



CITY OF CONCORD

REPORT TO MAYOR AND THE CITY COUNCIL

FROM: Daniel L. Andrus, Fire Chief

DATE: June 27, 2018

SUBJECT: Report from the Fire Chief on Emergency Medical Services Revenue

Recommendation

The Fire Department requests that the Council accept this report.

Background

The Fire Department generates nearly \$2 million in revenue annually from providing emergency medical services. As the demand for such services has increased, revenue has increased as well as shown in the following table:

FY 2014	FY 2015	FY 2016	FY 2017	FY 2018 (to 6/25)
\$1,456,815.10	\$1,624,491.36	\$1,812,723.88	\$1,802,342.57	\$1,897, 840.30

Charges are based on the level of care provided to a patient, as well as mileage. The two major categories of care are basic life support (BLS) and advanced life support (ALS). Advanced life support is further divided into two categories, depending on the performance of certain procedures and the number of administrations of medication. Concord’s current rates for EMS are on the last page of this report, which also includes the rates charged by several other communities in New Hampshire.

The actual amount collected depends on several factors, including the amount allowed by contract with third party payors and the amount “written off” for patients who are deceased, homeless, or who have financial hardships. The City has a contract with a third party vendor to handle all matters pertaining to billing for emergency medical services.

The following table shows the differences in contractual allowances and total collected based on the payor group. The data is from the period from January 1, 2018 through March 31, 2018.

	% of Transports	% of Charges That Are Allowable	% Collected of Allowable Charges
Blue Cross	7.42	89.75	37.23
Medicaid	12.06	18.41	59.46
Medicare	51.30	48.18	60.40
Other Insurance	15.37	89.80	37.07
Self Pay	13.85	99.24	7.48
Total	100.00		40.72

The following table shows the activity for the current fiscal year through May.

Beginning receivables balance, July 2017	\$1,830,391.43
Gross billing	\$3,953,003.20
Less: Contractual allowances	(\$1,606,345.18)
Net billing	\$2,346,658.02
Amount paid by patients and insurance	\$1,777,209.65
Less: Reimbursements and retractions	(\$37,526.83)
Less: Amount written off	(\$23,476.45)
Collections company payments	\$31,661.09
Ending receivables balance, May 2018	\$2,382,229.09

Several initiatives are underway to enhance EMS revenue. First, the City issued a competitive request for proposals in early 2018 and has selected a new EMS billing vendor. The new company should be in place by mid-summer. Second, a Fire Department Administrative Specialist will attend training in October to become a certified ambulance coder so that the Department has “in house” capability to enhance its oversight of EMS billing. Third, the Department’s quality assurance process provides for a review of all patient care reports to assure that clinical standards for care are being met and that appropriate documentation occurs for each patient encounter. Documentation is the principal driver in assuring that the City receives appropriate compensation for the care that is provided.

Discussion

The Fire Department will advise the City Council of any significant developments with regard to EMS billing and will provide updates as needed or requested.

	<i>Bow</i>	<i>Concord</i>	<i>Derry</i>	<i>Hopkinton</i>	<i>Keene</i>	<i>Lebanon*</i>	<i>Loudon*</i>	<i>Penacook Rescue</i>	<i>Portsmouth</i>	<i>Salem</i>	<i>Tritown Ambulance</i>
<i>BLS, Non emergency</i>	N/A	\$ 600	\$ 667		\$ 836	N/A	N/A	\$ 680	\$ 680	N/A	N/A
<i>BLS, Emergency</i>	\$ 675	\$ 680	\$ 667	\$ 835	\$ 1,325	\$ 531.16/ \$ 591.78	\$600/ \$700	\$ 680	\$ 745	\$	\$ 800
<i>ALS-1, Emergency</i>	\$ 900	\$ 1,000	\$ 1,245	\$ 991	\$ 1,589	\$ 977.27/ \$ 1049.42	\$800/ \$1000	\$ 800	\$ 1,240	\$	\$ 1,250
<i>ALS-2, Emergency</i>	\$ 1,525	\$ 1,400	\$ 1,745	\$ 1,434	\$ 2,300	\$ 1467.10/ \$ 1571.25	1100/ \$1250	\$ 1,200	\$ 1,445	\$	\$ 1,750
<i>Mileage</i>	\$ 15	\$ 14	\$ 22	\$ 16	\$ 26	\$ 13	\$15/ \$20	\$ 15	\$ 21	\$ 40.00	\$ 20
<i>ALS intervention, no transport</i>		\$ 186	\$ 200			\$ 450					
<i>*Charges resident and non-resident rates</i>											