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HIAWATHA FIRE-RESCUE

MEMORANDUM

TO: MAYOR, COUNCIL

FROM: MIKE NESSLAGE, FIRE CHIEF

SUBJECT: AMBULANCE SERVICE RATES

DATE: 5/12/2017

CC: CITY STAFF, PCC BILLING

Before you tonight is a resolution to adjust ambulance service rates. We recently received a change in the rates that Wellmark pays. In order to capitalize on their allowable, we need to adjust our rates. Our last adjustment was in 2009.

The federal government (Medicare) and certain insurance companies (Wellmark, in particular) set "allowable" rates which they will pay for ambulance service. They place the value of an ambulance ride at that. They will allow you to charge no more than that. So in the case of Medicare, Medicaid, and Wellmark we write off anything above the allowable. We are not allowed to go back on the patient and attempt to collect in any way. This isn't the case for every insurance company, but Wellmark (18.9%), Medicare(37.1), and Medicaid (9.7%) make up 65.7% of our business. Another 10.7% is direct pay, so setting higher rates directly impacts those patients. It makes the most sense to set our rate just above the Wellmark rate, to take the most advantage without causing additional burden on private pay patients or creating a lot of write offs. I recommend setting the rates high enough that we don't have to adjust them every year. Wellmark had adjusted several times since 2009, but our rates are high enough we didn't need adjust till this year.

Based on my experience, these rates are most appropriate for our community and patients. If you have questions, I will attempt to answer them. Below is the chart so you can identify the changes.

		A	B	C	D	E	F
	Type of Call	Medicaid Allowable	Medicare Allowable	Wellmark Allowable	Current	*Suggested*	Change
		2016	2016	Effective July 1, 2017	HFD		
1	BLS Non-emergency	$84.67	$ 211.18	$ 368.00	$ 355.00	***$ 375.00***	$ 20.00
2	BLS Emergency	$114.30	$ 337.89	$ 588.00	$ 575.00	***$ 605.00***	$ 30.00
3	ALS Non-emergency	$101.60	$ 253.42	$ 441.00	$ 425.00	***$ 450.00***	$ 25.00
4	ALS Emergency	$127.01	$ 401.25	$ 698.00	$ 675.00	***$ 715.00***	$ 40.00
5	ALS2	$232.84	$ 580.75	$ 1011.00	$ 975.00	***$ 1,030.00***	$ 55.00
6	**Per loaded mile**	$2.61	$ 7.29	$ 13.00	$ 13.00	***$ 14.00***	$ 1.0
		NOTE: Treated not transported fee, flat rate $75.					

DRAFT

RESOLUTION NO. 17-
City of Hiawatha

RESOLUTION ADOPTING STANDARD CALL RATES FOR AMBULANCE SERVICES

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HIAWATHA, IOWA, to hereby delete Resolution No. 09-111 in its entirety and designate the following as the standard rates for ambulance services provided by Hiawatha Fire Department:

	Type of Call	Rate
1.	BLS Non-Emergency	$ 375.00
2.	BLS Emergency	$ 605.00
3.	ALS Non-Emergency	$ 450.00
4.	ALS Emergency	$ 715.00
5.	ALS2	$1,030.00
6.	Per Loaded mile	$ 14.00
7.	Treated not transported fee, flat rate	$ 75.00

AYES:
NAYS:
ABSENT:

PASSED AND APPROVED this 17th day of May, 2017

Bill Bennett, Mayor

ATTEST:

Kari Graber, Deputy Clerk