

Fire Department

City of Salisbury

Departmental

MEMO

To: Mr. John R. Pick, City Administrator

Date: 20 April 2005

From: David B. See, Chief of the Department

Subject: EMS Billing Rate Recommendations

When Medical Claim Aid was awarded the bid for providing EMS billing services, Mrs. Cathy Carter made specific recommendations regarding the increase of current billing rates, and other revisions, to ensure that the City was receiving all potential billable revenues allowed by Medicare regulations. At that time, you advised me that it might be prudent to take action on this matter to coincide with the adoption of the FY2006 budget.

In preparation of bringing this issue forward again, staff members recently met with Mrs. Carter to review her recommendations to revise the City's EMS billing rate schedule. Those recommendations include:

1. Increase mileage rate to \$8.50 / mile (current rate is \$4.00). The current Medicare mileage rate is \$6.20 / mile - 80% of which is reimbursed by Medicare. By billing less than the allowable Medicare amount, the City leaves over \$1.00 / mile on the table for every billable call for service.
2. Increase current advanced life support (ALS) I rate to \$450.00 (current rate is \$428.00). This increase is more reflective of the rates charged by other regional service providers.
3. Create an advanced life support (ALS) II rate of \$500.00. Medicare pays for additional ALS procedures above and beyond those basic procedures covered in the ALS I rate.
4. Increase current basic life support (BLS) rate to \$275.00 (current rate is \$252.00). This increase is more reflective of the rates charged by other regional service providers.

5. All future increases in EMS billing rates should be reflective of those rates as permissible by Medicare, not to exceed 5% annually. These automatic rate adjustments generated by Medicare regulations relieve this, and future Council members, of the responsibility to annually review and adjust rates as necessary.

We believe that these recommendations will:

1. Ensure continuity of rates assessed in comparison to other regional service providers.
2. Ensure an increase in the revenues generated by the service.
3. Provide for revenue generated for additional (and specific) ALS services.
4. Provide automatic rate adjustments directly related to the Medicare regulations as they are revised periodically in the future.

Should you have additional questions regarding this information please feel free to contact me immediately.

cc: File

Resolution No. 1248

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SALISBURY, MARYLAND
ESTABLISHING RATES FOR EMERGENCY MEDICAL SERVICES.**

WHEREAS, the City of Salisbury provides emergency medical treatment and transport services; and

WHEREAS, the City bills patients for their use of emergency medical services; and

WHEREAS, the City desires to establish rates for emergency medical services as is permitted by Medicare;

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF SALISBURY, MARYLAND, hereby establishes and adopts the rates for the provision of emergency medical services:

1. The mileage fee shall be \$8.50 per loaded mile.
2. The basic life support (BLS) rate shall be \$275.00.
3. The advanced life support (ALS) I rate shall be \$450.00.
4. The City shall establish an advanced life support (ALS) II rate set at \$500.00.
5. A fee of \$100.00 shall be assessed to patients as permitted by Medicaid through December 31, 2005 for those events requiring the services of additional EMS providers on the call.
6. All patients who are determined to be medical assistance recipients shall be charged a fee of \$100.00 as permitted by Medicaid.
7. Future increases and /or decreases in EMS rates shall be established and automatically adjusted as permissible by Medicaid not to exceed 5% annually.

THIS RESOLUTION was duly passed at a meeting of the Council of the City of Salisbury, Maryland held on _____, 2005, and is to become effective immediately upon adoption.

ATTEST:

Brenda J. Colgrove, City Clerk

Michael P. Dunn, President
Salisbury City Council

APPROVED BY ME THIS:

_____ day of _____, 2005

Barrie P. Tilghman, Mayor