



EMERGICON
emergency medical billing

EMS Billing **Built for Texas**

City of Burleson EMS Billing Best Practices

March 2023

Thank you for the opportunity!

EMERGICON, the largest EMS billing company in Texas, was selected to serve the City of Burleson as its EMS billing partner through an RFP process in late 2022.

EMERGICON was founded in 2006 by Christopher Turner, who still owns the organization today. EMERGICON only works in Texas, so we know EMS in Texas better than anyone else.

We are excited to present the following recommendations to help the City of Burleson's EMS billing operations run as effectively as possible.

Your Team

Account Team		Onboarding Partner	Leadership
			
Brittany Fleming Account Manager	Sierra Bradbury Client Success Manager	Kassi High Onboarding Liaison	Rachel Williams VP of Client Services

For your review

Fee Schedule

Reimbursement Considerations

Next Steps

Fee Schedule



The purpose of a Fee Schedule

The purpose of a fee schedule is to strike the right balance between capturing the most reimbursement available while not overburdening patients with no healthcare coverage.

A fee schedule that is too weak shortchanges an EMS agency, limiting its choices about staff and equipment. An overly aggressive fee schedule is abusive to patients.

Components of a Fee Schedule – Base Rates

- **Advanced Life Support – Emergent (ALS-E)** – A patient is in more critical condition, and a paramedic is required to assist in the treatment of the patient.
- **Advanced Life Support 2 (ALS 2)** – ALS-E combined with specific medication or interventions delivered.
- **Basic Life Support – Emergent (BLS-E)** – An emergency transport provided by certified Emergency Medical Technicians (EMTs).
- **Specialty Care Transport** – Interfacility transport of a critically ill patient, which requires specially trained paramedics.

Components of a Fee Schedule – Additional Fees

- Advanced Life Support Disposables – A bundled fee designed to cover supplies used during ALS-E or ALS 2 transports.
- Basic Life Support Disposables – A bundled fee designed to cover supplies used during BLS-E transports.
- Oxygen – A fee for oxygen.
- Mileage – A fee per mile of transport.
- Treatment No Transport (TNT) – A fee that can be assessed when specific interventions are performed, but the patient is not transported.

How a Fee Schedule works

Each EMS agency is allowed to set fees for the services it provides.

Governmental payors, like Medicare and Medicaid, establish the fees they will pay. They pay that amount, regardless of what an EMS charges.

Commercial insurance reimburses EMS agencies based on their policies and coverages – which can vary from insurance to insurance.

Well-designed Fee Schedules enable an agency to capture the most revenue from commercial insurance while not abusing patients. Additionally, there are patient payment policies EMERGICON will recommend in the next section to support a positive patient experience.

Regional Fee Schedule Comparison

Agency	ALS-E	ALS 2	BLS-E	SCT	ALS Disp	BLS Disp	O2	Mileage	TNT
Mansfield	\$753	\$783	\$715	\$863	\$125	\$75	\$63	\$12	
Crowley	\$855	\$900	\$787					\$15	\$175
Kennedale	\$1,397	\$1,701	\$1,301		\$310	\$52	\$119	\$23	\$175
Rendon	\$1,400	\$1,700	\$1,300	\$2,000	\$400	\$200	\$125	\$24	\$175
Cleburne	\$1,500	\$1,950	\$1,100	\$5,500	\$175	\$75	\$50	\$25	
Midlothian	\$1,500	\$1,600	\$1,400	\$1,600	\$400	\$200	\$119	\$24	\$150
Everman	\$1,570	\$1,700	\$1,301	\$1,750	\$400	\$200	\$119	\$24	\$175
Keene	\$1,570	\$1,700	\$1,194	\$1,662	\$310	\$52	\$119	\$16	\$175
MedStar*	\$1,785	\$1,785	\$1,685	\$2,640	\$156	\$100	\$116	\$27	\$500

*The fee schedules included are from agencies with which EMERGICON works, except for MedStar.

Burleson Fee Schedule Recommendation

A win for your citizens and the City!

Proposed Fee Schedule	
ALS-E - A0427	\$ 1,600.00
ALS 2 - A0433	\$ 1,800.00
BLS-E - A0429	\$ 1,400.00
*SCT - A0434	\$ 2,000.00
ALS Disp - A0398	\$ 400.00
BLS Disp - A0382	\$ 350.00
O2 - A0422	\$ 150.00
Mileage - A0425	\$ 24.00
*TNT - A0998	\$ 175.00

MedStar's Fee Schedule	
ALS-E - A0427	\$ 1,785.00
ALS 2 - A0433	\$ 1,785.00
BLS-E - A0429	\$ 1,685.00
SCT - A0434	\$ 2,640.00
ALS Disp - A0398	\$ 156.00
BLS Disp - A0382	\$ 100.00
O2 - A0422	\$ 116.00
Mileage - A0425	\$ 27.00
TNT - A0998	\$ 500.00

- We recommend applying the recommended fee schedule to both residents and non-residents.
- We recommend applying a TNT fee when an ALS intervention is performed.
- This fee schedule is designed to enable the City to achieve the projected cash collections of \$1.65 million.



Reimbursement Considerations

How is EMS reimbursed?

EMERGICON's approach to reimbursement for its clients is human-centric. This process increases accuracy, catches nuances that automation can't, and allows us to adapt quickly to information we gain about payer behavior.



Payer Behavior – Governmental Payers

- Governmental payers (Medicare, Medicaid) make up most of the reimbursement for Texas EMS agencies.
- We project that approximately 64% of Burleson's revenue will come from governmental payers, most of which will come from Medicare.
- Governmental payers pay a defined rate for covered transports. The rest of the bill must be written off as a “contractual allowance.”

Payer Behavior – Commercial Insurance

- Commercial payers (insurance) can make up varying portions of an EMS' payer mix, depending on population demographics.
- We project that approximately 23% of Burleson's revenue will come from commercial insurance.
- Each commercial payer pays a different rate based on their specific insurance policies. We have found that bundled rates (base rate + disposables) are more effective than itemized billing. We build fee schedule recommendations based on our knowledge of what commercial insurers are paying.
- EMS agencies can choose to write off balances after insurance pays or forward the balance to the patient (called balance billing). Revenue projections include the assumption that the City will balance bill.

Payer Behavior – Patients

- Patients may receive a bill if they have no health coverage or if they are balance billed, after their insurance has paid.
- We project that patients (often called Private Pay) will make up approximately 13% of your payer mix.
- EMERGICON practices “soft collections” because we realize that no one ever plans to have an emergency. Soft collections consists of 3 mailed invoices and 2 phone calls from our compassionate, Texas-based Patient Account Representatives.

Payer Behavior – Patients continued

- We recommend implementing policies to help your citizens pay the balances they personally owe, such as:
 - Interest-free payment plan options administered by EMERGICON.
 - Prompt pay discounts of between 25-45% to incentivize patients to pay quickly.
 - Permission to write off the disposables and/or oxygen charges to let the patient know that we want to meet them where they are.
- Other patient-related policy considerations, such as *traditional collections* or a *membership/subscription program*, should be considered once actual revenue data has been gathered. We recommend revisiting these topics after the service has been active for 1 year.



Reimbursement in Action

Reimbursement Scenario

Joe Smith is picked up by ambulance at his home and transported to a hospital 5 miles away. He required d ALS-Emergent interventions and oxygen.

Joe's bill is \$2,270

- ALS-E: \$1,600
- ALS Disposables: \$400
- Oxygen: \$150
- Mileage: $\$24 \times 5 = \120

Reimbursement Scenario continued

- If Joe has Medicare or Medicaid, the governmental payer pays their contracted rate (e.g., Medicare is \$524.75), and the balance is written off as a “contractual allowance”.
- If Joe has commercial insurance, insurance will pay based on their plan description. The balance can be forwarded to the patient or written off, at the City’s discretion. Balance billing patients is a crucial source of revenue for an EMS system. Policies mentioned in the bullet below can be applied to help patients pay the balance of their bill as well.
- If Joe has no coverage, the entire bill will be sent to Joe. EMERGICON will use the City’s policies, such as no-interest payment plans, prompt pay discount, or the ability to write off oxygen and disposables, to help Joe find a way to pay.

Next Steps



Next Steps

As the City Council, EMERGICON requests that in the next session, you:

- Approve the Proposed Fee Schedule as presented.
- Approve balance billing patients after insurance pays.
- Approve a prompt pay discount of 25%-45% to be administered by EMERGICON's Patient Accounts Team (Discounts are presented such that the lowest effective discount is applied).
- Approve EMERGICON's ability to write off disposables and oxygen charges when working with patients who have balances.

Thank you!

It is Emergicon's goal to provide service above and beyond what is expected. If you ever have any questions or need anything at all, please let us know. Thank you!

**Please let us know if we can be of
assistance!**

Dial the Client Hotline!

866.TEX.EMS1

866.839.3671