

Collection of Costs

What Flex Programs Should Know about CMS Ground
Ambulance Cost Data Collection

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What this is and what it is not...

- Splitting hairs
 - Cost Collection
 - Collection of costs
- Ground Ambulances

Some History

- Balance Budget Act of 1997
 - Phased in over four years
 - All ground ambulances placed on fee schedule for CMS reimbursement
 - Unable to balance bill
 - 80% of the reimbursement left the system
- Government Accountability Office (GAO) Report of 2007/2012, ground ambulances under reimbursed by 6% using 2004 data
- MedPac Report 2012/2013

Medicare Allowable

2020 Rates

Using Super Rural

Basic Life Support (BLS) Emergency roughly \$500 - \$575

Advanced Life Support (ALS) Emergency roughly \$600 - \$625

Urban Miles 1 - 999+ = \$7.55/mile

Rural Miles 1-17 = \$11.53/mile

Rural Miles 18+ = \$7.69/mile

How to determine rates

If one fulltime BLS ambulance costs \$500,000 a year, and the service responds to 128 transports per year, and you recover 30% per call, then:

$\$500,000 / 128 = \$3,906.25$ per run, but if you only get back 30%, you would have to charge so... $\$6,640.63$ just to achieve $\$3,906.25$.

2 people
24 hours a day
365 days a years
24.60 value of volunteer hour in WY
1 truck

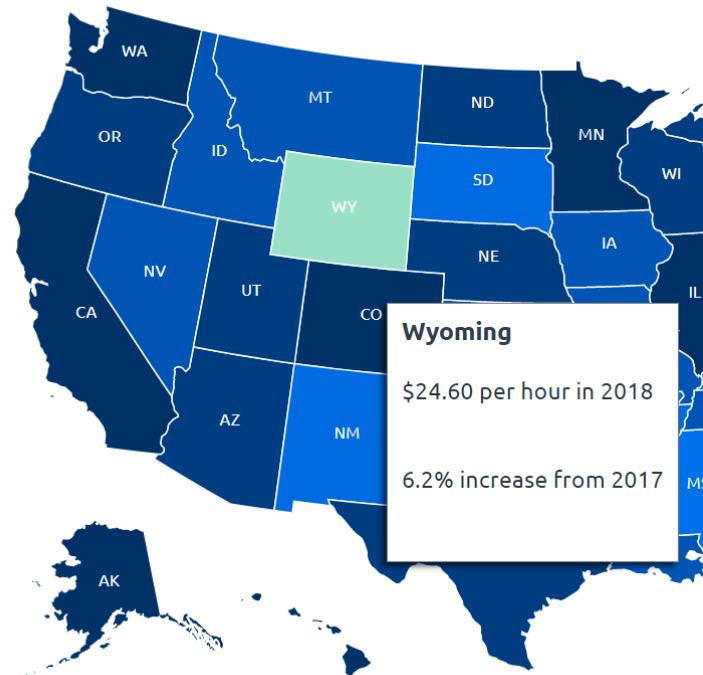
\$430,992 cost per truck per year

\$24.60 breaks down to:

- \$16.48 hourly wage
- \$8.12 hourly benefit

National fulltime comparisons per year

- 1 ALS Ambulance: \$1 to 1.2 Million
- 1 Intermediate Ambulance: \$750,000
- 1 BLS Ambulance: \$500,000



History Continued

- Push for extenders, push back on need
- Evidence/data needed either way
- Bipartisan Budget Act of 2018 (H.R. 1892) (Feb 9, 2018)
 - Add-ons extended through December 31, 2022 which continued:
 - 2% increase to urban base rate and mileage rate
 - 3% increase to rural base rate and mileage rate
 - 22.6% increase to super rural base rate

The Specifics

- Section 1834 (1)(17)(A): Centers for Medicare and Medicaid Services (CMS) mandated to collect:
 - Cost
 - Revenue
 - Utilization
 - Any other as determined appropriate by the Secretary (of HHS)
- In plain English – Information needed to assess the adequacy of Medicare payments for ground ambulance services
- ¼ of all National Provider Identifier (NPI) numbers to submit each year
 - 10% penalty on CMS claims for failure to submit
- The list was published late 2019
- One deadline for fiscal year has already passed

Is this Important?

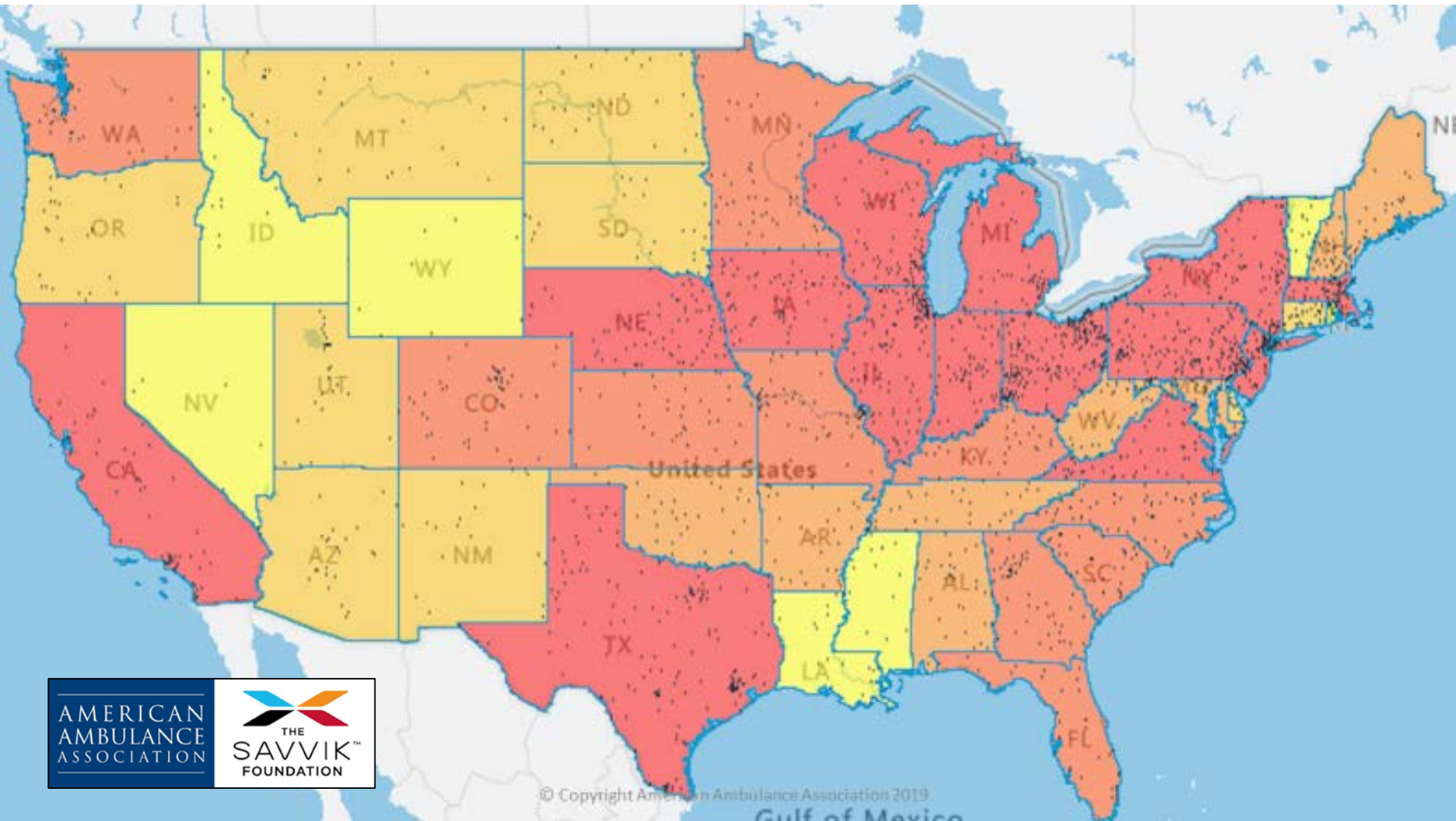
- EMS advocates have been asking CMS to reform the payment system (remember true costs of EMS)
- We believe the current Fee Schedule & payment policy does not adequately reimburse EMS providers for providing the service (compounded with the change in the workforce)
- If we assert that there is a difference in cost for “cost of readiness” by level of service, we must:
 - Be able to support that assertion with data
 - Not generalized data but specific and traceable cost related data
- There is a strong belief that EMS is over funded

The data that is desperately needed

- Small/rural/frontier
- Ground ambulance represents less than 1% of the total National Healthcare Expenditures per year
- 85% of the EMS agencies in the U.S. bill the Medicare program less than 2,500 transports per year
- 75% of the EMS agencies in the U.S. bill the Medicare program less than 1,000 transports per year
- Paramedic Paradox but with data

The worry

- Small rural/frontier services
 - Don't know they were even selected
 - Might not care that they were selected
 - The penalty might not matter to them
 - Might not be able to submit costs
 - They are just volunteers



Final Cost Collection Tool

- **45 Pages**
- **13 Sections**
- **Web-Based**

Medicare Ground Ambulance Data Collection Instrument

December 4, 2019

NOTE: All programming notes, skip patterns and annotations to improve readability are indicated in brackets. This text will not appear in the programmed data collection instrument but is included in this version to indicate the intended functionality of the programmed instrument. Item wording, definitions, and response options for the respondent appear in black.

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13 Sections

1. General Survey Instructions
2. Organizational Characteristics
3. Service Area
4. Emergency Response Time
5. Ground Ambulance Service Volume
6. Service Mix
7. Labor Costs
8. Facilities Costs
9. Vehicle Costs
10. Equipment, Consumables, & Supply Costs
11. Other Costs
12. Total Costs
13. Revenues



Section 1

General Survey Instructions



Organization-specific data collected through this effort will not be published.



If your organization bills Medicare for ground ambulance services under multiple NPIs, the data collection instrument will specify the NPI for which we are requesting data.



We use the term “ground ambulance organization” to refer to the NPI for which we are requesting data.



It is expected to take up to 20 hours to review the instructions and collect the required data and an additional 3 hours to enter, review, and submit the information.



Partially or
Completely

Unrelated

Labor Costs

- It can be very confusing
- Need to track, and account for costs
- They/contractor will be harmonizing the data (we hope)
- CMS did an excellent webinar on the subject
<https://www.cms.gov/outreach-and-education/outreach/npcnational-provider-calls-and-events/2020-02-20>



The AAA and the Savvik Foundation have teamed up to assist EMS Agencies with meeting their cost collection requirements

The Savvik Foundation has provided the AAA with contribution to establish grant opportunities for smaller rural and super-rural EMS agencies

- Agencies that are rural and super-rural
- Agencies that perform less than 2,500 transports per year.
- Must be a selected EMS agency this year

Grant Application

- Go to the AAA website and follow the cost collection pages.

Help for EMS Agencies





\$14,500
Value

- ✓ Chart of Accounts
- ✓ Newsletter
- ✓ Podcasts
- ✓ Amber Encyclopedia™
- ✓ Webinar: Fundamentals of Revenue
- ✓ Webinar: Fundamentals of Cost Allocation
- ✓ Precon at the AAA Annual Conference & Trade Show
- ✓ Regional Workshop (2 seats, sessions across the country)
- ✓ Ticketing system to ask questions of our experts
- ✓ Amber™ cost collection software (unlimited NPIs)

\$0.12/ambulance transport
\$500 minimum

Non-Member/
Vendor Pricing: \$10,000
\$0.24 / ambulance transport
for non- members
\$1000 minimum



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Amber

COST DATA COLLECTION FOR EMS
FROM THE AMERICAN AMBULANCE ASSOCIATION

www.ambulancereports.org



What can Flex Programs do?

- Get the word out
- Create urgency
- Help educate on the why, what, and how
- Connect services to resources
- If possible, connect program funds to accomplishing the task
- Communicate, communicate, communicate
- Bring calm

Contact Information

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