



Legislation Details (With Text)

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Title: Resolution to Approve Fees for the Fire Department Ambulance Transport and Appropriate Funding (8 Votes Required)

Sponsors:

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Attachments:

Date	Ver.	Action By	Action	Result
3/4/2024	1	City Council	Held and Closed	
3/4/2024	1	City Council	Approved	Pass

Resolution to Approve Fees for the Fire Department Ambulance Transport and Appropriate Funding (8 Votes Required)

The Ann Arbor Fire Department provides emergency medical services and ambulance transport to patients regardless of their ability to pay. The Fire Department is sensitive to those who face financial hardship and understands that a patient’s illness or injury can create large medical bills which may impact the ability to pay. Since the Fire Department has been licensed as a basic life support transport agency, it has transported over 122 patients.

In an effort to recover cost for services that are customary with ambulance transport, the City of Ann Arbor recently signed a professional services agreement with Medicount for billing services. To begin billing for services pursuant to this agreement, the City must first adopt a fee structure.

Attached for your consideration and approval is a resolution authorizing billing for ambulance transport. The Fire Department proposes to collect fees in alignment with the third-party entity (Huron Valley Ambulance) that also provides ambulance transport within the City of Ann Arbor.

When determining cost to serve, Service Units consider expenses such as labor, materials and supplies, equipment, and overhead costs. The proposed fee structure was based upon calculations done with the City of Ann Arbor Finance Department based on cost for service. The actual cost was calculated to \$471.42 for basic life support transport. Consistent with other City fees, these amounts have been rounded to \$470.00 for basic life support transport.

Transport rates are in alignment with the Medicare (\$430.93), Medicaid (\$244.29), and Blue Cross Blue Shield allowance rates along with adopted rates of the Brighton Area Fire Authority and Livingston County EMS (\$600.00 emergency, \$450.00 non-emergency). These agencies are the

most comparable since they are also in the Washtenaw / Livingston Medical Control Authority. Huron Valley Ambulance was requested to provide their rate structure but declined. The City would bill individuals pursuant to the proposed fee structure. However, fee balance after Medicare, Medicaid, or private insurance is waived. This fee will be subject to adjustment annually during the annual budget adoption process.

Billing would commence upon the finalization of billing logistics with Medicount and the publication of the fee schedule on the City's website. This is expected within 90-days of the adoption of this resolution. The attached draft fire department policy provides administrative guidance for ambulance billing.

Prepared by: Mike Kennedy, Fire Chief

Reviewed by: Michelle Landis, Senior Assistant City Attorney

Approved by: Milton Dohoney Jr., City Administrator

Whereas, The proposed fee for basic life support transport is based upon the cost of providing services and/or on market comparative data; and

Whereas, It is estimated that \$5,000.00 in basic life support transport fees will be collected in FY24;

RESOLVED, That the fee for basic life support transport by the Fire Department is adopted at the rate of \$470.00. For future fiscal years, these fees will be subject to adjustment as part of the budget adoption process;

RESOLVED, That the proposed fee is effective upon the finalization of billing logistics with Medicount and the publication of the fee schedule on the City's website;

RESOLVED, That \$5,000.00 be appropriated to the FY24 Fire Department General Fund expenditure budget with the source of revenue being basic life support transport fees; and

RESOLVED, That City Council authorize the City Administrator to take necessary administrative actions to implement this resolution.