



BUSINESS OF THE CITY COUNCIL CITY OF MERCER ISLAND

AB 5824
March 16, 2021
Regular Business

AGENDA BILL INFORMATION

TITLE:	AB 5824: Ground Emergency Medical Transport Program	<input checked="" type="checkbox"/> Discussion Only
RECOMMENDED ACTION:	Receive staff's status report on the Ground Emergency Medical Transport (GEMT) program.	<input type="checkbox"/> Action Needed: <input type="checkbox"/> Motion <input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution

DEPARTMENTS:	Finance and Fire
STAFF:	Matthew Mornick, Finance Director Jeff Clark, Interim Fire Chief
COUNCIL LIAISON:	n/a
EXHIBITS:	
CITY COUNCIL PRIORITY:	2. Articulate, confirm, and communicate a vision for effective and efficient city services. Stabilize the organization, optimize resources, and develop a long-term plan for fiscal sustainability.

AMOUNT OF EXPENDITURE	\$ n/a
AMOUNT BUDGETED	\$ n/a
APPROPRIATION REQUIRED	\$ n/a

SUMMARY

The purpose of this agenda bill is to provide background information on the ground emergency medical transportation (GEMT) program. In 2020, the Mercer Island Fire Department (MIFD) enrolled in a federal program to seek financial reimbursements for GEMT services provided to Medicaid patients. In February 2021, the City received \$225,035 in additional Medicaid reimbursements for transporting Medicaid patients from the period July 1, 2019 to June 30, 2020.

BACKGROUND

Of the many services provided by MIFD, emergency medical services (EMS) are the most frequently used by Mercer Island residents. Nearly 70% of all 911-calls MIFD received from 2018 to 2020 involved medical-related emergencies.

Funding support for emergency medical services includes:

- An annual contribution from the King County EMS levy (\$645,000 in FY 2021)
- An annual EMS utility charge (\$628,000 in FY 2021) adopted annually with utility rate changes; and,
- Revenues from emergency medical transport fees, also known as the Ambulance Transport Fee (\$303,000 in FY 2021).

Most of MIFD's remaining \$7 million annual budget is funded through the City's General Fund (\$5.3 million in FY 2021).

In 2015, the Washington State Legislature passed [HB 2007](#) authorizing the statewide Ground Emergency Medical Transportation (GEMT) Program. The voluntary program provides supplemental payments, above and beyond the initial rate of payment, to eligible public agencies who provide emergency ground ambulance services to Medicaid recipients.

The State plan was approved by the Federal agency who manages Medicaid – the Centers for Medicare and Medicaid Services – in July 2017, with an effective approval date of June 2, 2016. At that point, public agencies were eligible to enroll in the program and submit an annual cost report for supplemental reimbursements.

Interested emergency ground medical transport providers were tasked with completing a certified Annual Cost Report that captures the total costs for providing EMS-related transport services. The Cost Report calculates the total Medicaid allowable costs and the federal share of these costs that have not been reimbursed through Medicaid billing. The Centers for Medicare and Medicaid Services disburses the calculated federal share of the settlement to the Washington Healthcare Authority, who then allocates supplemental payments to providers.

Mercer Island State Fiscal Year 2020 GEMT Reimbursement

MIFD enrolled in the GEMT program July of 2020. Staff worked closely with the Public Consulting Group to complete the final settlement estimate based on Medicaid transport data beginning with the State's fiscal year July 1, 2019 to June 30, 2020.

The purpose of the cost report is to arrive at a cost per transport specific to MIFD. The cost per transport calculation considers the Fire Department's actual incurred expenses for the reporting period. These expenses are categorized based on pre-determined GEMT cost centers:

1. **Medical Transportation Service Expense.** Expenses that are 100% attributed to EMS services.
2. **Non-MTS Expense.** Expenses that can be 100% attributed to fire/other non-EMS services.
3. **Allocation of Capital-Related and Salaried & Benefits Expense.** Capital and salary/benefit expenses for shared expenses which affect both medical transport service and non-medical transport service operations.
4. **Administration and General.** The department's remaining shared expenses which affect both medical transport service and non-medical transport service operations.

Staff determines the proportion of shared costs allocated between medical transportation services and non-medical transportation service operations based on a "time-on-task" analysis of 911-dispatch call data. Once staff arrive at a cost estimate for all medical transportation services, the total cost is divided by the total number of EMS transports provided within the reporting period, resulting in an average cost per EMS transport. This average transport cost is then applied to all Medicaid transports within the reporting period to determine the allowable medical cost for the reporting period.

The MIFD's annual cost report was completed and submitted the end of November 2020. The Public Consulting Group and staff estimated the City's reimbursement would be about \$150,000 for ground emergency medical transport services provided to Medicaid recipients from July 1, 2019 to June 30, 2020.

On February 23, 2021, the Washington Healthcare Authority confirmed the City will receive \$232,535.02 in supplemental payments under the GEMT program for the period from July 1, 2019 to June 30, 2020. From this, a \$7,500 fee will be deducted for the cost of services provided by the Public Consulting Group.

DISCUSSION

Staff briefed the City Council that work was in progress to complete the GEMT Annual Cost Report during the 2021-2022 Biennial Budget hearings in November 2020. At that time, estimates for the GEMT reimbursement were incomplete and staff elected not to include the revenue in the 2021-2022 General Fund budget estimates. Because of this program, the City will receive increased payments for emergency medical transportation provided to Medicaid patients. How much and how regularly is still unknown. Staff will incorporate GEMT revenues into future biennial budget documents once a foundation of GEMT revenue with multiple years has been established, providing an adequate basis for revenue projection in future years.

Staff will include the \$225,035.02 GEMT revenue from July 1, 2019 – June 30, 2020 in the 2020 year-end Budget Amending Ordinance slated for City Council on April 20, 2021. At that meeting, staff will report how GEMT revenues tie into 2020 year-end numbers and considerations for putting this resource to use.

RECOMMENDATION

Discussion only. Staff will return with the 2020 year-end budget amending ordinance in April 2021.