



STAFF REPORT

AGENDA ITEM #: 23-103
COUNCIL MTG OF: September 5, 2023
FROM: Dave Caron, Town Administrator
OFFERED BY: James Richardson, Fire Chief
PREPARED BY: Ed King, EMS Captain
SUBJECT: Ambulance Transport Rate Adjustment

PURPOSE:

Recommendation to adjust Ambulance Transport Fees.

TOWN ADMINISTRATOR COMMENTS:

As discussed below, the cost of providing EMS services is constantly increasing. As a result, it is important that the charges for services keep pace with the region. The proposed adjustments to the fee schedule are reasonable and serve to focus the cost on the users of the service versus distributing it throughout the community. I recommend that the Council adopt the proposed 2023 fee schedule.

BACKGROUND:

The Derry Fire Department currently bills for EMS medical transports and services related to those transports. The Derry Fire Department has operated the Ambulance Service since 1972. In 1990 - the Derry Town Council modified the user fee to the existing billing practices. The revenue collected from EMS transports underwrites the cost of EMS services rendered by the Fire Department.

DISCUSSION:

The ambulance fee schedule has not been adjusted since September 2021. As per Town of Derry Administrative Regulation #57 - Ambulance Billing and Collections; the ambulance rates Charge Master will be updated every two (2) years and approved by the Town Council. The Town Administrator in 2020 decided to postpone the EMS transport rate adjustment due that year because of the ongoing pandemic.

Personnel cost and operational expenses, including ambulances, medical technology, patient movement devices and disposable medical supplies have steadily increased each year, more so during the pandemic. A recent comparison of ambulance billing rates for like size departments providing ALS ambulance transportation services, as well as Client Rate Comparison prepared by Quick Med Claims (June 2023) revealed that the Derry Fire Department fee scheduled is less than other like sized departments in our area. By comparison, Derry charges approximately 41% less than Windham Fire, 24% less than Bedford Fire and 14% less than Salem Fire, which are municipal departments providing the same type and level of service.

FISCAL IMPACT:

During FY-22, ninety-three percent (93%) of the patients who utilized Derry Fire Ambulance transportation services had a form of health insurance. Records indicate the following dispersed payer

mix: Medicare – 56.4%, Medicaid – 13.7%, private health insurance – 20.4%, uninsured – 6.6% and other 2.9%. Based on this payer mix, there are only two payer groups that will be affected by our recommended transport rate adjustment: 1) patients with private health insurance, and 2) patients who are uninsured. Medicare and Medicaid allowable charges and reimbursement are based on an established National or State fee schedule and will not be affected by our proposed rate increase.

Based on EMS transports from July 1, 2022, to June 30, 2023, payments from patients with Health Insurance and those who were uninsured was \$566,239. Our recommended rate adjustment for EMS transport fees could potentially increase overall EMS revenues by \$50,000-\$85,000 annually.

Quick Med Claims provides a high degree of customer service, reviews hardship applications submitted by clients who have no insurance and have no ability to pay their ambulance bill and has the authority to make accommodations as deemed appropriate. Quick Med Claims has the following options to assist clients in hardship cases, including recommending removal of debt, invoice reduction and/or establish payment plans.

RECOMMENDED ACTION BY COUNCIL:

Approval of recommended EMS transport rates for BLS, ALS-1, ALS-2, SCT transportation services, mileage and related services.

RECOMMENDED MOTION:

Please see Resolution #2023-067

2023 Proposed Fee Schedule

Derry Fire Department	Current Rates 2021	Proposed Resident (+15%) 2023
BLS Non-Emergency	\$1000	\$1150
BLS Emergency	\$1000	\$1150
ALS 1 Emergency	\$1540	\$1771
ALS 2 Emergency	\$2262	\$2601
SCT Emergency	\$2601	\$2991
ALS Treat and Release	\$330	\$380
Mileage	\$36.75	\$42.26

Derry Fire Department	Current Non-Resident Rates 2021	Proposed Non-Resident (+15%) 2023
BLS Non-Emergency	\$1200	\$1380
BLS Emergency	\$1200	\$1380
ALS 1 Emergency	\$1848	\$2125
ALS 2 Emergency	\$2714	\$3121
SCT Emergency	\$3121	\$3589
ALS Treat and Release	\$396	\$455
Mileage	\$44.10	\$50.72

Definitions

BLS Emergency: Basic Life Support, no advanced medical care or medications required.

ALS1 Emergency: Advanced Life Support, ALS assessment and at least one ALS intervention.

ALS2 Emergency: Advanced Life Support, ALS procedures and/or three or more medications.

SCT: Specialty Care Transport, hospital to hospital emergency transports.

ALS Treat and Release: ALS medical supplies utilized and patient refuses to be transported



RESOLUTION

Number 2023-067

To Adopt a Revised Fee Schedule for Ambulance Transport and
Associated Emergency Medical Services

WHEREAS, Section 7.2 of the Town Charter empowers the Town Council regulate all fees for the use of the services of the Town; and

WHEREAS, the current fee schedule for ambulance transport and associated emergency medical services requires adjustment to meet the cost of providing such services; and

WHEREAS, it is the intent and policy of the Town Council to maintain as prudent a tax rate as possible by making appropriate and reasonable use of user fees for certain Town services;

NOW, THEREFORE, BE IT RESOLVED IN COUNCIL that the proposed Schedule of Fees for Ambulance Transport and Associated Services, dated September 5, 2023 and attached hereto, is hereby approved; and

BE IT FURTHER RESOLVED that the Town Administrator is instructed to cause the newly approved schedule of fees to take effect no later than October 1, 2023.

This Resolution shall take effect immediately upon its passage.

Adopted: September 19, 2023.

Attest:

x _____

Charles Foote, Council Chair

Date: _____

x _____

Cristina Guilford, Town Clerk

Date: _____