

TAHOE DOUGLAS FIRE PROTECTION DISTRICT

RESOLUTION #001-2023

RESOLUTION TO INCREASE FEES FOR SERVICE

WHEREAS, the Tahoe Douglas Fire Protection District annual budget is dependent upon Douglas County property and sales tax dollars provided by the Fire District's residents and visitors;

WHEREAS, the Tahoe Douglas Fire Protection District and through the Board of Trustees sets rates for services provided by the District and periodically reviews such rates;

WHEREAS, the Tahoe Douglas Fire Protection District will make modifications in the following areas: EMS with specific rate changes outlined in the 2023 Fees for Service document.

WHEREAS, the Tahoe Douglas Fire Protections District has consulted with other fire service agencies and third party billing contractor and determined that rate changes are appropriate at this time; and

THEREFORE BE IT RESOLVED, the Tahoe Douglas Fire Protection District through the Board of Trustees hereby changes these fees for service effective on the 1st day of July 2023.

Upon motion of Trustee Johnson, seconded by Greg Felton, the foregoing resolution was passed and adopted this 28th day of June, 2023 by the following vote of the Tahoe Douglas Fire Protection Board:

Those Voting Aye:

Ben Johnson
Stacy Noyes
Greg Felton

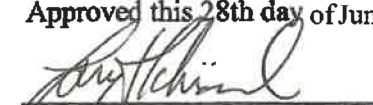
Those Voting Nay:

Abstain: _____

TAHOE DOUGLAS FIRE PROTECTION DISTRICT

Absent: _____

Approved this 28th day of June, 2023



Larry Schussel, Chairman



Scott Lindgren, Fire Chief

Proposal to Adjust EMS Billing Rates July 01, 2023

Where We Are Now

EMS billing rates are typically updated every few years to reflect annual local inflation rates, adjustments in service types, or any other industry or organizational changes. TDFPD has used several methods in the past as justification for increase rates such as inflation, medical CPI, regional CPI percentages, etc. Although TDFPD increased billing Fess by 3% in October 2022 after approximately 2 years, there's no secret that we are dealing with a large increase in cost to provide service to include, but not limited to: increased fuel cost, maintenance of vehicles, vehicle purchasing, personnel cost, EMS supplies cost, etc. EMS service fees for things, such as special event standby's, exist under a separate fee structure and these were adjusted this fiscal year in October 2022. We will be requesting an adjustment to our standby fees as well. Current ambulance rates are:

Mileage – \$27.75 per loaded mile
ALS1 Emergency Base Rate – \$1156.00
ALS1 Non-Emergency Base Rate – \$1156.00
ALS2 Base Rate – \$1330.00
BLS Emergency Base Rate – \$1156.00
BLS Non-Emergency Base Rate – \$1156.00
Treatment, No transport - \$214.00

Supplies Related to Treatment (to reimburse cost of supplies used):
Advance Airway - \$116.00
C-Spine Immobilization - \$84.00
Defibrillation – \$105.00
EKG - \$100.00
IV Administration - \$89.00
Medications - \$158.00
Oxygen - \$79.00
Zoll Lifeband - \$163.00

Current Standby Fees for Ambulances and Fire Engines Are:

Event Ambulance Standby

2FF/PM + ALS Ambulance – \$220.00/hr. (3 hr, \$660 minimum)

Event First Aid Standby

1 FF/PM + Patrol Truck - \$71.50/hr (3hr, \$214.50 minimum)

Event Engine Standby

(Capt, Eng + Engine) - \$290.00 (3hr, \$870 minimum)

Project Goals

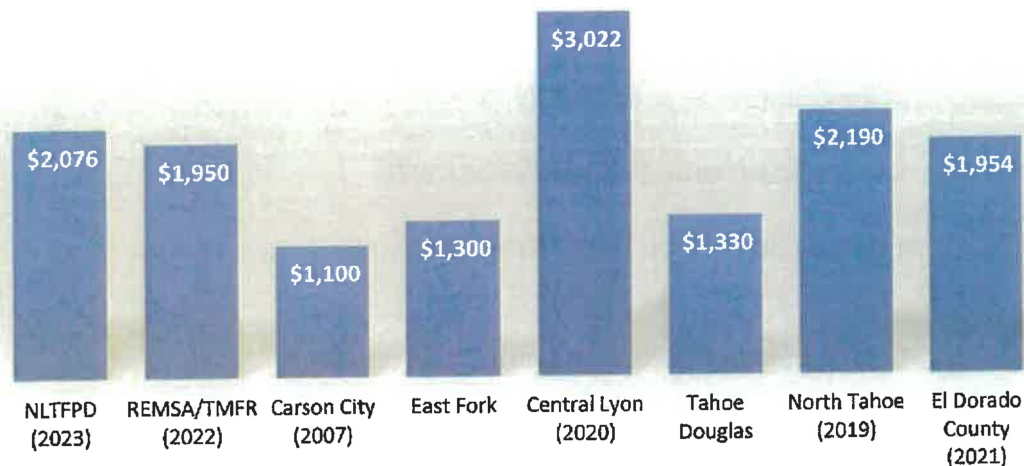
The goals of revising TDFPD EMS billing rates are:

- Bring TDFPD rates up to levels reflective of annual inflation rates and increased expenditures.
- Ensure the final rates chosen are comparable with other agencies in our region that provide similar services at a similar volume in similar communities.
- Plan for the ability to staff an increased level of special events while keeping commensurate with increasing personnel costs to staff those events, while avoiding having the local resident taxpayers having to take on the burden of the cost to standby for such events where commercial operators are charging fees for these events.
- Provide a standardized method for determining ambulance fees going forward.
- Establish a fee structure for Specialty Care Transport, Inter-facility Transfers, and Long Distance Transfers that may be necessary with a future relationship with Barton Hospital

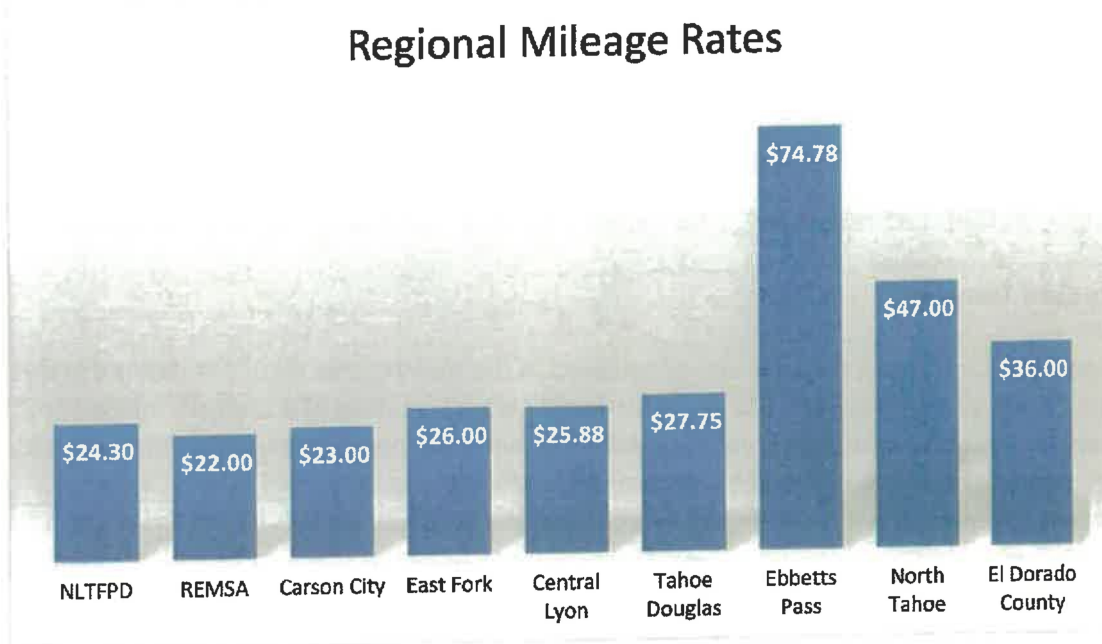
Research:

Ambulance billing rates were collected for several agencies in the area that provide on-scene EMS treatment and ambulance transport similar to TDFPD. A review of those rates led us to confirm that TDFPD is at the low end of rates in relation with surrounding providers (I have confirmed that Carson City is currently in the process of raising their rates). The Code of Federal Regulations 42 CFR ch.IV (10-1-03 Edition) §405.502 states *“The law allows for flexibility in the determination of reasonable charges to accommodate reimbursement to the various ways in which health services are furnished and charged for. The criteria for determining which charges are reasonable include: (2) the prevailing charges in the locality for similar services.”*

Regional Rate Comparison ALS2



Regional Mileage Rates



As you can see in the Mileage rate charge, we are fairly in-line with neighboring agencies.

TDFPD contracts with Sharp Ambulance Billing to provide billing services. Sharp Ambulance Billing recommends our rates could, and should, be raised at least 5.0% annually (vs. the 3% the board previously approved) as a responsible fiscal practice and to avoid seemingly sudden rate hikes to consumers. Sharp Ambulance Billing also recommends, while theoretically an agency could charge whatever rate they like, three to five times the Medicare reimbursable rate for the geographic area would be a reasonable and acceptable place to start.

To create the proposed rates for service, the Healthcare Common Procedure Coding System (HCPCS) developed by CMS (Center for Medicare and Medicaid Services) was used. HCPCS establishes the Ambulance Fee Schedule annually which is a national fee schedule for ambulance services furnished as a benefit under Medicare Part B. From the published tables, we calculated the Medicare reimbursable rate, to include the RVU (Relative Value Unit) conversion (a measure of value used as part of the resource-based relative value scale used by CMS and the Geographic Cost Practice Cost Index (GPCI) conversion (a weighted average of the cost of practicing medicine in a geographic locality).

Long Distance Transfers

While we do not currently provide long distance transfers, the potential for Barton to move their hospital into our district as well as the fact that we have EMS Transport authority within our district, necessitates that we develop a fee structure for the future. Sharp Ambulance Billing suggests charging 3-5 times the Medicare reimbursable rate for all 911 transports; however, additional calculations were made for reimbursement of long-distance transfers. A long-distance transfer is any transfer pre-approved by insurance that is being sent by Barton Hospital

to any hospital outside of our approved destination facilities list. The additional cost of a crew being taken out of service to drive the patient out of the area, potentially stay overnight due to safe driving rules, as well as the wear and tear on vehicles and other lost work hours is taken into consideration in this calculation. For these reasons, the recommendation is to charge 6x Medicare reimbursable rate + mileage.

For example, NLTFPD LDT rate is \$4906.56 + mileage and REMSA's rate is \$6250 + \$50/mile.

Specialty Care Transfers

SCT or Specialty Care Transports are also considered in the new matrix. An SCT is defined in the 42 CFR Ch.IV (10-12 Edition) S414.610 as "inter-facility transportation of a critically injured or ill beneficiary by a ground ambulance vehicle, including medically necessary supplies and services, at a level beyond the scope of the EMT- Paramedic". While at present, TDFPD is not able to transport these patients; we recommend establishing the pathway for this billing structure regardless of whether we implement these services in the future or not. The recommendation is for these to be billed at 3.5x rate.

Inter-Facility Transfers

IFT's are not a common occurrence for TDFPD currently; however, in the aforementioned scenario of Barton moving into our district we may be receiving more requests for them. The recommendation is to treat these the same as an EMS response transport in regards to billing 3x Medicare reimbursable rate + mileage with one caveat. We will want to focus on entering into a contract with Barton that identifies the hospital as being the "payor of last resort" when they request the transfer. This essentially means that if the pt. is unable to pay for the requested transfer, the hospital will pay in a guaranteed payment system for these services. This would be the same for LDT's and SCT's contracts.

Removing BLS Fee Category

The BLS category could be removed from our billing matrix as Code of Federal Regulation 42 CFR Ch.IV (10-1-02 Edition) S414.605 defines Advanced Life Support 1 (ALS1) as "*Transportation by ground ambulance vehicle, medically necessary supplies and services and either an ALS assessment by ALS personnel or the provision of at least one ALS intervention*". It also defines Advanced Life Support (ALS) Personnel as "*an individual trained to the level of emergency medical technician intermediate (EMT-Intermediate) or paramedic*". All individuals working on district ambulances are trained to the EMT-Intermediate or Paramedic level. Therefore, it is reasonable to simplify the billing structure by charging one rate for all transports, or we can keep the fees separate for BLS and ALS (but show the same charge rate) as we do now.

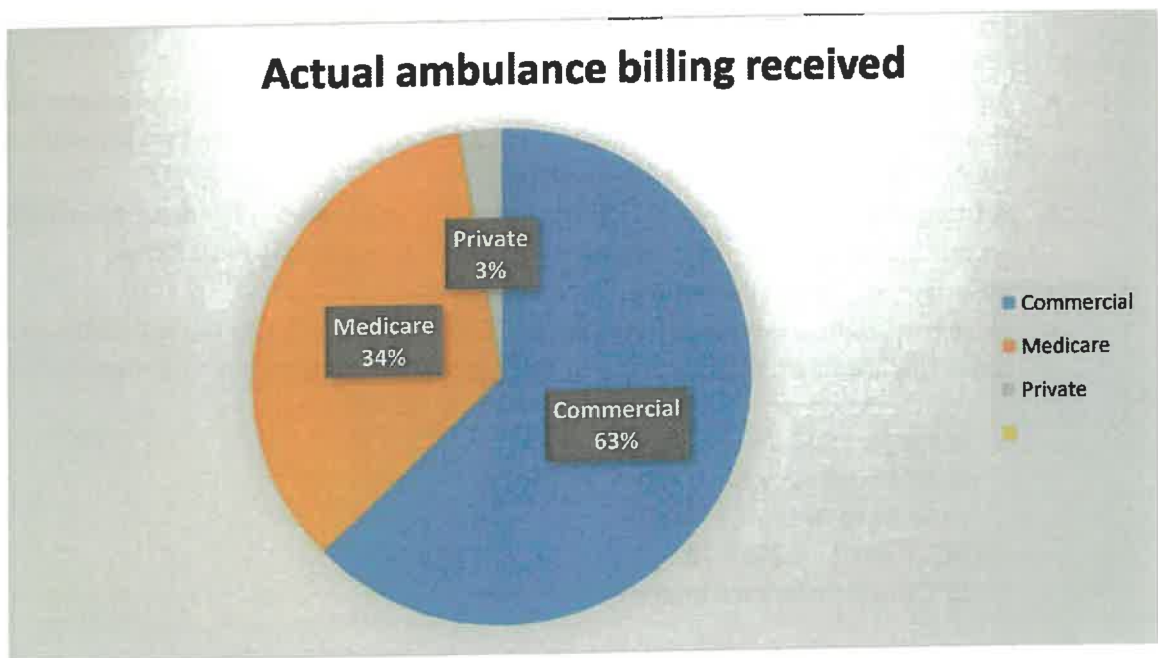
ALS1 vs. ALS2

If you're wondering what ALS1 vs. ALS2 base rates are and why they are reimbursable at different rates the definitions are: Advanced Life Support Level 1 is the transportation by ground ambulance and the provision of medically necessary supplies and service including the provision of an ALS assessment or at least one ALS intervention.

Advanced Life Support Level 2 is the transportation by ground ambulance and the provision of medically necessary supplies and services including: 1. At least three separate administrations of one or more medications by IV push/bolus or by continuous infusion or 2. Advanced skills, treatment, or administration of a combination of meds and treatment (a long list).

How does raising fees impact the residents?

- The first thing to mention is that the vast majority of our actual payments come from commercial, private, and auto insurance. This is the reason why we want to tie the rate to base Medicare rate. We have to be reasonable with collection rate to keep the insured from taking on a large out of pocket expense but also stay commensurate with neighboring agencies.
- The fee increases will not likely impact the elderly (those covered by Medicare) because Medicare only pays a set rate (typically under \$500) and we have to accept that. We do get a subsidy through GEMT. This is based off the difference between what it costs us (in total costs) to what we actually receive from Medicare so increasing billing does not affect that.
- Self-pay has a very low collectible rate so charging more or less does not significantly change that. In fact, it is likely that we will receive even less income from self-pay. The average collection for self pay is \$22.43/ transport.
- So while this may seem like a large billing increase, we will likely only see an increase in receivables to less than 2/3 of our actual collections.



Special Events Standby fees

With the Casino Corridor income source changing from a gambling based model to an events based revenue model, we continue to take on more and more special events standby requests. The initial projection from the new events center is 140 events per year alone. This does not include events like the summer Concert Series, Celebrity Golf, Fireworks, etc. These event standbys can become difficult to maintain staffing with increased demands on personnel. Most of our employees live well outside the district and asking them to come standby for 3 hours at a concert that requires them to drive two hours doesn't make a lot of sense for many. Moreover, each standby requires more than just the actual standby time: Checking out the apparatus, personnel transferring gear from other stations, time to travel to venue, etc. To reduce the burden on the local taxpayer having to cover the extra costs of these standbys, a change from 3 to 6 hours minimum charge is proposed.

Of note, we do not typically charge a standby fee for charitable, community, or school events.

Summary

Proposal

- Set our ALS1 and ALS2 to 3x medicare reimbursable rate (and possibly BLS if not eliminated)
- Continue to use the 3% per year adjustment to mileage, treatment no transport, and EMS supplies
- Medicare typically adjusts their reimbursable rate annually (calendar year). It is recommended that we increase our ALS1 and ALS2 rates if Medicare makes an increasing adjustment to their reimbursable rates (This year was 8.7% adjustment) each fiscal year.
- Removing the BLS categories from the billing matrix and charging the same as ALS1 since all providers meet the definition required by CFR to provide that level of care and every patient receives an ALS assessment,
- Set long-distance transfer (LDT) billing rate to 6 times the Medicare reimbursable rate to account for lost personnel and unit hours when transporting out of area,
- Including fee for Specialty Care Transport (SCT),
- Raise the TDFPD ambulance rates for FY 2023/24 on July 1st to the following amounts (3 times the Medicare reimbursable rate for in system transports and 6 times for LDT's):

Mileage – \$27.75 per loaded mile

ALS1 Emergency Base Rate – \$1434.24

ALS2 Base Rate – \$2075.85

SCT (Local) – \$2453.28

LDT (long distance transfer) – \$4906.56

- Raise the rates for Special Events Standby to a minimum of 6 hours and keep a 3% per year adjustment increase.

Event Ambulance Standby

2FF/PM + ALS Ambulance – \$220.00/hr. (6 hr, \$1320 min.)

Event First Aid Standby

1 FF/PM + Dept. vehicle - \$71.50/hr (6hr, \$429 min.)

***Additional personnel requested for first aid type standby will be charged at individual rank according to fees rate schedule**

Event Engine Standby

(Capt, Eng + Fire Engine) - \$290.00 (6hr, \$1740 min.)

APPENDIX 1

FEE STRUCTURE

EMS STANDBY

*Minimum Standby:

Event Ambulance Standby
(2 FF/PM + Ambulance)

Event First Aid Standby
(1 FF/PM + Patrol truck)

RATE/HOUR

~~63~~ hours

\$220.00 (~~63~~ HR = \$~~1320660.00~~)

\$71.50 (~~63~~ HR = \$~~429214.50~~)

ENGINE STANDBY

*Minimum Standby:

Event Engine Standby
(Capt, Eng. + Engine)

RATE/HOUR

~~63~~ hours

\$290.00 (~~63~~ HR = \$~~1740870.00~~)

PERSONNEL

Firefighter

Paramedic

Engineer

Captain

Battalion Chief

Assistant Fire Chief

Fire Chief

Fire Inspector

Fire Prevention Captain

Fire Marshal

RATE/HOUR

\$39.75

\$51.50

\$55.50

\$68.00

\$74.00

\$172.00

\$189.00

\$58.00

\$67.00

\$110.00

EXPLOSIVE ORDNANCE DISPOSAL (EOD)

Bomb Squad

Bomb Squad

Bomb Squad Vehicle

EDC Sweep/Standby

EDC Sweep/Standby

\$450.00 (Flat rate - Minimum of 2 hours)

\$225.00 (After 2 hours)

\$150.00

\$600.00 (Flat rate - Minimum of 2 hours)

\$225.00 (After 2 hours)

EQUIPMENT

Brush Truck

Engine

Water Tender

Ladder Truck

Chipper

Chip Truck

Ambulance

Haz Mat Trailer

Rescue/Fire Boat

Rescue Personal Watercraft

Skidsteer

RATE/HOUR

\$170.00

\$170.00

\$160.00

\$170.00

\$50.41

\$35.00

\$109

\$10.00

\$200.00

\$48.00

\$240.00

APPENDIX 3

EMERGENCY MEDICAL SERVICES

These fees will increase 3% annually on July 1st in the years 2023 & 2024.

	FEE AMOUNT
Mileage	\$27.75
Advance Life Support (ALS) Non-Emergency	\$1156.00
Advance Life Support (ALS) <u>1</u> Emergency	\$1156.00 <u>1434.24</u>
Advance Life Support (ALS) 2	\$1330.00 <u>2075.85</u>
Basic Life Support (BLS)	\$1156.00
Basic Life Support (BLS) Non-Emergency	\$1156.00
Long Distance Transfer	\$4906.56
Specialty Care Transport	\$2453.28
Advance Life Support Treated No Transport (ALS TNT)	\$214.00
Basic Life Support Treated No Transport (BLS) TNT	\$214.00
Advanced Airway	\$116.00
C-Spine Immobilization	\$84.00
Defibrillation	\$105.00
Electro Cardio Gram (ECG)	\$100.00
Intra Venus (IV) Administration	\$89.00
Medications	\$158.00
Oxygen	\$79.00
Zoll Lifeband	\$163.00

