

# City of Redmond



**Redmond**  
WASHINGTON

## Agenda

### Study Session

**Tuesday, May 14, 2024**

**7:00 PM**

**City Hall: 15670 NE 85th St; Remote: Comcast Ch. 21/321, Ziplly Ch. 34,  
Facebook (@CityofRedmond), Redmond.gov/rctlive, or 510-335-7371**

## City Council

*Mayor*

*Angela Birney*

*Councilmembers*

*Vanessa Kritzer, President*

*Jessica Forsythe, Vice President*

*Jeralee Anderson*

*Steve Fields*

*Angie Nuevacamina*

*Osman Salahuddin*

*Melissa Stuart*

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Please contact the City Clerk's office at (425) 556-2194 one week in advance of the meeting.

*Meetings can be attended in person, viewed live on RCTV (redmond.gov/rctlive), Comcast Channel 21/321, Ziplly Channel 34, Facebook/YouTube (@CityofRedmond), or listen live at 510-335-7371*

**AGENDA**

ROLL CALL

- 1. Fire Department - EMS Transport Fee Program

[Attachment A: Presentation](#)

[Attachment B: Flow Chart](#)

[Attachment C: Background](#)

**Legislative History**

4/16/24      Committee of the Whole -      referred to the City Council Study Session  
Public Safety and Human  
Services

- 2. Council Talk Time

ADJOURNMENT

*Meeting videos are usually posted by 12 p.m. the day following the meeting at redmond.legistar.com, and can be viewed anytime on Facebook/YouTube (@CityofRedmond) and OnDemand at redmond.gov/OnDemand*



Memorandum

Date: 5/14/2024  
Meeting of: City Council Study Session

File No. SS 24-026  
Type: Study Session

TO: Members of the City Council  
FROM: Mayor Angela Birney  
DEPARTMENT DIRECTOR CONTACT(S):

Fire	Adrian Sheppard	425-556-2201
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DEPARTMENT STAFF:

Fire	Michael Despain	Deputy Chief - Interim
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**TITLE:**  
Fire Department - EMS Transport Fee Program

**OVERVIEW STATEMENT:**  
The Fire Department proposes implementing an EMS transport fee to generate revenue, support the existing EMS program, and align with other fire-based EMS providers in King County and across the nation.

**Additional Background Information/Description of Proposal Attached**

**REQUESTED ACTION:**

- Receive Information
- Provide Direction
- Approve

**REQUEST RATIONALE:**

- **Relevant Plans/Policies:**  
Redmond Fire Department - Strategic Plan 2022-2027
- **Required:**  
RCW 35A.11.020, 35.27.370 (15)
- **Council Request:**  
N/A
- **Other Key Facts:**  
N/A

**OUTCOMES:**

1. With the proposal's acceptance, the Redmond Fire Department is projected to generate additional revenue of approximately \$960,000 in 2025. This revenue is anticipated to gradually increase in subsequent years. Such growth will be influenced by factors including service costs, inflation, and contributions from the Ground Emergency Medical Transport (GEMT) program, backed by the State of Washington.

2. This strategic initiative is designed to generate additional revenue, enhance our existing EMS program, and align with the practices of other fire-based EMS providers in King County and across the nation.

**COMMUNITY/STAKEHOLDER OUTREACH AND INVOLVEMENT:**

- **Timeline (previous or planned):**  
July 2024 or later
- **Outreach Methods and Results:**  
N/A
- **Feedback Summary:**  
N/A

**BUDGET IMPACT:**

**Total Cost:**

New costs related to the program: Approximately (\$170,000) New Revenue: \$960,000  
Net Difference: +\$790,000

**Approved in current biennial budget:**       Yes       No       N/A

**Budget Offer Number:**

N/A

**Budget Priority:**

N/A

**Other budget impacts or additional costs:**       Yes       No       N/A

***If yes, explain:***

The program will require one (1) FTE

**Funding source(s):**

Fees for service

**Budget/Funding Constraints:**

Requires approval from the Centers for Medicare & Medicaid Services, and the Washington Healthcare Authority to implement program.

**Additional budget details attached**

**COUNCIL REVIEW:**

**Previous Contact(s)**

<b>Date</b>	<b>Meeting</b>	<b>Requested Action</b>
4/16/2024	Committee of the Whole - Public Safety and Human Services	Provide Direction

**Proposed Upcoming Contact(s)**

<b>Date</b>	<b>Meeting</b>	<b>Requested Action</b>
5/21/2024	Business Meeting	Approve

**Time Constraints:**

Program will require approximately 60 days from council approval to implement.

**ANTICIPATED RESULT IF NOT APPROVED:**

N/A

**ATTACHMENTS:**

- Attachment A: RFD Ambulance Transport Fee Program
- Attachment B: BLS Billing - Flow Chart
- Attachment C: Background Info

# BLS Ambulance Transport Fee Program

May 14, 2024

Adrian Sheppard, Fire Chief



Redmond  
WASHINGTON

# Background

Many ambulance providers, whether fire-based, third-service, or private, implement service charges in various forms. Among neighboring jurisdictions like Bellevue, Kirkland, Mercer Island, and the areas served by Eastside Fire & Rescue, charging for Basic Life Support (BLS) ambulance transports is standard practice.

The approach to cost recovery varies across providers. In comparison, some adopt highly aggressive models, but most lean towards moderate strategies, which typically involve billing insurance, Medicare, Medicaid, and accessing federal subsidies.

However, exceptions to seeking cost recovery exist, such as Redmond, where taxpayers primarily subsidize the system through levies and revenue from the general fund. This subsidy can be eliminated by accepting state and federal funding programs that have been in place for many years.



# Goals

- Access well-established state and federal funding sources to help close the public safety funding gap and lessen the burden on local taxpayers.
- Ensure sustainability of our EMS program and maintain service levels considering rapid population growth and the rising demand for service.
- Implement a program that aligns with all the other Fire-based EMS transport providers in King County and nationwide.

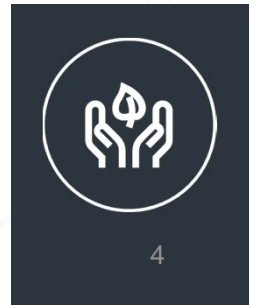




# Types of Fees

Here's the list of cost recovery models arranged from most aggressive to least aggressive:

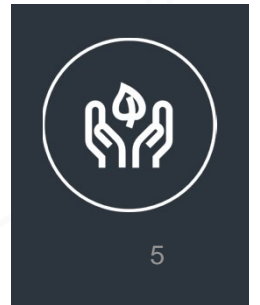
- Bill insurance, Medicare, and/or Medicaid, and patient.
  - Refer patient to collections for the difference if needed.
- Bill insurance, Medicare, and/or Medicaid, and patient.
  - Do not refer patient to collections; write off the difference.
- **Bill insurance, Medicare, and/or Medicaid, and patients.**
  - **Redmond residents pay nothing; write off the difference.**
  - **Non-Redmond residents referred to collections if necessary; or write off the difference under a financial hardship policy if there is no ability to pay.**
- No billing (Current Redmond Policy).

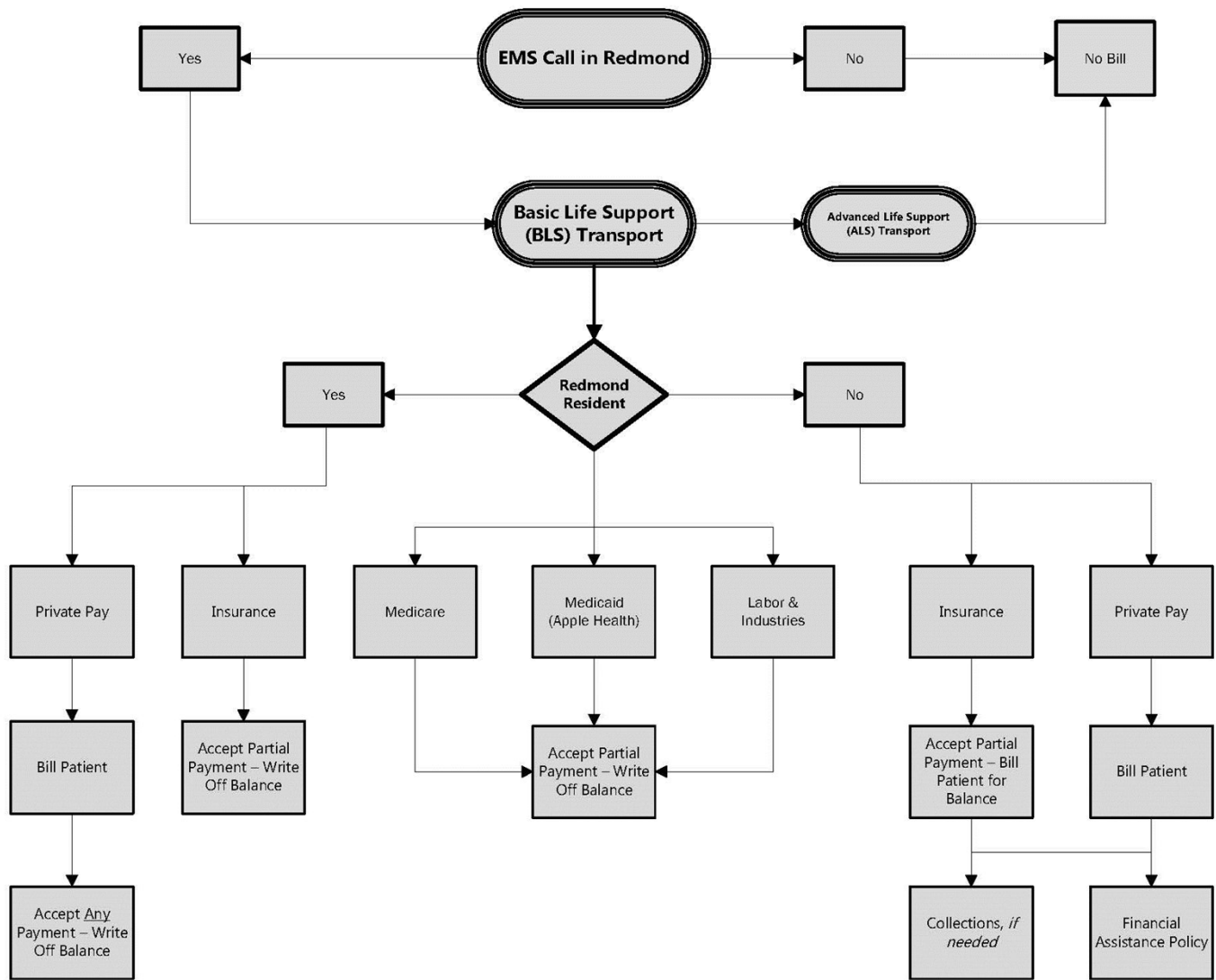


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# MEDICAID in WA

- Ground Emergency Medical Transport Program & WA Health Care Authority (GEMT & HCA).
- Federal and State programs that provide supplemental payments to public providers. The supplemental payments cover part of the funding gap between a provider's actual costs per GEMT transport and the allowable amount received from Washington Apple Health (Medicaid) and any other sources of reimbursement.





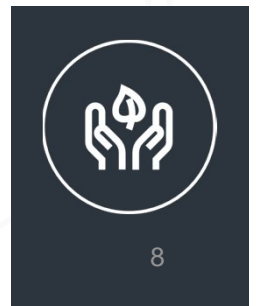
# Neighboring Jurisdictions

- Bellevue: \$950 base fee plus \$15 per mile for ambulance transport.
- Kirkland: \$876 base fee plus \$20 per mile for ambulance transport.
- Mercer Island: \$1,064 base fee plus \$17 per mile for ambulance transport.
- Renton: \$1,100 base fee plus \$17 per mile ambulance transport.
- Duvall/KCFD45: \$992 base fee plus \$19 per mile ambulance transport.



# Neighboring Jurisdictions

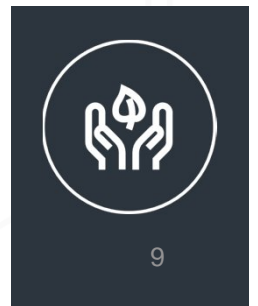
- Estimated annual revenue based on blending of Bellevue and Kirkland:
  - \$895 plus \$100 mileage (5 miles) = \$995
  - \$995 x 1,100 transports (est.) = \$1,094,500
  - \$1,094,500 x 90% collection rate = \$985,050
  - \$985,050 – \$26,400 (Billing Company Rate) = \$958,650
  - \$958,650 - \$170,000 (admin, annual fee study, cost reports, etc.) = **NET \$788,650**



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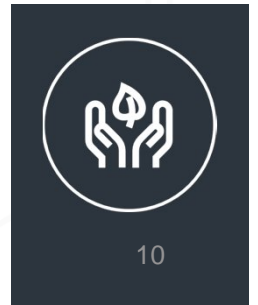
# Pros

- Arguments in favor:
  - Potential for **\$788,000** in additional net revenue annually.
  - Redmond is one of the last fire departments in King County that does not charge for BLS ambulance transport. (exceptions: Seattle and South King Fire & Rescue)
  - This program brings Redmond into alignment with the regional EMS providers.
  - Insurance companies and Federal government have fully established payment systems for this program.
    - Not charging for BLS transport is somewhat of a subsidy to private insurance companies and the Federal government.



## Cons

- *“Taxpayers are ‘already paying’ for a portion of the service through property taxes and a levy.”*
  - The general fund is essentially subsidizing the portions that the state and federal government have offered to pay, but we have not asked for the funding yet.
- *“Some patients’ might have to pay the co-pay to their insurance, rendering the ‘no out-of-pocket’ argument somewhat imprecise.”*
  - Insurance providers will pay their contracted amount and leave the rest to the City to invoice the patient. In the case of a Redmond resident, we will not send the “balance due” notice and process as a “write-off”.
- *Unit Hour Utilization (UHU) will increase slightly as crews remain at the hospital longer collecting billing information in certain cases.*
  - This is a consideration of the program but also the justification for the fee charged back to the federal government for our services.



# Recommendation

- Adopt the BLS Transport Fee program, initial fee structure, and our billing methodology.
- Amend Redmond Municipal Code Sections 3.90.010 thru 3.90.030).
- Approve the BLS Transport Fee policy, including the “write-off” process.





## Next Steps

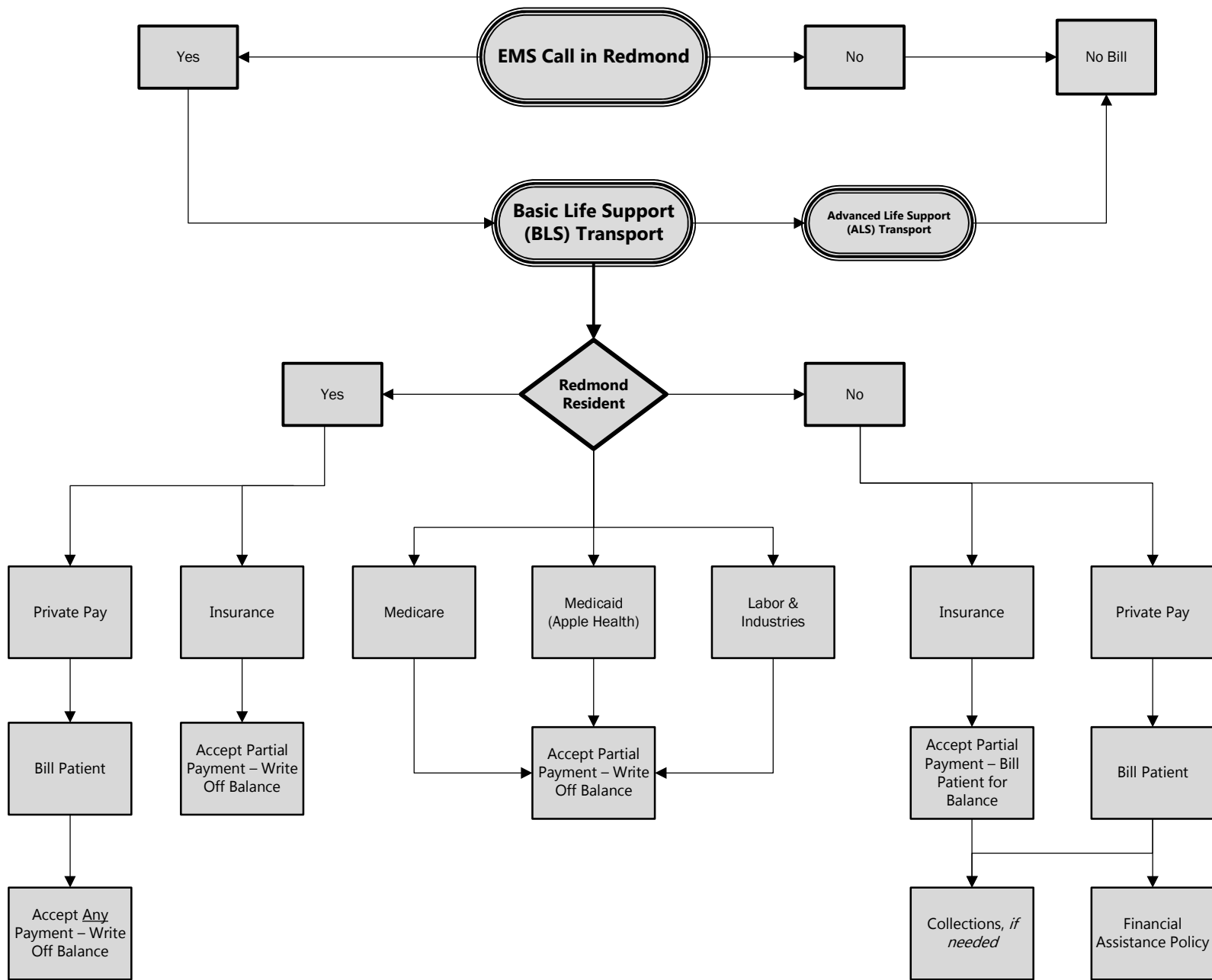
- Form a team including the fire, finance, communications, and TIS departments to assess needs
  - Develop accounting processes (pre-billing)
- Draft Municipal Code Update, Financial Assistance/Write-Off Policy, and Privacy Notice for Council Review and Approval.
- Identify training needs for fire suppression and administrative personnel
- Update HIPAA requirements
  - Some increased requirements
- Apply for authorization to bill Medicare (through CMS)
- Apply for authorization to bill Medicaid (through HCA)
- Apply for authorization to bill Labor & Industries (L&I) for workers' compensation related incidents
- Begin discussions with other adjacent BLS transport providers to align billing processes so billing can be seamless in the region. In other words, Bellevue or Kirkland could transport a Redmond patient and follow the same rules as we have in place now. Conversely, we could transport a patient in Bellevue or Kirkland and follow their rules for billing.

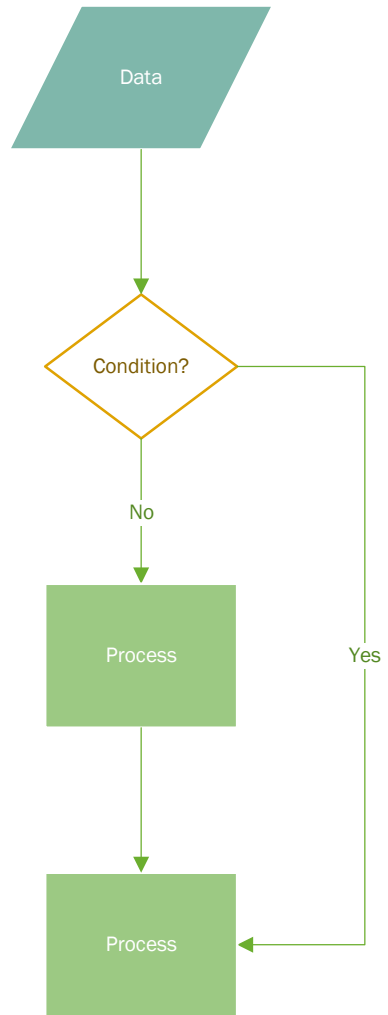


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## Summary

1. Establishing an EMS Transport Fee program aligns the Redmond Fire Department with the majority of agencies in King County, as well as agencies throughout the U.S.
2. The City recovers approximately \$788,000 in costs annually.
3. Residents will not receive a bill.





### **Additional Background Information**

The Redmond Fire Department started providing Basic Life Support (BLS) transport service with paid professional staff around 1969. In 1975 the program was expanded to provide Advanced Life Support (ALS) through the Medic One program. This two-tiered program has served the Redmond community well over the years. To this day, the region maintains one of the highest cardiac survival rates in the nation. Both programs, ALS and BLS, have been traditionally funded by county-wide EMS levies, however, over the years the BLS program has required additional funds to supplement the cost of the program due to calls for service growing at a rate faster than revenue growth. To date, any additional funding needed to sustain the program must come from the general fund.

Most fire-based BLS transport providers throughout King County have adopted BLS transport fee programs to cover the funding gaps and shift the funding from local budgets to the federal government and medical insurance providers in line with the rest of the EMS transport industry.



# City of Redmond

15670 NE 85th Street  
Redmond, WA

## Memorandum

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**Date:** 5/14/2024

**Meeting of:** City Council Study Session

**File No.** SS 24-027

**Type:** Study Session

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Council Talk Time