

# BLS Ambulance Transport Fee Program

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# Background

The vast majority of ambulance providers in the nation bill for EMS treatment and transport services. This model is the same for hospitals, doctor visits, dentist visits, etc. It is how healthcare works in the U.S.

The Redmond Fire Department is one of the last agencies in King County, and the nation, to not charge for ambulance service.

Currently, if you travel outside the City of Redmond and receive ambulance service, you will be charged.

By not charging for ambulance service, the local taxpayer is subsidizing state and federal government agencies, as well as private health insurance companies.

This subsidy can be eliminated by accepting state and federal funding programs that have been in place for many years but not yet implemented.



# Goals

- Access well-established state and federal funding sources to help close the public safety funding gap and lessen the burden on the City's general fund and 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.
- Maintain a “no out-of-pocket” cost model for residents.



# How billing will work

- We will bill private health insurance companies, Medicare, and/or Medicaid (only for BLS transports).
  - Residents will pay nothing out of pocket. We write-off the difference between what we collect from insurance and the remaining balance.
  - Non-Residents (any that does not live or work in Redmond, Bellevue, Kirkland or Fire District 34) will be billed for anything not covered by insurance.
  - We will maintain a write-off policy for those that have financial hardship, similar to that used by hospitals and doctor offices for the same patients they will see after the transport.



# Our Rate Compared to Neighboring Jurisdictions

- **Redmond: \$1,000 base fee plus \$20 per mile - Proposed**
- Bellevue: \$950 base fee plus \$15 per mile
- Kirkland: \$876 base fee plus \$20 per mile
- Mercer Island: \$1,100 base fee plus \$22 per mile
- Renton: \$1,100 base fee plus \$17 per mile
- Duvall/KCFD45: \$992 base fee plus \$19 per mile



# Arguments in Favor

- Potential for **\$850,000 to \$2,600,000** in additional gross revenue annually.
- Lowers subsidies for private insurance companies and the federal government.
- Currently there is no charge for an EMS transport for a Redmond resident transported by the Redmond Fire Department, however there is a bill if the patient is transported while in Bellevue, Kirkland, Seattle, etc. This program will allow Redmond to align with Bellevue, Kirkland and Fire District 34 so a resident would not have any “out of pocket” expenses in any of these four zones as well.



# Arguments Against

- *“Taxpayers are ‘already paying’ for a portion of the service through property taxes/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 resident, we will not send the “balance due” notice, rather we will process as a “write-off” against taxes paid in for the EMS levy.



# Summary

1. Establishing an EMS Transport Fee program aligns the Redmond Fire Department and Fire District 34 with the majority of agencies in King County, as well as agencies throughout the U.S.
2. The City recovers approximately \$650,000 to \$2,000,000 in costs annually.
3. FD34 recovers approximately \$200,000 to \$600,000 in costs annually.
4. Residents of Redmond, FD34, Kirkland and Bellevue will not have an “out of pocket” expense within the whole of the combined service area.

# Next Steps

## 1. Council will need to vote on a Municipal Code amendment

- EMERGENCY MEDICAL SERVICES TRANSPORT FEES

Sections:

- 3.90.010 EMS transport fee imposed.
- 3.90.020 Medicare and Medicaid.
- 3.90.030 Policy and financial assistance.

2. In a follow up meeting, Council will be asked to approve an Interlocal Agreement with Fire District 34 to allow the fire department to bill on behalf of the District. This allows both agencies to align billing procedures and share costs associated with the program.