



**Contra
Costa
County**

To: Contra Costa County Fire Protection District Board of Directors
 From: Jeff Carman, Chief, Contra Costa County Fire Protection District
 Date: March 13, 2018

Subject: Emergency Ambulance Service Rate Schedule Revision

RECOMMENDATION(S):

A. OPEN the public hearing on the following ordinance:

1. Ordinance No. 2018-10, an ordinance authorizing the Contra Costa County Fire Protection District to revise its emergency ambulance service fees beginning April 13, 2018.

B. RECEIVE testimony and CLOSE the public hearing.

C. ADOPT Ordinance No. 2018-10, which becomes effective on April 13, 2018.

FISCAL IMPACT:

This ordinance will allow the Contra Costa County Fire Protection District to recover the increased costs associated with the provision of emergency ambulance services in Emergency Response Areas (ERAs) 1, 2, and 5 within Contra Costa County effective April 13, 2018.

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY
ADMINISTRATOR

☐ RECOMMENDATION OF BOARD
COMMITTEE

Action of Board On: **03/13/2018** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

AYE: John Gioia, Director
 Candace Andersen, Director
 Diane Burgis, Director
 Karen Mitchoff, Director
 Federal D. Glover, Director

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 13, 2018

David Twa, County Administrator and Clerk of the Board of Supervisors

Contact: Jeff Carman, Fire
 Chief (925) 941-3300

By: June McHuen, Deputy

cc:

BACKGROUND:

The Emergency Ambulance Services contract between the Contra Costa County EMS Agency (“CCCEMSA”) and the Contra Costa County Fire Protection District (“District” or “Contractor”) establishes the rates the District is authorized to charge for providing emergency ambulance services. Exhibit D, Service Rate Schedule, of the Emergency Ambulance Services Contract provides as follows:

For each Ambulance responding to a call, Contractor shall charge the patient the Emergency Ambulance Response Base Rate, plus mileage costs at the Mileage Rate. If oxygen is administered to a patient, Contractor shall charge the patient the Oxygen Administration Charge, whether transported or not. If a patient is treated and refuses transport, Contractor will charge the patient the Treat and Refused Transport rate.

<i>Emergency Ambulance Response Base Rate</i>	<i>\$ 2,180.00</i>
<i>Mileage Rate (for each mile traveled with a loaded patient)</i>	<i>\$ 52.00</i>
<i>Oxygen Administration Charge</i>	<i>\$ 182.00</i>
<i>Treat and Refused Transport</i>	<i>\$ 467.00</i>

The District is not authorized to charge more or less than the rates specified in the District-CCCEMSA contract. The current rates became effective April 18, 2017. The original contract is attached.

The Emergency Ambulance Services contract between the District and American Medical Response West (“AMR” or “Subcontractor”) establishes the hourly rates the District pays AMR for providing emergency ambulance services. The hourly rates (Ambulance Unit Hour Rates) became effective January 1, 2016, and were amended effective April 1, 2017. The hourly rates are specified in Exhibit D of the District-AMR contract. The contract and its amendment are attached.

Section P.2, Ambulance Unit Hourly Rate Adjustments, of the District-AMR contract requires the hourly rates paid to AMR to be adjusted annually. Beginning on April 1, 2017, and on each April 1 thereafter, the Subcontractor’s Ambulance Unit Hour Rate (“Per Unit Hour Rate”) increases by the percentage equal to the product of (a) the District’s collection realization percentage for the year preceding the calendar year just ended and (b) the greater of three percent (3%) or the increase in the Consumer Price Index, All Urban Consumers for Medical Care (U.S. city average) (1982-84=100) (“CPI”) for the subject calendar year. The CPI increase for calendar year 2017 was 2.5%. The “collection realization percentage” is the percentage of patient billings actually collected by the District.

The District’s collection realization percentage for calendar year 2016 is 22.45%.

Ambulance system costs include, but are not limited to, payments to AMR, billing service

provider payments, dispatcher wages and benefits, administrative wages and benefits, system software and hardware upgrades, consulting fees, banking fees, and other costs. The largest cost driver in the ambulance system is payments to AMR. These payments to AMR account for over 80% of system costs.

The District is mandated by the terms of its contract with AMR to provide Ambulance Unit Hour Rate increases on an annual basis beginning in year two of the contract, and those increases are contractually determined by the formula specified in Section P.2 of the District-AMR contract. Therefore, the rates charged by the District for ambulance service must increase by a commensurate amount. Section P.2 of the District-CCCEMSA contract requires CCCEMSA to approve annual increases, based on changes in the CPI, to the Service Rate Schedule when requested by the District.

Applying a 3.0% increase to the Service Rate Schedule results in the modified rates shown below.

Emergency Ambulance Response Base Rate	\$ 2,245.40
Mileage Rate (for each mile traveled with a loaded patient)	\$ 53.56
Oxygen Administration Charge	\$ 187.46
Treat and Refused Transport	\$ 481.00

If approved by the District Board of Directors, these rates will go into effect on April 13, 2018

CONSEQUENCE OF NEGATIVE ACTION:

If Ordinance No. 2018-10 is not adopted, the District will not be able to recover the increased costs of providing emergency ambulance services under its contract with the County and AMR.

CHILDREN'S IMPACT STATEMENT:

Approximately 10% of emergency medical service responses involve children under the age of 15.

ATTACHMENTS

CCCFPD Ambulance Services Fee Ordinance 2018

CCCEMSA-District Contract

District-AMR Contract

Proof of Publication