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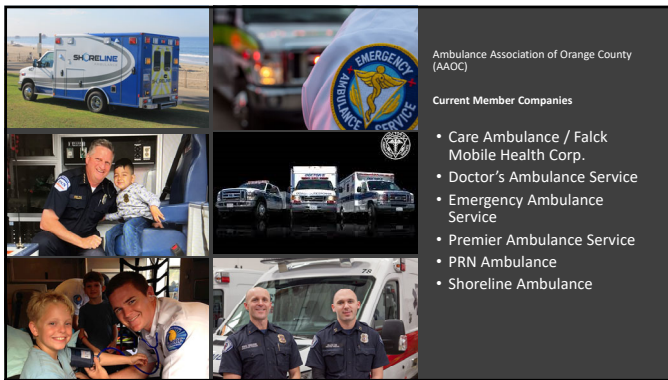
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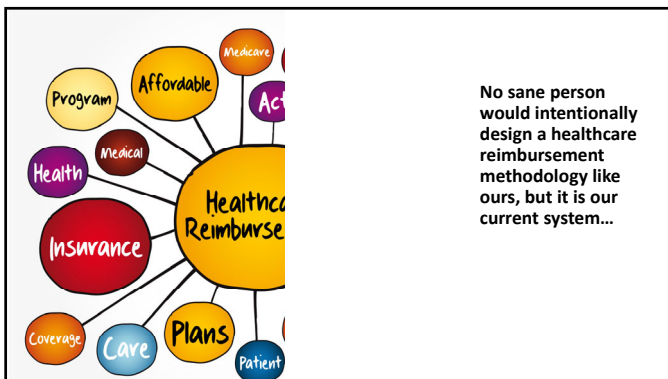
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## Introduction

- Historically, Orange County's regulated 9-1-1 rates have been set well below other local and state-wide ambulance charges.
- This has provided an artificial subsidy for commercial insurance carriers and contributed to the lower wages paid to Orange County EMTs by both private ambulance companies and public fire agencies.
- Recent news article about California paying less than almost every state for ambulances to transport Medi-Cal patients. Shelly Hudson, spokesperson for the International Association of EMTs and Paramedics said, "With a starting salary of \$15 to \$17 for EMTs, they're leaving in droves for fast-food jobs".
- Today, following the effects of COVID, EMTs are demanding a higher wage.
- Regulated ambulance rates need to be adjusted to meet this new demand.



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## Who Sets the Rules for Ambulance Billing?

- Federal Level – Center for Medicare and Medicaid Services (CMS), Commonly known as MediCare
- State Level – Medi-Cal, CalOptima, or other governmental managed care programs found in California Code of Regulations – Title 22
- Commercial Insurance Carriers – Trend is to follow Medicare / CMS standards, rules and procedures but can make up own rules

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## Orange County Specific Regulations

Ambulance Ordinance #3517 – Adopted April 1985, Establishing requirements for operations of ambulances in Orange County

Ambulance Ordinance requires Orange County Board of Supervisors to set ambulance rates

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## Who is Covered Under the Ambulance Ordinance?

- Only private ambulance companies providing emergency (9-1-1) ambulance transport services
- Current contracted 9-1-1 providers are: Care Ambulance / Falck Mobile Health Corp., Emergency Ambulance and Doctor's Ambulance but recently many ambulance companies have provided back-up 9-1-1 services, including Premier Ambulance, Shoreline Ambulance, Lifeline Ambulance and American Med Ambulance
- Many private companies also index their non-9-1-1 interfacility (IFTT) rates to the established County rates but this is not required
- Does not apply to fire or city operated ambulance services

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## Post Pandemic Labor Issues

- Across CA and US, EMS and other industries are experiencing labor shortage
- Labor shortage is driven by pandemic, lack of affordable housing, accessible childcare and workers demanding higher wages
- Outside EMS, some industries have found attracting and retaining workers easier by increasing wages
- New economic reality created by COVID, \$20 per hour is quickly becoming minimum expectation

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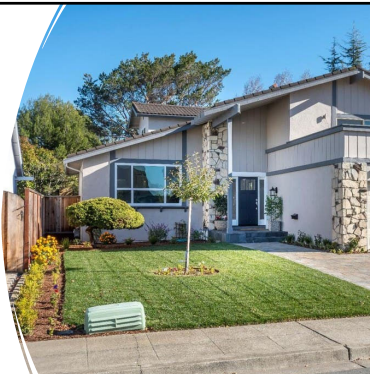
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## Cost of Living in Orange County

- What is a "Living Wage?"
- According to the MIT Living Wage Study / Calculator -- A local wage rate that allows residents to meet the minimum standards of living. The calculator adjusts by Regions / counties
- Of the 58 Counties in CA, only six (6) Counties have a higher living wage requirement than Orange County
  - Marin
  - San Francisco
  - San Mateo
  - Santa Barbara
  - Santa Clara, and
  - Santa Cruz



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### Current Approved OC EMS BLS Rate

Emergency (9-1-1) BLS Base Rate	\$1,290.15
Mileage, per mile	\$19.05
Oxygen	\$93.40
Standby, per 15 minutes	\$45.75
Expendable Medical Supplies	\$36.87

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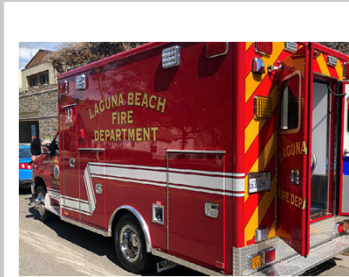
### Laguna Beach Fire Ambulance Rates

Newest ambulance service slated to begin operations on July 1, 2022.

City Council Approved Ambulance Transport Rate \$2,800

"America's way of paying for healthcare is already heartless. Twenty-five percent of the citizens of the richest country in the world have medical debt. This is not a problem we can solve locally but as one of the most fortunate communities in America we should be ashamed to add to it."

Laguna Beach Fire Chief Mike Garcia



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### OC Ambulance Rate Adjustment

The AAOC is requesting a one-time adjustment of ambulance rates to be comparable to the LA County General Public Ambulance Rates, with the consolidation of Expendable Medical Supplies and Oxygen into the BLS Base Rate;

BLS Base Rate (and expendable medical supplies included)	\$1,948
Mileage, per mile	\$23.00
Standby Time, for each 15 mins.	\$68.50

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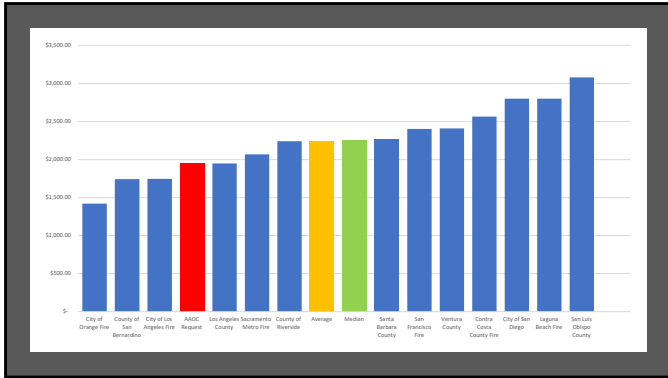
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### Who Actually Pays for Ambulance Services?

- Medi-Cal, CalOptima and Governmental Managed Care programs, reimbursement is set by State of CA and CA Code of Regulations. Average Payment is \$126 with remaining balance dismissed / written off.
- Medicare and Senior HMO, reimbursement is set by CMS / Medicare. CMS pays 80% of allowable FFS charges and Senior HMO, HMO typically pays all of the allowable charges, less any required co-pay or deductible. Average payment is \$379 with remaining balance dismissed / written off.
- Commercial Insurance – Paid, less any plan required co-pay or deductible or non-covered charges.

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### Who Will Pay This Increase?

- Commercial insurance companies that already pay much higher transport fees in other Counties and other Orange County Cities. Nationally, ambulance companies represent less than 1% of insurance spending.
- This cost shift is by Federal design.
- By not billing at the higher rates, you are forcing your emergency (9-1-1) ambulance providers to subsidize these commercial insurance companies.
- Increase is NOT paid by any Medicare, Medi-Cal or CalOptima patient.

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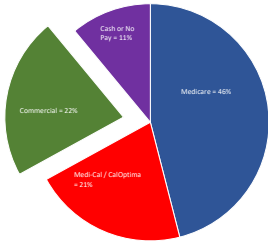
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## Mrs. Fields Cookie Pie Chart Example



Medicare and Senior HMO Medi-Cal / CalOptima Commercial Insurance Cash Pay - No Pay

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## Request and Conclusion

One time adjustment to be comparable to emergency (9-1-1) ambulance rates to the July 2022 rates for County of Los Angeles General Public Ambulance Rates

Adopt MediCare standard and consolidate BLS Base Rate, Disposable Medical Supplies and Oxygen into BLS Base Rate **\$1,948**

Mileage, per mile **\$23.00**

Waiting Time, per 15 mins **\$68.50**

**Desired Outcome is increased EMT wages and reduction of patient complaints for charges not authorized by Medicare and other insurance carriers.**

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