

David Feldpausch
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Memorandum

To: Livingston County Board of Commissioners
Fr: David Feldpausch, EMS Director
Date: 09/28/2020
Re: Resolution Authorizing the EMS Charges for Service

So this request may seem a bit odd given the financial position of the EMS department because the charges for service I am recommending are actually decrease in the majority of the categories. What I am attempting to do is build consistency in to our billing process and hopefully eliminate the need for future charge approvals.

First I need to explain a bit about how our charges work. The majority (around 75%) of our services provided fall under contractual agreements which set our reimbursement rates no matter how much we charge above that rate. These contracts also define what if any responsibility the patient may have for a portion of these charges. Any amounts above that have to be removed as an adjustment under the contractual agreement. Our rates were set well above what any of our major contracts will cover. Doing this has two impacts: 1 we have a high contractual adjustment rate compared to our charge rate, and 2 it forces those who do not have health insurance with a contracted rate to pay the full amount. Thus we are asking those who can afford the services the least to pay the most.

My recommendation is to set our rates at the currently Medicare fee schedule + \$175 for all of our base rates and at 2x the Medicare fee schedule for all mileage. This gives us consistency in that all of our base rate adjustments should be the same amount regardless of the base rate charged. I recommended the mileage to be set at 2x the Medicare fee schedule to cover the additional charges allowed by BCBS and many other commercial insurance providers.

The last and biggest piece of this for me is approving the uninsured resident discount at the Medicare fee schedule. Because we are partially millage funded we can legally offer a discount to county residents. This ensures that an uninsured resident will not be forced to pay more than a resident with health insurance.

We have added two new charges as well. Much of the industry has started paying for assessment and treatment that does not result in transport. This is an industry trend that is going to continue as EMS plays a bigger role overall care management of patients. While it seems unusual it has been proven to reduce overall health care cost when implemented properly by reducing ER visits and preventing readmissions. Lastly we are requesting to implement a bad check fee which is very standard and self-explanatory.

If you have any questions or concerns, please do not hesitate to reach out to me any time. 517/294-1853 or dfeldpausch@livgov.com.

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