



Ground Ambulance & Patient Billing Advisory Committee



Private Ambulance Service Suppliers' Billing Practices Profile

Shawn Baird, Vice President, Metro West Ambulance



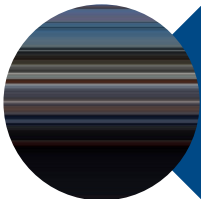
What Is Private EMS?



Self-funded through fees



Communities can safeguard their citizens despite falling volunteerism



Flexible, scalable, comprehensive, natively MOBILE



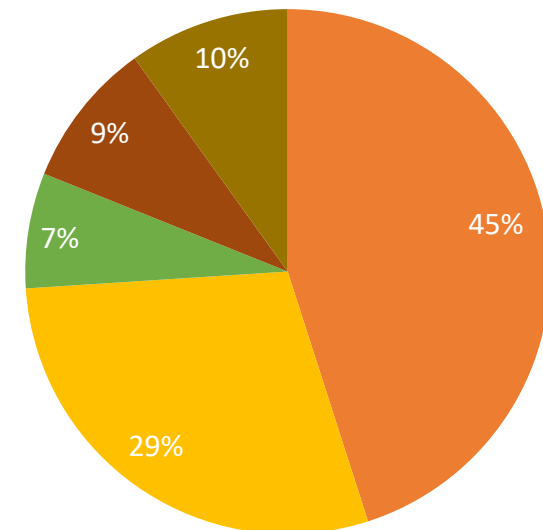
Ready, willing, and able to cross multiple jurisdictions to connect patients with the right care at the right time.

Most Private Ambulance Services Are Small, Locally Owned

- ~50% of all ground ambulance organizations nationwide¹
- ~75% bill fewer than 3 transports a day²
- Lack sophisticated billing departments and sophisticated third-party administrators
- Subject to local oversight
 - Publicly set rates
 - Staffing requirements
 - Vehicle specifications
 - Levels of service requirements
 - Approved medical protocols
 - Supply, equipment
 - Response times
 - Treatment mandates

Percent of Suppliers/Providers by Number of Transports (2020)

1-200 201-800 801-1200 1200-2,500 >2,501

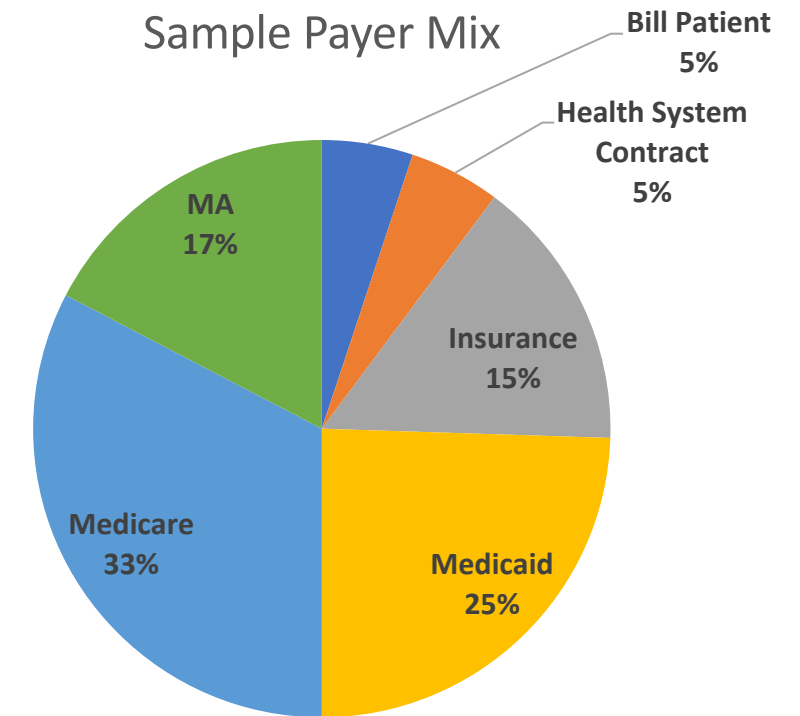


¹CMS. "Ground Ambulance Industry Trends, 2017–2020: Analysis of Medicare Fee-for-Service Claims" (Nov. 2022).

²HMA Analysis of 2020 CMS 100% file; RAND analysis of merged 2016 Medicare enrollment and claims data

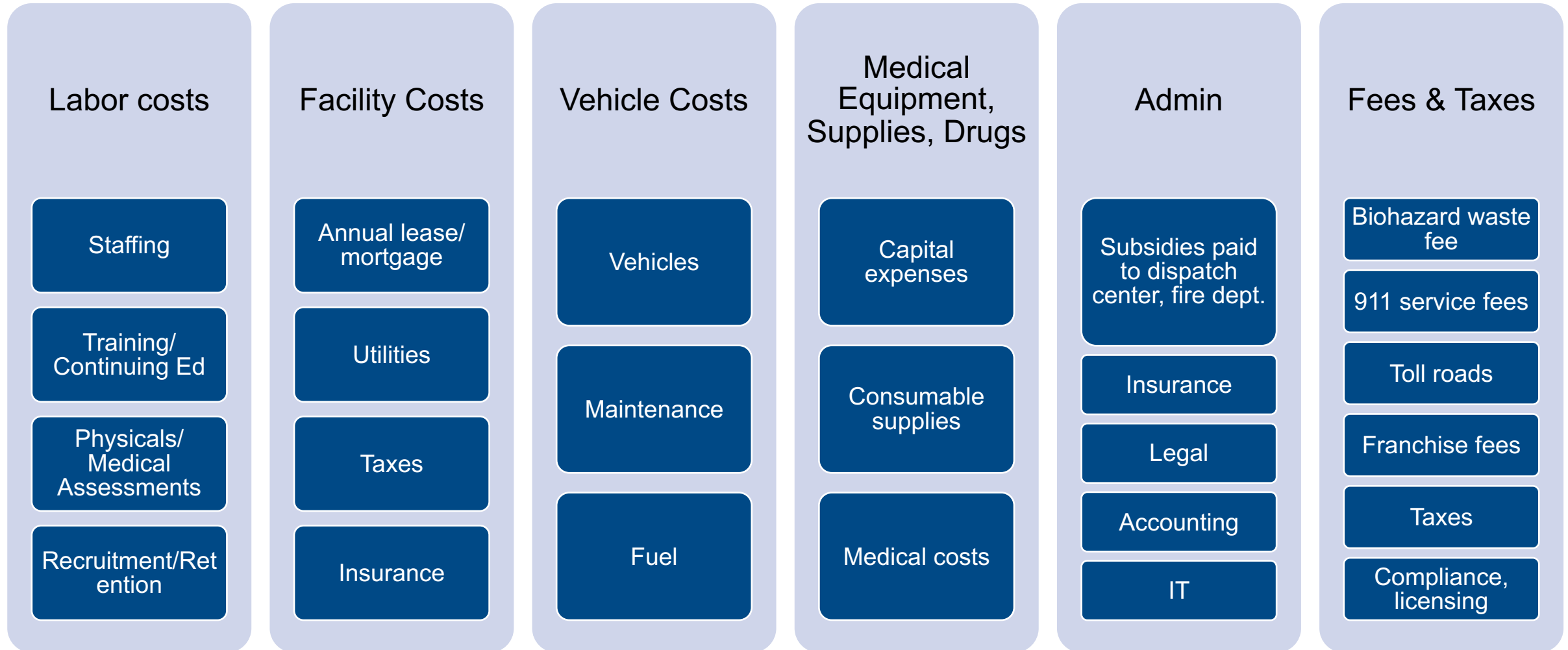
Snapshot of Revenue Sources

- Rely overwhelming on Medicare, Medicaid, MA reimbursement
 - Rates fall well below the cost of providing services
- Frequently cannot access other funding
 - In 2002 and 2003, EMS providers received only 4 percent of the \$3.38 billion allocated by the Department of Homeland Security to enhance emergency preparedness.¹
- Cannot access tax subsidies
 - Eroding tax revenues have reduced community subsidies.¹



AAA 10-Company Sample from
3 States Payer Mix Data, 2022

Costs of Readiness



Billing Paperwork Avalanche

Hundreds of insurers with thousands of plans drive mountains of paperwork for small staff organizations to wade through for reimbursement.



Insurer offerings continue to increase

Over the past four years, product offerings have nearly tripled, with approximately half of that growth happening between 2021 and 2022 alone.

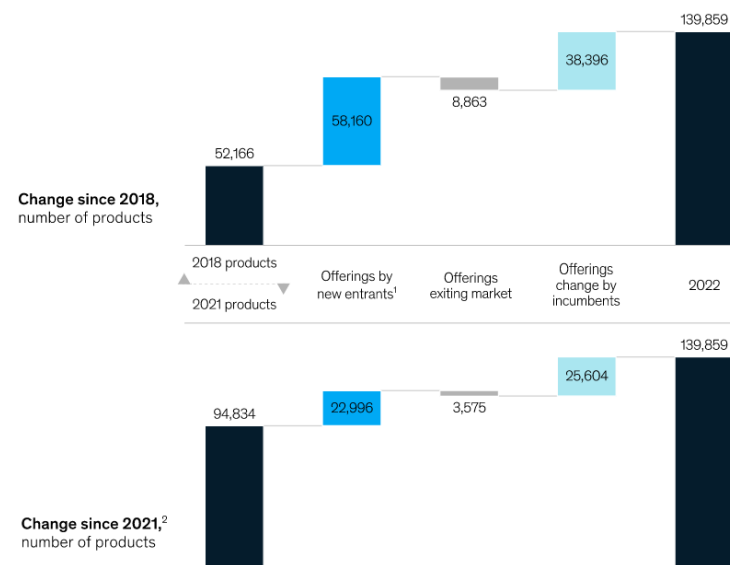
In-market growth represented about 50 percent of total product growth between 2021 and 2022, accounting for a larger share of total growth than during any of the previous four years, highlighting insurers' strategy of competing on the number and variety of offerings in the market.

50% of 2021–22 growth driven by in-market growth

McKinsey
& Company

Product offerings grew significantly from 2021 to 2022, with incumbents driving higher growth than new entrants.

Product offerings by year at the county level



¹ Includes offerings from insurer parents that filed new individual exchange plans in a given county and from those that were already participating in a state but filed plans under an additional or different set of entities. Since 2018, a parent that exited and then reentered a county is counted as one entry and one exit. In an acquisition, an acquired insurer parent is considered to exit while the acquirer (if applicable) is counted as a new entrant.

² Excludes New Mexico from 2021 to 2022 because of state restrictions on data aggregation.

Source: Federal and state individual marketplace data; McKinsey analysis

Why Are Patients In the Middle?

Plan ahead

When you need care in a hurry, the last thing you want to think about is your plan's network

A large, solid blue arrow pointing to the left, positioned between the 'Plan ahead' box and the 'From Regence BCBS' box.

From Regence BCBS
Benefits Handbook

Patients believe their insurance covers ambulance services. Surprise insurance underpayments burden patients on patients who can't afford unexpected expenses.

- US Census: In 2021, 8.3% of people (27.2 million), did not have health insurance at any point during the year.
- Propensity to pay is very low for individuals not covered by insurance and those who have high deductible health plans.
- For example, in one typical service, for every dollar billed that is patient responsibility (deductibles, copay, self-pay), we collect about \$0.23 cents.
- Hospitals and other large healthcare providers use sophisticated predictive analytics to staunch revenue loss, but these tools are mostly out of reach for small ambulance providers.

Any ambulance provider will tell you that their LAST RESORT is billing an individual patient for an outstanding balance not covered by insurance. Note: We have hardship policies in place to assist patients.

Reimbursement Obstacles

Ambulance providers offer 24/7 universal healthcare.

- We respond regardless of ability to pay or patient geographic location.
- We cannot pick and choose our patients based on insurer or propensity to pay.
- Outdated reimbursement models don't compensate for treatment in place / treat & release, which can constitute up to 30% of responses.

No advance patient interaction or set appointments for 911 calls.

- Difficult to obtain insurance information from patients and their families
- Signature requirements and disclosures are burdensome in the out of hospital setting
- Unable to schedule a balanced mix of patient insurance coverage

EMS is reliant on other healthcare providers for patient info and required forms.

- Ex: Physician certification forms for interfacility mobile healthcare
- Patient contact and insurance info

Each payer has different and often laborious requirements.

- For example, the VA requires FULL patient hospital records to accompany the ambulance reimbursement request.
- Insurer negotiations with small EMS providers are not conducted on a level playing field.



Challenges by Payer



Medicare

- Repeated GAO studies indicate reimbursement for ambulance below the cost of providing service.
- Medicare “add-on” payments expire every few years

Medicare Advantage

- Deductible higher than the cost of most transports, meaning EMS is likely uncompensated

Medicaid

- Reimbursement often lower than the cost of a single I/O needle
- Medicaid rates are even lower than Medicare in almost every state

VA

- Need all records from patient’s hospital stay to receive reimbursement.
- Reimbursement often only 70% of Medicare.

Commercial Insurers

- “Take it or Leave It” negotiation techniques
- May only have one patient per plan

EMS in Peril from Unsustainable Reimbursement

STAT EMS winding down ambulance service in Mid-Michigan

By: Ryan Jellema Mar 10, 2023 Updated Mar 10, 2023

WALL AMBULANCE SERVICES IN DANGER OF CLOSING



\$5,530 raised of \$100,000 goal

11 donations

Share

Donate now

Black Hills Federal Credit Union \$500 - 1 mo

Lisa Jensen \$25 - 1 mo

Laverne Blucher Namery \$50 - 1 mo

Douglas Estes \$1,000 - 2 mo

Wall EDC is organizing this fundraiser.

Christensen Ambulance Service

November 22, 2022

It is with great thankfulness that we are anticipating the end of Christensen Ambulance. We have shared laughter, tears, joys and sadness with many. If we tried to thank everyone we would surely miss someone. We are grateful for the community support during this time. Have a Happy Thanksgiving!!

CHRISTENSEN AMBULANCE 1973-2022



Ambulance service folding due to hard times

South Dale Emergency Medical Services, Inc. is closing on Saturday, according to a post to its Facebook page that blames financial issues for its shutdown.



Southern Henry Ambulance Service Donations



Team fundraiser
Kevin Richey and 3 others are organizing this fundraiser.

My name is Kevin Richey, and I am fundraising for Southern Henry Ambulance Service. Southern Henry is a 501(c)(3) non-profit organization. We will provide LOCAL BLS ambulance service to Knightstown, Indiana and Wayne Township. Having lost the local ambulance service last year, our new Task Force of EMS professionals are working hard to bring a LOCAL ambulance service back to our community and Township. Once open and

\$225 raised of \$50,000 goal

5 donations

Share

Donate now

Sara Pechous \$100 - 24 d

Amanda Schwyn \$25 - 26 d

Kevin Richey \$100 - 28 d

Become an early supp

Your donation matters

Best Care Ambulance closing a sign of 'EMS crisis'

By JON DECKER, THE LACONIA DAILY SUN Mar 1, 2023 Updated Mar 21, 2023



Best Care Ambulance Services President Scott Hodgkins, right, and his wife and Vice President Carol Hodgkins stand with one of their ambulances hours after finishing their final shift. (Jon Decker/The Laconia Daily Sun photo)

Eastern Kentucky ambulance service closes down



Garnet Health, private ambulance service and Covid response vendor, to close in 2 weeks

By Kristen Fountain

Jan 17, 2023

Note: This story is more than a week old. Given how quickly the Covid-19 pandemic is evolving, we recommend that you read our latest coverage [here](#).

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Street, shown in
any, which staffed high-
t, announced Tuesday it
Digger

Click Below To Read



Get EMS Patients Out of the Middle

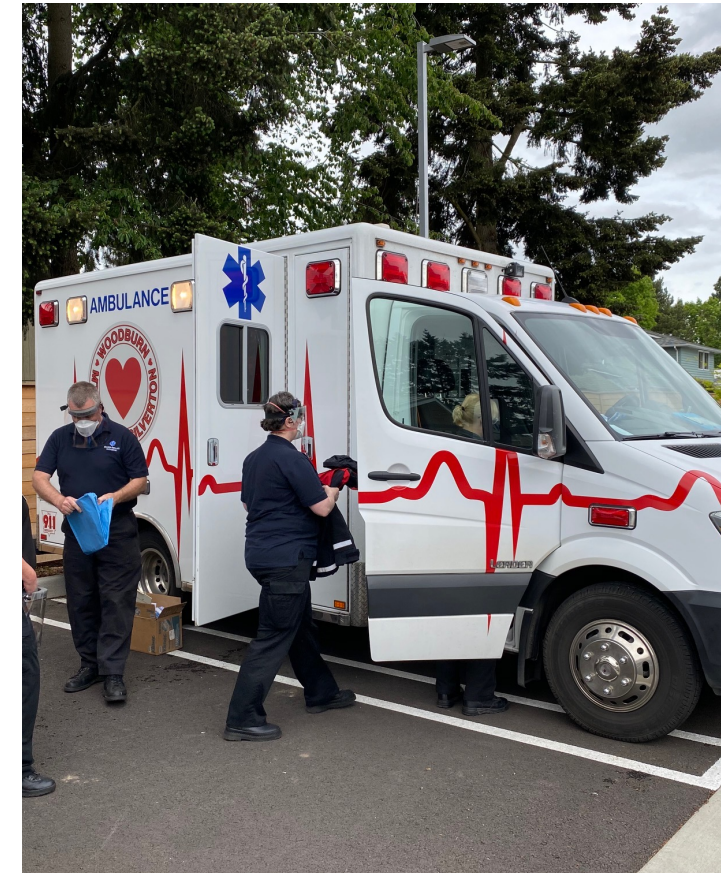
When is insurance needed most? In an emergency!

We do our part by caring for patients, 24/7.

Our patients do their part by paying their commercial insurance premiums.

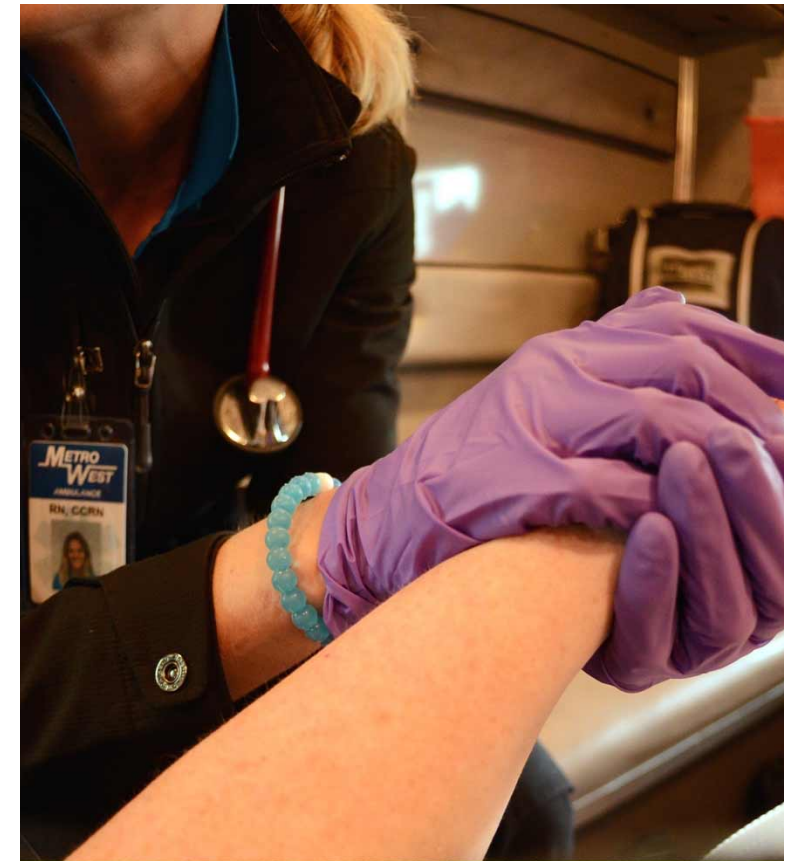
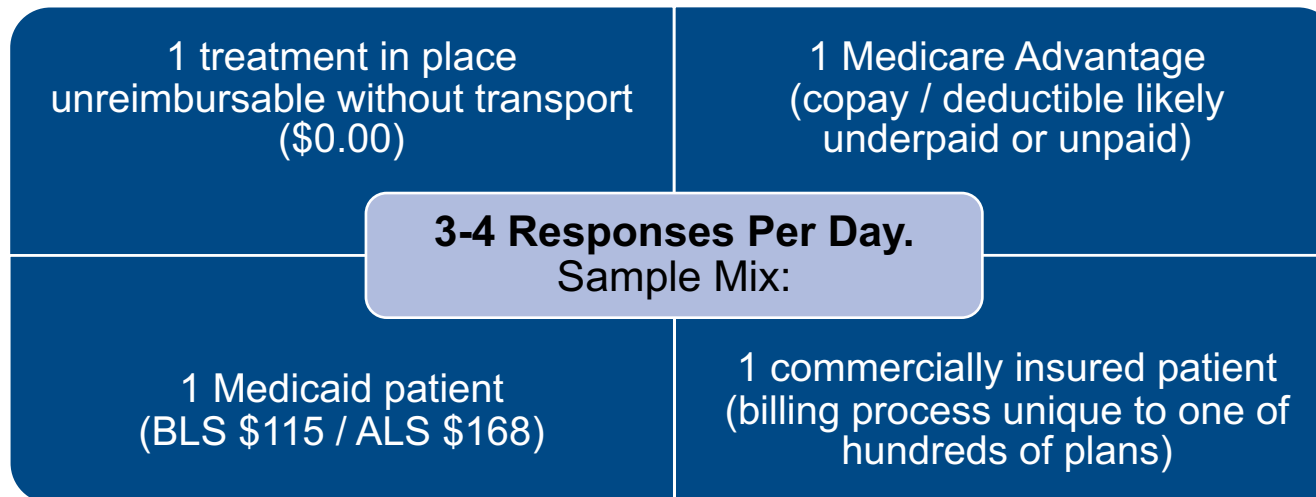
Why are insurers failing to pull their weight by sustainably reimbursing for life-saving and life-sustaining mobile healthcare?

Insurance underpayments that catch patients by surprise are avoidable when commercial plans fairly cover prehospital and interfacility mobile healthcare.



EMS In Rural Central Washington State

- 27% Medicaid
- 39% of emergency Medicaid calls are BLS at \$115
- 2–7 hours of time on task PER CALL
- One of two local hospitals closed, the remaining hospital has limited specialty services.
 - *“The lack of services was especially an issue for low-income residents without the means to travel for specialist care,” said Dave Hargreaves, chair of Memorial’s board of directors.*



Questions & Discussion



Shawn Baird

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Vice President | Metro West Ambulance

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