



Cover Memorandum/Staff Report

File #: 20-696

Agenda Date: 9/10/2020

Item #: 9.A.

TO: Mayor and Commissioners
FROM: L. Keith Tomey, Fire Chief
THROUGH: Jennifer Alvarez, Interim City Manager
DATE: September 10, 2020

ORDINANCE NO. 51-20: APPROVAL OF A MODIFICATION OF THE FEE SCHEDULE IN ORDINANCE 96.66 TO PROVIDE FOR AN INCREASE IN FEES FOR EMERGENCY MEDICAL TRANSPORTS (FIRST READING)

Recommended Action:

Staff recommends the approval of the modifications to the fee schedule in city ordinance 96.66 to provide for additional revenue to be collected for emergency medical transport fees.

Background:

The City provides EMS services in accordance with City Ordinance Title 3, Sec 33.21. The fee schedule for EMS transports is billed at the following flat rates for all insurances and those who are uninsured.

Current Fee Schedule

Basic Life Support (BLS) - \$600 + \$12 per mile
Advanced Life Support (ALS1) - \$700 + \$12 per mile
Critical Care Life Support (ALS2) - \$800 + \$12 per mile

In general, these rates are billed to all insurances regardless of coverage. Depending on the transported persons' insurance coverage, varying collection rates are realized. Most insurance providers follow the Medicare Ground Ambulance Transport Fee Schedule to determine the reimbursement rates for EMS Transport. Medicare is by far responsible for most insurance claims paid to the City for EMS Transport, accounting for 46% of all payors in FY 2018-19

An increase of our current fee schedule (see below) would correlate to increased revenues for the City but will also cause an inflated non-collection rate or "write-off" amount. An enhanced Fee Schedule may generate additional revenue from other insurance companies and private payors, but the collection rates for these categories are significantly lower when compared to Medicare. The estimated impact to the "Net Billed" amount would be a reduction of \$395,560 which is due to an increase "Contractual Disallowed" amount of \$1,650,490. The resulting estimation of an enhanced fee schedule is represented below with an annual revenue increase of \$216,970.

Public Consulting Group confirmed that there are no impacts to eligibility for participation in the FL PEMT Program by raising EMS Transport Fees. However, there could be changes to the formula used to determine reimbursement under this program. The FL PEMT program is projected to bring in over \$800,000 in new money next fiscal year.

City Attorney Review:

Approved as to form and legal sufficiency.

Funding Source/Financial Impact:

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The transition to the enhanced fee schedule would result in an estimated annual revenue increase of \$216,970.

Timing of Request:

This change is recommended to coincide as closely as possible with the commencement of the FY 2020-2021 budget year.