



Legislation Text

File #: 22-0380, Version: 1

HEARING - Chief Administrative Office, Emergency Medical Services and Emergency Preparedness & Response Division (CAO-EMS/EP) recommending the Board consider the following:

- 1) Adopt and authorize the Chair to sign Resolution **089-2022** revising the ambulance fee schedule for County Service Area 3 (CSA 3), increasing fees for service within the ambulance rate schedule (superseding Resolution 186-2015); and
- 2) Authorize the CAO-EMS/EP Division, in coordination with the CAO Fiscal Unit, to annually adjust ambulance rates based on an average of the changes in the US Medical Care Services and the San Francisco-Oakland All Items indices of the Federal Bureau of Labor Statistics Consumer Price Index.

FUNDING: Fee for Service

DISCUSSION / BACKGROUND

The County is responsible for ensuring the provision of 911 emergency medical services as set forth in the County's ambulance ordinance.

Transport and dispatch services for CSA 3 South Shore area are contracted to the California Tahoe Emergency Services Operations Authority, herein referred to as Cal Tahoe JPA. Cal Tahoe JPA has been under contract to provide transport operational services since 2001, and their current contract expires August 31, 2031.

Transport and dispatch operational services for the area of Meeks Bay in CSA 3 are contracted to the North Tahoe Fire Protection District. North Tahoe has a current contract that expires August 31, 2023.

Transport and dispatch services for County Service Area 7, which covers the West Slope, are provided by the El Dorado County Emergency Services Authority.

The contract for services in CSA 3 must be awarded through a competitive process. The last Request for Proposal process was conducted in the Spring of 2021, and the contract was awarded that Fall. Cal-Tahoe JPA was the only provider to respond. The proposal provided for the continuation of the same hybrid model which includes a combination of fire-based civilian personnel; however, the prior contract had been a fixed fee agreement, and the new proposal and resulting contract reflect the cost increases that have occurred within the healthcare industry in the past several years. Based on the current fee schedule, the revenues in CSA 3 will not support the services into the future.

Ambulance Funding

Ambulance services are primarily funded through a combination of revenues from service fees and special taxes. In addition, CSA 7 receives ad valorem property tax revenue and revenue from the Shingle Springs Band of Miwok Indians. These two additional revenue sources equal approximately 45% of the revenue received from ambulance service revenue. These additional revenue sources in

CSA 7 result in a much higher subsidy in that area than in CSA 3. Consequently, CSA 3 is much more dependent upon billing revenue. Billing revenue accounts for 80% of total revenues in CSA 3, but only 60% of revenues in CSA 7. The taxpayer subsidy in CSA 7 is 39%, compared to 19% in CSA 3.

Ambulance Service Fees

The rate schedule was last reviewed and updated in 2015 after an analysis was conducted by a consultant hired by the El Dorado County Health & Human Services Agency. Each year following that increase, the fees have been adjusted for inflation.

The current countywide ambulance rate schedule applies to both CSA 3 and CSA 7; however, due to the large difference in subsidy between the two CSAs, staff recommends the practice of adopting one countywide fee schedule for ambulance service be discontinued.

After working with the CAO Central Fiscal Unit and Wittman Enterprises, the County’s contracted medical biller, it has been determined that increasing ambulance fees to within the 75th percentile of comparison agencies, including base rates for resident and non-resident should begin to alleviate the problem. It should be noted, however, that as with any fee increase, the amount of increased revenue is not guaranteed. Revenue collection depends on many factors, such as payer mix and call volume, which are not within the control of the County.

The following chart compares some of our current fees to the average and the maximum fees of comparison agencies, as well as an increase to the 75th percentile of fees charged by other California Local Emergency Medical Services Agencies. The increase at the 75th percentile is equal to a 44.73% increase.

	Current	Average	Max	Recommended
ALS Resident	1,657.00	\$1,961.43	\$2,968.01	\$2,398.00
ALS Non-Resident	\$1,954.00	2,313.00	\$3,500.00	\$2,828.00
ALS2 Resident	\$1,746.00	\$2,066.79	\$3,127.43	\$2,527.00
ASL2 Non-Resident	\$2,044.00	\$2,419.54	\$3,661.21	\$2,958.00
Treat-No Transport	\$471.00	\$557.53	\$843.65	\$682.00
Mileage	\$36.00	\$50.00	\$100.00	\$60.00
Oxygen	\$129.00	\$152.70	\$231.06	\$187.00
Critical Care Transport	2,450.00	\$2,900.13	\$4,388.43	\$3,546.00

Without a fee increase, at the current rates for the 2022-23 fiscal year, there is a projected shortfall of approximately \$600,000.

CAO-EMS/EP recommends that the Chief Administrative Office retain the ability to increase the rates annually based upon the CPI to keep up with the pace of inflation.

ALTERNATIVES

The Board could decline to adopt the Resolution, maintaining the current rate structure or provide

further direction on how to address the future funding shortfall.

PRIOR BOARD ACTION

11/17/2015 Legistar item 10-0415 version 2 - Approval of ambulance fees

OTHER DEPARTMENT / AGENCY INVOLVEMENT

County Counsel

CAO RECOMMENDATION

Approve as recommended.

FINANCIAL IMPACT

With no fee increase, staff projects a potential shortfall in Fiscal Year 2022-23 of up to \$600,000. The hope is that the fee increase will provide the funding to fill the gap. If the fee increase is not approved, the Board should direct staff to return with other options for funding the ambulance service in CSA 3.

CLERK OF THE BOARD FOLLOW UP ACTIONS

Forward a copy of the executed resolution to the EMS & EP Division, attention Michelle Patterson.

STRATEGIC PLAN COMPONENT

Good Governance

Healthy Communities

CONTACT

Michelle Patterson, Manager of Emergency Medical Services and Emergency Preparedness and Response