



# Folsom City Council Staff Report

<b>MEETING DATE:</b>	8/22/2023
<b>AGENDA SECTION:</b>	Public Hearing
<b>SUBJECT:</b>	Resolution No. 11094 – A Resolution Amending Resolution No. 10418 and Adopting an Updated Fee Schedule for the Ambulance Cost Recovery Program Provided by the Fire Department
<b>FROM:</b>	Fire Department

## **RECOMMENDATION / CITY COUNCIL ACTION**

The Fire Department recommends that the City Council pass and adopt Resolution No. 11094 - A Resolution Amending Resolution No. 10418 and Adopting an Updated Fee Schedule for the Ambulance Cost Recovery Program Provided by the Fire Department

## **BACKGROUND / ISSUE**

The Fire Department provides twenty-four-hour emergency medical response and ground ambulance transportation to the citizens and visitors of Folsom. Automatic and mutual aid is also provided to adjoining agencies in Sacramento, El Dorado, and Placer Counties upon request. The City's ambulance program is supported by the General Fund with a major portion of the expenses offset by service fees collected for ambulance transportation to area hospitals.

The Fire Department currently operates three ground ambulances in the City of Folsom on a daily basis. The three ground ambulances respond to fire and emergency medical incidents throughout the City and are also routinely dispatched as part of the Sacramento Regional Fire/EMS Communications Center Joint Powers Authority to surrounding communities to assist in transporting injured and ill persons to area hospitals.

The Fire Department periodically reviews the fee schedule for emergency ground ambulance transportation services and recommends adjustments to accurately reflect the cost of providing these services. The fee schedule for ambulance transportation has historically been equal to, or below, the average fee charged by all other providers of ambulance transportation in Sacramento County. Resolution No. 10418, adopted by the City Council on April 14, 2020, approved the last rate increase for emergency medical transportation and was effective the same day. The Fire

Department charges a service fee for the base rate, mileage, advanced life support equipment and supplies used to transport and treat the ill, or injured patient, and patient assessment/treatment for non-transports. The proposed rate increase incorporates additional fees to offset the rising costs in the EMS Division annual budget.

## **POLICY / RULE**

Folsom Municipal Code - 3.25.020 Service Charges. The fees for emergency ground ambulance transportation services shall be established by resolution of the City Council (Ord. 524 § 1, 1984). The City, as the designated Emergency Medical Service (EMS) provider in the City of Folsom, may charge for emergency ground ambulance services and supplies used in providing such services.

## **ANALYSIS**

The Fire Department completed an analysis of the call volume and demographics of our customers that were transported between July 2022 to June 2023. The analysis has provided the following statistical information to support the projected revenue estimate associated with the proposed rate increase:

- The Fire Department contract ambulance billing firm processed 6,428 invoices for ambulance transportation. The distribution of these invoices shows that 3,049 (47.43%) were sent to the Medicare program; 1,413 (21.98%) were sent to insurance companies; 943 (14.67%) were sent to the Medicaid program; and 1,023 (15.91%) were sent to private individuals.
- The City recovers approximately 81% of the service costs billed to insurance companies.
- The City recovers approximately 23% of the service costs billed to Medicare and 21% of Medicaid. Under the current Federal and State program guidelines the remaining amount owed is required to be written off by the ambulance provider.
- The City recovers approximately 22% of the service costs billed to private individuals who do not have health insurance and who are not covered by Medicare or Medicaid programs.

The analysis also included the ambulance transports quantity difference since the last fee increase. During this period, the initial and lingering effects of COVID-19 reduced the average number of ambulance transports to emergency facilities region-wide. The Folsom Fire Department closed Medic 36 from November 15, 2021, through February 14, 2022, and again from January 16, 2023 through May 20, 2023 due to staffing shortfalls which resulted in a decreased total number of ambulance transports.

Information provided by our ambulance billing service, Wittman Enterprises, Inc., indicates the invoiced ambulance transports below:

**Invoiced Ambulance Transports**

Date Range	Avg. Monthly Transports	Actual Annual Transports
FY 2019-20	457	5483
FY 2020-21	459	5510
FY 2021-22*	521	6251
FY 2022-23**	536	6428

*\*M36 unstaffed November 15, 2021 – February 14, 2022*

*\*\*M36 unstaffed January 16 – May 20, 2023*

The Fire Department completed a survey of Sacramento area ground ambulance transportation providers, and the adjacent Placer and El Dorado County ground ambulance transportation providers, to determine best practices in calculating a current and reasonable ambulance fee schedule for services rendered by the City.

Most providers have streamlined the billing process by combining supply and procedure fees into the following components: base rate, mileage, and advanced life support equipment/supplies (including oxygen, cardiac monitoring, bone drill, and continuous positive airway pressure (CPAP) supplies). This practice is consistent with the Medicare program, which currently allows providers to seek cost recovery for base rate, mileage, and supplies.

The table on the following page is a sample of service fees charged by pre-hospital emergency ambulance providers throughout the region in 2023. The current and proposed Folsom Fire Department ambulance fees are listed below for comparison with the public agencies in the region. Staff decided to apply a combination of median and average regional fees along with actual costs to establish proposed fee amounts.

Sacramento, El Dorado, and Placer Area Ambulance Cost Comparison Survey									
Regional Agency	ALS Base Rate	Mileage	ALS Supplies	Oxygen	Cardiac Monitor/Defib	CPAP	Bone Drill	Night Charge	Assessment at Scene
City of Sacramento	\$2,059.35	\$37.75	\$150-\$255	\$157.28	\$181.83	\$212.92	\$367.50	\$115.47	\$319.11
Sacramento Metro Fire Dist.	\$2,780.00	\$50.00	N/A	\$178.00	\$138.00	N/A	N/A	\$158.00	\$500.00
Cosumnes CDS Fire	\$2,158.00	\$38.00	\$69-\$175	\$137.00	\$123.00	\$175.00	\$166.00	\$64.00	\$482.00
South Placer Fire Dist.	\$2,210.64	\$45.36	\$8-\$500	\$216.48	\$230.60	\$286.92	\$383.51	\$158.23	\$316.12
El Dorado County Ambulance JPA	\$2,096.00	\$39.00	Cost + 15%	\$139.00	ALS Supply	ALS Supply	ALS Supply	ALS Supply	\$505.00
<b>Folsom Fire Dept. (Current)</b>	\$1,791.42	\$32.58	\$87.50	\$94.54	\$66.55	\$45.26	N/A	N/A	\$367.15
<i>Regional Median</i>	\$2,158.00	\$39.00		\$157.28	\$159.92	\$212.92	\$367.50	\$136.74	\$482.00
Compared % Median	-20.46%	-19.71%		-66.36%	-140.29%	-370.44%			-31.28%
<i>Regional Average</i>	\$2,260.80	\$42.02		\$165.55	\$168.36	\$224.95	\$305.67	\$123.93	\$424.45
Compared % Average	-26.20%	-28.98%		-75.11%	-152.98%	-397.01%			-15.61%
<b>Folsom Fire Dept. (Proposed)</b>	\$2,158.00	\$39.00	\$105.00	\$165.00	\$168.00	\$225.00	\$305.00	N/A	\$425.00

## FINANCIAL IMPACT

The Fire Department received \$4,381,296 in revenue from the ambulance services provided between July 2022 and June 2023. The expenditures for FY 2023-24 are projected to be \$6,011,263 to provide ambulance services for the City of Folsom. The expenditures cover the costs for personnel, supplies, billing fees, vehicle replacement, fuel, maintenance, and overhead. The resulting difference between revenue and expenditures is covered by General Fund monies allocated to the Fire Department.

The ambulance services fee schedule is currently 20.46% below the median base rate and well below by varying percentages for the majority of the categories within the Sacramento region and

adjoining communities' cost comparison survey. Staff recommends the Fire Departments ambulance service fees are increased to the regional median for base rate, and regional average for mileage, oxygen, cardiac monitor, CPAP, and bone drill. Additionally, staff recommends that the remaining equipment fees are increased by 20.46% within the ALS supplies fee to correlate with the other jurisdictions.

The increased ambulance transportation revenue will be used to partially offset annual operating expenses within the Fire Department to provide this advanced level of service to the community. These operating expenses include at least: management and overhead costs, employee labor costs associated with 18 Firefighter/Paramedic positions currently operating within the program, medical supplies and equipment, oxygen, fuel, vehicle maintenance, and capital expense related costs such as vehicle replacement.

Staff recommends that the updated fee schedule become effective on October 2, 2023.

### **ENVIRONMENTAL REVIEW**

This report concerns administrative activities that do not constitute a “project” as defined by section 15378 of the California Environmental Quality Act (CEQA) Guidelines and is otherwise exempt pursuant to sections 15061(b)(3) and 15378(b)(2).

### **ATTACHMENTS**

1. Resolution No. 11094 - A Resolution Amending Resolution No. 10418 and Adopting an Updated Fee Schedule for the Ambulance Cost Recovery Program Provided by the Fire Department
2. Resolution No. 10418 – A Resolution Adopting an Updated Fee Schedule by Adding “Patient Assessment/Treatment – No Transport” to the Ambulance Cost Recovery Program Provided by the Fire Department

Submitted,

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Ken Cusano, Fire Chief

Attachment 1

Resolution No. 11094 – A Resolution Amending Resolution No. 10418 and Adopting an Updated Fee Schedule for the Ambulance Cost Recovery Program Provided by the Fire Department

**RESOLUTION NO. 11094**

**A RESOLUTION AMENDING RESOLUTION NO. 10418 AND ADOPTING AN  
UPDATED FEE SCHEDULE FOR THE AMBULANCE COST RECOVERY PROGRAM  
PROVIDED BY THE FIRE DEPARTMENT**

**WHEREAS**, the City of Folsom, through its Fire Department, regularly provides emergency ground ambulance transport to the residents and visitors of the City of Folsom; and

**WHEREAS**, the Fire Department provides emergency ground ambulance services to neighboring communities through its membership in the Sacramento Regional Fire/EMS Communications Center Joint Powers Authority; and

**WHEREAS**, the fees for emergency ground ambulance have not been increased since April 14, 2020; and

**WHEREAS**, it is necessary for the City to increase fees for emergency ground ambulance services to recover costs for the operations of the emergency medical services provided to the citizens of Folsom and others in need of emergency medical treatment and transportation; and

**WHEREAS**, pursuant to Folsom Municipal Code - 3.25.020, fees for emergency transportation services and first responder paramedic services shall be established by Resolution of the City Council; and

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Folsom amends Resolution No. 10418 and adopts the attached updated fee schedule for the ambulance cost recovery program provided by the Fire Department effective October 2, 2023.

**PASSED AND ADOPTED** this 22<sup>nd</sup> day of August 2023, by the following roll-call vote:

**AYES:** Councilmember(s):  
**NOES:** Councilmember(s):  
**ABSENT:** Councilmember(s):  
**ABSTAIN:** Councilmember(s):

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Rosario Rodriguez, MAYOR

ATTEST:

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Christa Freemantle, CITY CLERK

**FEE SCHEDULE FOR THE AMBULANCE COST RECOVERY PROGRAM  
PROVIDED BY THE FIRE DEPARTMENT**

Effective October 2, 2023

<b>Ambulance Base Rates</b>		<b>Fee Schedule (Effective 4-14-20)</b>	<b>Fee Schedule (Effective 10-2-23)</b>
A.	Within Corporate City Limits	\$1,791.42	\$2,158.00
B.	Outside Corporate City Limits	\$1,791.42	\$2,158.00
C.	Patient Assessment/Treatment – No Transport	\$367.15	\$425.00
<b>Services / Procedures</b>			
a.	Mileage (per mile)	\$32.58	\$39.00
b.	ALS Supplies	\$87.50	\$105.00
c.	Oxygen	\$94.54	\$165.00
d.	Cardiac Monitor/Defibrillator	\$66.55	\$168.00
e.	Continuous Positive Airway Pressure (CPAP)	\$45.26	\$225.00
f.	Bone Drill	Included in Base	\$305.00
g.	Bag Valve Mask	Included in Base	Included in Base
h.	Advanced Airway Management	Included in Base	Included in Base
i.	Night Call (1900-0700 hours)	Included in Base	Included in Base
j.	Intravenous Therapy	Included in Base	Included in Base
k.	Cervical Collar	Included in Base	Included in Base
l.	OB Kit	Included in Base	Included in Base
m.	Restraints	Included in Base	Included in Base
n.	Defibrillation Pads	Included in Base	Included in Base
o.	Pacing Pads	Included in Base	Included in Base
p.	Pulse Oximetry	Included in Base	Included in Base
q.	Emergency Transportation	Included in Base	Included in Base



Attachment 2

Resolution No. 10418 – A Resolution Adopting an Updated Fee Schedule Adding “Patient Assessment/Treatment- No Transport” to the Ambulance Cost Recovery Program Provided by the Fire Department

**RESOLUTION NO. 10418**

**A RESOLUTION ADOPTING AN UPDATED FEE SCHEDULE BY ADDING "PATIENT ASSESSMENT/TREATMENT- NO TRANSPORT" TO THE AMBULANCE COST RECOVERY PROGRAM PROVIDED BY THE FIRE DEPARTMENT**

**WHEREAS;** the Fire Department provides emergency ground ambulance services to the residents of the City of Folsom, and,

**WHEREAS;** the Fire Department provides emergency ground ambulance services to neighboring communities through its membership in the Sacramento Regional Fire/EMS Communications Center Joint Powers Authority; and,

**WHEREAS;** the novel Coronavirus (COVID-19) has resulted in a different method for the Fire Department to provide emergency medical services to a patient without having to transport them to a local hospital, and,

**WHEREAS;** the fees for emergency ground ambulance were adopted by Resolution No. 10282 on June 11, 2019; and,

**WHEREAS;** it is necessary for the City to establish a fee for emergency ground ambulance services to recover costs for a patient assessment and/or treatment where transportation was not conducted as part of the operations of the emergency medical services provided to the citizens of Folsom and others in need of emergency medical services; and,

**WHEREAS;** pursuant to Folsom Municipal Code - 3.25.020, fees for emergency transportation services and first responder paramedic services shall be established by Resolution of the City Council.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Folsom that the attached updated fee schedule is adopted for emergency ground ambulance services provided by the Fire Department effective April 14, 2020.

**PASSED AND ADOPTED** by the City Council of the City of Folsom this 14<sup>th</sup> day of April, 2020, by the following roll call vote:

<b>AYES:</b>	Council Member(s):	Kozlowski, Sheldon, Gaylord, Howell, Aquino
<b>NOES:</b>	Council Member(s):	None
<b>ABSENT:</b>	Council Member(s):	None
<b>ABSTAIN:</b>	Council Member(s):	None

  
Sarah Aquino, MAYOR

ATTEST:

  
Christa Freemantle, CITY CLERK

**CITY OF FOLSOM  
EMERGENCY MEDICAL TRANSPORTATION  
FEE SCHEDULE**

	<b>BASE RATES</b>	<b>FEE SCHEDULE (Effective 7-1-19)</b>	<b>FEE SCHEDULE (Effective 4-14-20)</b>
A.	Within Corporate City limits	\$1,791.42	\$1,791.42
B.	Outside Corporate City limits	\$1,791.42	\$1,791.42
C.	<b>Patient Assessment/Treatment- No Transport</b>	<b>N/A</b>	<b>\$367.15</b>
	<b>SERVICES/PROCEDURES</b>		
a.	Mileage (per mile)	\$32.58	\$32.58
b.	Oxygen (with mask or cannula)	\$94.54	\$94.54
c.	Cardiac Monitor/Defibrillator	\$66.55	\$66.55
d.	ALS Supplies	\$87.50	\$87.50
e.	Continuous Positive Airway Pressure (CPAP)	\$45.26	\$45.26
f.	Bone Drill	Included in Base	Included in Base
g.	Bag Valve Mask	Included in Base	Included in Base
h.	Advanced Airway Management	Included in Base	Included in Base
i.	Night Call (1900-0700 hours)	Included in Base	Included in Base
j.	Intravenous Therapy	Included in Base	Included in Base
k.	Cervical Collar (extrication)	Included in Base	Included in Base
l.	OB Kit	Included in Base	Included in Base
m.	Restraints	Included in Base	Included in Base
n.	Defibrillation Pads	Included in Base	Included in Base
o.	Pacing Pads	Included in Base	Included in Base
p.	Pulse Oximetry	Included in Base	Included in Base
q.	Emergency Transportation	Included in Base	Included in Base

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CITY OF  
**FOLSOM**  
DISTINCTIVE BY NATURE