERGENCY): \$ 748.83**

**Comparison:**

**Example#1-** Call through 911 for a 72 y/o male ground level fall possible stroke.

**Itemized**

- \$ 444.17 Current Base Rate
  - \$ 42.66 Mileage (6 miles)
  - \$ 47.38 Oxygen
  - \$ 39.09 Pulse Oximetry
  - \$ 21.32 Infection Control Supplies
  - \$ 73.94 Cardiac Monitor (supplies and procedure)
  - \$ 59.65 IV (supplies and procedure)
  - \$ 59.22 Emergency
- \$ 787.43**

**Bundled**

- \$ 748.83 All Inclusive Base Rate
  - \$ 51.84 Mileage (6 miles)
- \$ 800.67**
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**Example #2-** Call through 911 for 36 y/o male c/o severe muscle spasm causing acute lower back pain.

**Itemized**

- \$ 444.17 Current Base Rate
  - \$ 28.44 Mileage (4 miles)
  - \$ 47.38 Oxygen
  - \$ 39.09 Pulse Oximetry
  - \$ 21.32 Infection Control Supplies
  - \$ 59.22 C-Spine Immobilization (procedure only, no c-collar/CID)
  - \$ 59.65 IV (supplies and procedure)
  - \$ 37.14 Morphine
  - \$ 23.70 Reglan
  - \$ 59.22 Emergency
- \$ 819.23**

**Bundled**

- \$ 748.83 All Inclusive Base Rate
  - \$ 34.56 Mileage (4 miles)
- \$ 783.39**

**Advanced Life Support, Level 2 (ALS2)**--When medically necessary, the administration of at least three different medications or the provision of one or more of the following ALS procedures constitutes the ALS2 reimbursement, there is no “emergency” provision for this level, by virtue of the severity of the patient need, an emergency response is implied:

- Manual defibrillation/cardioversion.
- Endotracheal intubation.
- Central venous line.
- Cardiac pacing.
- Chest decompression.
- Surgical airway.
- Intraosseous line.

<b>PROPOSED ALL INCLUSIVE BASE RATE (ALS 2):</b>	<b>\$ 1,249.27</b>
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**Comparison:**

**Example#1-** Call through 911 for a 80 y/o male in cardio-pulmonary arrest.

**Itemized**

- \$ 444.17 Current Base Rate
  - \$ 49.77 Mileage (6 miles)
  - \$ 47.38 Oxygen
  - \$ 39.09 Pulse Oximetry
  - \$ 21.32 Infection Control Supplies
  - \$ 59.65 IV (supplies and procedure)
  - \$ 177.36 Epinephrine X 8
  - \$ 66.99 Atropine X 3
  - \$ 112.34 Defibrillation (supplies and procedure)
  - \$ 73.94 Cardiac Monitor (supplies and procedure)
  - \$ 165.17 Intubation (supplies and procedure)
  - \$ 41.69 Resuscitation Bag
  - \$ 13.55 Glucometer (supplies and procedure)
  - \$ 59.22 Emergency
- \$1,371.64**

**Bundled**

- \$1,249.27 All Inclusive Base Rate
  - \$ 60.48 Mileage (6 miles)
- \$1,309.75**

**Example #2-** Call through 911 for 28 y/o female in respiratory arrest due to traumatic chest injury from a motor vehicle accident.

**Itemized**

- \$ 444.17 Current Base Rate
- \$ 28.44 Mileage (4 miles)
- \$ 47.38 Oxygen
- \$ 39.09 Pulse Oximetry
- \$ 21.32 Infection Control Supplies
- \$ 73.94 Cardiac Monitor (supplies and procedure)
- \$ 119.30 IV X 2 (supplies and procedure)
- \$ 74.28 Suction (supplies and procedure)
- \$ 41.69 Resuscitation Bag
- \$ 11.94 Major Dressing
- \$ 165.17 Intubation (supplies and procedure)



\$ 88.83 C-Spine Immobilization (supplies and procedure)  
 \$ 59.22 Emergency  
**\$1,214.77**

**Bundled**

\$1,249.27 All Inclusive Base Rate  
 \$ 34.56 Mileage (4 miles)\*  
**\$1,283.83**

As can be seen by studying the above comparisons, with the new bundled “all inclusive base rate” charges, some ambulance bills will be a little lower, some will be a little higher. **\* It should be noted that in the comparisons in the bundled charges, a mileage charge of \$8.64/mile is used (not the \$7.11/mile in the 2002 itemized rates). This figure does represent what might be called an arbitrary increase over previous rates. The rationale behind this is that \$8.64/mile represents a “minimum” allowable mileage charge as recognized by Medicare. To maximize reimbursement for the City in light of the investment in the ambulance enterprise, we feel that at the least, the allowable minimum should be charged.** Overall, with the exception of the scheduled CPI increase and the mileage charge, rates will not substantially change.

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\* All mileages used in comparisons are equal

**Non-medically Necessary Transports**

The current rate structure does not address the recurring problem of non-medically necessary transports.

The expectation is that the provider will render non-medically necessary transportation that will not yield any reimbursement from third party payers. These types of transports are done now (with the exception of the wheelchair transport) and are billed at the only available rate, which is the lowest BLS base rate. Since they are considered non-medically necessary and are not reimbursable by third party payers, the customer receives the full bill. A large percentage of these are written off as bad debt because this type of customer is typically on a fixed income and unable to pay the full bill out of pocket.

To offset the lost revenue and increased cost associated with these types of transports, the department would request the addition of the following levels of service to the new rate structure (*these are all non-911 responses*):

	<b>Proposed</b>	<b>Current</b>
Ambulatory Transport	\$ 35.00	\$ 225.05
Stretcher Transport	\$ 100.00	\$ 225.05
Wheelchair Transport	\$ 50.00	Not provided
Mileage	\$ 2.00/loaded mile	\$ 7.11

These would be non-medically necessary, scheduled transportation services that require no medical care or specific response. Payment would be due at time of service unless otherwise provided by contract or other arrangements.

Our customers can rest assured that the department would use fully equipped ambulances for every level of service provided (no surprises).

This approach to pricing and billing gives the department the option of providing service without running afoul of Medicare regulations that prohibit billing Medicare more than others for the same level of service. The department would be following strict principles that guarantee:

The levels of service will consistently be defined on patient need, not what is covered and not covered by Medicare or other insurers

The levels of service will have standard prices that are charged consistently to all patients, regardless of who pays the bills.

All co-insurance and deductibles will be collected unless the patient demonstrates financial hardship.

Note: Medicare's primary requirement is that a provider does not routinely charge other payers less than they charge Medicare for the same services. What is important is the phrase "for the same services". The department will charge the same for all other levels of transports and we will also charge everyone the same for non-medically necessary transports that Medicare would not normally cover. The rationale is that just because there is no HCPCS code for a certain level of service doesn't

mean we cannot price it differently and charge for the service provided. As this is a non-covered service, Medicare guidelines would not be violated and we can recover some revenue for the service that is needed and cannot otherwise be provided by other entities

**Treat and Release**

A final rate structure that needs consideration is for patients that we treat “on scene” and release to their own care (primarily due to patient refusal).

Currently we are faced with a subset of patients, primarily non-compliant diabetics, who through the 911 system request a response. In the case of these diabetics, they have routine situations where they become unconscious due to hypoglycemia (low blood sugar), and a family member or bystander requests an ambulance. In these cases, we exhaust significant manpower resources and supplies (IV supplies, medications, oxygen, etc.) to render immediate care. In the end, the patient will be conscious within 1-2 minutes, and then they typically refuse transportation. This is common in their circumstance, and they are very capable of caring for themselves and do not want to add additional expenses with a hospital visit. In most cases, the ambulance provider is unable to charge for a “non-transport”, and so must therefore write off these expenses to bad debt. **The current provider does occasionally charge for these types of calls on an intermittent basis.** They do not do so consistently because their billing system does not have a method to consistently “capture” these calls and distinguish them from the other non-transport situations. The Amazon billing system currently being installed by the department will have a consistent method to identify these types of calls and flag them for billing.

Most providers have already changed their policies and are incorporating a billable charge to recover their expenses associated with these situations. This cost for supplies and procedures only, is explained to the patient and they (the patient) are billed directly for this service. The department is **not** recommending this charge for all patient refusals, just those cases with invasive procedures that incur significant cost to the department. The policy for general patient refusals will continue, these patients will receive our response at no charge.

Following is the department’s proposed “bundled” charge for these calls. Also listed is what the current provider intermittently charges for supplies and procedures for one of these situations.

<b>Proposed</b>		<b>Current (intermittently billed)</b>	
Treat and Release	\$ 150.00	Oxygen	\$ 47.38
		Infection Control Supplies	\$ 21.32
		IV (supplies and procedure)	\$ 59.65
		Glucometer (supplies and procedure)	\$ 13.55
		50% Dextrose (25 gm)	\$ 13.76
		<b>Total</b>	<b>\$155.66</b>