

Tuolumne County  
Administration Center  
2 South Green Street  
Sonora, California 95370  
Phone (209) 533-5521  
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Alicia L. Jamar  
*Clerk of the Board  
of Supervisors*

**BOARD OF SUPERVISORS  
COUNTY OF TUOLUMNE**

Sherri Brennan, *First District*  
John Gray, *Fourth District*

Ryan Campbell, *Second District*

Anaiah Kirk, *Third District*  
Karl Rodefer, *Fifth District*

**Finance Committee  
Friday, March 6, 2020 @ 9 a.m.  
Board of Supervisors Chamber  
2 South Green Street, 4<sup>th</sup> Floor Sonora, CA 95370**

**AGENDA**

1. Call the meeting to order
2. Public Comment
3. Consideration of modifying the ambulance rate schedule effective May 1, 2020
4. Adjourn

In accordance with the Americans with Disabilities Act, if you need special assistance (i.e. auxiliary aids or services) in order to participate in this public meeting, please contact the Clerk of the Board of Supervisors, (209-533-5521). Notification 48 hours prior to the start of the meeting will enable the Clerk to make reasonable accommodations to ensure accessibility to this public meeting.



# Tuolumne County Health Department

Ambulance Service  
P.O. Box 5024  
Sonora, CA 95370  
Phone (209) 533-7368

March 2, 2020

**To:** Board of Supervisors Finance Committee  
Tracie Riggs, County Administrator

**From:** Steve Boyack, Assistant HHS Director *SB*  
Clarence Teem, EMS Coordinator

**Subject:** Proposed Ambulance Rate Increase

## Background

Tuolumne County Ambulance provides a variety of emergency services ranging from basic life support to paramedic critical care. Ambulance services are provided through the Ambulance Enterprise Fund. Cost of operations will be outpacing current rates set for providing ambulance care.

The information below outlines the history of rate increases for ambulance services in Tuolumne County. In most cases the rate increase has been applied incrementally.

	Incremental Change	Total
1. July 1, 1992	12%	12%
2. January 1, 2001/January 1, 2002	15% / 5%	20%
3. July 1, 2004/July 1, 2005	20% / 10%	30%
4. January 1, 2007/July 1, 2008	8% / 8% / 8%	24%
5. August 1, 2010/January 1, 2011	6% / 6%	12%
6. July 20, 2016/January 1, 2017	12.5%/12.5%	25%

Since the last rate increase, the cost of doing business, primarily related to contracted personnel costs, dispatch services, ambulance replacements, fuel, medical supplies, and capital improvements have continued to increase as reimbursements from the majority of our call volume attributable to Medicare and Medi-Cal clients (80% of transports in calendar year 2019) do not keep pace with the cost of providing services.

## Medicare Challenges

The Medicare portion of the payer mix continues to increase and private insurance, which typically reimburses most of what is billed, has decreased, such that revenue is not keeping up with expenses. Medicare reimbursement rates do *not* increase based on an increase in ambulance rates. Medicare reimbursement typically remains static or may even be reduced depending on federal legislation.

As of January 1, 2018, the Medicare *super rural* rate which results in an overall 22.6% increase in Medicare reimbursements was extended five years. At the end of the five-year extension period, the super rural reimbursement rate will be subject to congressional appropriation for further extensions.

This creates budget uncertainty for the ambulance fund. For example, if we would have lost the Medicare super rural reimbursement rate in FY 18/19, the loss of revenue would have been estimated at \$414,111. It is important that the ambulance fund is protected by this potential revenue fluctuation.

### **Medi-Cal Challenges**

The Medi-Cal Ground Emergency Medical Transportation Supplemental Reimbursement Program (GEMT) was enacted October 2, 2011. GEMT, a Certified Public Expenditure (CPE) based program that provides enhanced funding to eligible governmental entities that provide GEMT services to Medi-Cal beneficiaries, authorizing supplemental reimbursement payments based on uncompensated costs for Medi-Cal fee-for-service transports, effective January 30, 2010. GEMT provides funds to cover the difference between what Medi-Cal pays and the actual cost of providing the service to Medi-Cal beneficiaries. Since the inception of the GEMT Program, the total enhanced Medi-Cal reimbursement received is \$708,977.

Currently, 79% of the state Medi-Cal recipients receive their benefits through Medi-Cal managed care. In accordance with the Senate Bill 523 the Department of Health Care Services established the Ground Emergency Medical Transport (GEMT) Quality Assurance Fee (QAF) program. This fee is based on all ground emergency medical transports provided by GEMT providers. This is an additional cost paid to the state from the Ambulance Enterprise Fund and is approximately \$34,000 per quarter. These funds are used to increase the Medi-Cal fee-for-service (FFS) and managed care rates reimbursed for specific medical transport billing codes. As of FY 18/19 the Medi-Cal enhancement add-on amount is \$220.80 for a total reimbursement rate of \$339.00 per transport. The Medi-Cal enhanced reimbursement in no way covers the cost for a typical Advanced Life Support (ALS) ambulance transport.

### **Financial**

In order to ensure that the ambulance fund remains self-sustaining, and ambulance services are maintained at their current level, it is recommended that existing rates be increased incrementally through January 1, 2021 as shown in the schedule below, with a 25% increase on May 1, 2020, another 25% increase on January 1, 2021.

Ambulance Rates	Current Rates	Proposed	Proposed
		25% Increase May 1, 2020	25% Increase January 1, 2021
Basic Life Support (BLS)	\$ 1,472.00	\$ 1,840.00	\$2,208.00
BLS Emergency	\$ 1,662.00	\$ 2,078.00	\$2,493.00
Advanced Life Support (ALS)	\$ 1,905.00	\$ 2,382.00	\$2,858.00
ALS Emergency	\$ 2,095.00	\$ 2,619.00	\$3,143.00
Paramedic Critical Care	\$ 2,860.00	\$ 3,575.00	\$4,290.00
Mileage	\$54.00	\$ 68.00	\$81.00
Oxygen	\$183.00	\$ 229.00	\$275.00
Night Call (7:00 PM to 7:00 AM)	N/A	\$214.00	\$268.00
EKG	N/A	\$179.00	\$224.00
Treat, non-transport	N/A	\$437.00	\$547.00
Wait Time (15 min)	\$71.00	\$ 89.00	\$107.00
Special Event (Per hour)	\$207.00	\$ 250.00	\$311.00
In City Intra-Facility	\$946.00	\$ 1,183.00	\$1,419.00
Safety Car	\$50.00	\$63.00	\$75.00
Driver (per hour) – Safety Car	\$42.21	Increased per service provider agreement	
Mileage – Safety Car	\$0.58	Increased per standard IRS Mileage Rate	

The current ambulance rate structure for Tuolumne County is well below average for the State of California; the proposed rate structure would push Tuolumne County above the 75<sup>th</sup> Percentile statewide; keep in mind that most EMS Systems increase ambulance rates on an annual basis and that Tuolumne County may be at or below the 75<sup>th</sup> percentile by January 1, 2021. The proposed rate increases will affect patients who are private pay or those with private insurance. Regardless of ambulance rate increases, Medicare, Medi-Cal, and the State of California Department of Corrections pay a fixed amount for ambulance services. For example, the Medicare and Medi-Cal reimbursement rates for an advanced life support (ALS) service are \$589 and \$339 respectively, even though the current rate for an ALS emergency service is \$1,905.

We are proposing to add reimbursement rates for Night Call, EKG and Treat, non-transport services, whereby we have not cost recovered for these services in the past.

The proposed increase in ambulance rates will result in expected revenue of \$122,744 for FY 19/20 and \$1,072,016 for FY 20/21, assuming similar call volume and payer mix.

**Recommendation**

It is respectfully recommended that your Board's Finance Committee concur with the attached resolution modifying the ambulance rate schedule effective May 1, 2020.



Filed: \_\_\_\_\_, 2020

By: \_\_\_\_\_

No. \_\_\_\_\_

**RESOLUTION**  
**OF THE BOARD OF SUPERVISORS OF THE COUNTY OF TUOLUMNE**

**WHEREAS,** expenses for the ambulance services in Tuolumne County are increasing due to the increased cost of personnel, vehicles, fuel, medical supplies, equipment and related expenses; and

**WHEREAS,** due to the increased cost of operations, it has become necessary for the Tuolumne County Board of Supervisors to consider action to raise fees for the seventh time since April 1, 1987; and,

**WHEREAS,** incremental 25% increases in calendar year 2020 and 2021 are necessary to cover increasing operational expenses. The first 25% percent increase will go into effect May 1, 2020, the second 25% increase will go into effect January 1, 2021.

**WHEREAS,** there is a need to add reimbursement rates for Night Call, EKG and Treat, non-transport services, whereby the County has not cost recovered for these services in the past.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Supervisors of Tuolumne County approves the following ambulance fee schedule, effective on the date specified:

Ambulance Rates	Current Rates	Proposed	Proposed
		25% Increase	25% Increase
		May 1, 2020	January 1, 2021
Basic Life Support (BLS)	\$ 1,472.00	\$ 1,840.00	\$2,208.00
BLS Emergency	\$ 1,662.00	\$ 2,078.00	\$2,493.00
Advanced Life Support (ALS)	\$ 1,905.00	\$ 2,382.00	\$2,858.00
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Paramedic Critical Care	\$ 2,860.00	\$ 3,575.00	\$4,290.00
Mileage	\$54.00	\$ 68.00	\$81.00
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Safety Car	\$50.00	\$63.00	\$75.00
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Mileage – Safety Car	\$0.58	Increased per standard IRS Mileage Rate	

ADOPTED BY THE BOARD OF SUPERVISORS OF THE COUNTY OF TUOLUMNE ON \_\_\_\_\_, 2020

AYES: 1st Dist. \_\_\_\_\_  
2nd Dist. \_\_\_\_\_  
3rd Dist. \_\_\_\_\_  
4th Dist. \_\_\_\_\_  
5th Dist. \_\_\_\_\_

NOES: \_\_\_\_\_ Dist. \_\_\_\_\_  
\_\_\_\_\_ Dist. \_\_\_\_\_  
ABSENT: \_\_\_\_\_ Dist. \_\_\_\_\_  
\_\_\_\_\_ Dist. \_\_\_\_\_  
ABSTAIN: \_\_\_\_\_ Dist. \_\_\_\_\_

\_\_\_\_\_  
CHAIRMAN OF THE BOARD OF SUPERVISORS

ATTEST: \_\_\_\_\_  
Clerk of the Board of Supervisors

No. \_\_\_\_\_

DRAFT