

MEMORANDUM

TO: Public Safety Committee

FROM: Susan J. Farag, Legislative Analyst

SUBJECT: MCFRS Executive Regulation 6-20, Adoption Schedule of Fees for
Emergency Medical Services Transport Reimbursement Program

PURPOSE: To review the proposed regulations and vote.

Those expected to brief the Committee include:

Scott Goldstein, Fire Chief, Montgomery County Fire and Rescue Service (MCFRS)
Biodun Ayo-Durojaiye, MCFRS
Dominic Del Pozzo, MCFRS
Rachel Silberman, Office of Management and Budget (OMB)

Overview

This regulation repeals and replaces Executive Regulation 15-12 and is being transmitted to the County Council under Method 2. The regulation was advertised in the April 01, 2020, Montgomery County Register, Volume 37, issue 4 with a comment deadline of April 30, 2020. No public comments were received.

The regulation revises the existing fee structure to align it with current Medicare rates and eliminates the required annual increase by the amount of the Ambulance Inflation Factor (AIF). The Department's approved FY21 budget revenue projection reflects the new fees.

The following chart reflects the proposed fee schedule changes:

Proposed EMST Fee Adjustment		
Service	Current Rate	Proposed Rate
Basic Life Support, Non-Emergency	\$300	\$400
Basic Life Support, Emergency	\$400	\$500
Advanced Life Support, Level 1 - Non-Emergency	\$350	\$450
Advanced Life Support, Level 1 - Emergency	\$500	\$600
Advanced Life Support, Level 2	\$700	\$850
Specialty Care Transport	\$800	\$950
Projected FY21 Revenue		
Current Fee Structure		\$19.0M
Proposed Fee Structure		\$20.0M

The proposed fee schedule is expected to increase EMST revenues by approximately \$980,000 in FY21. This estimate is based on the proportion of revenues collected from Medicare, as well as the current Medicare reimbursement rates. Expenditures will increase by approximately \$92,000 over the FY20 Approved budget. These expenditures include payment to the billing contractor and distributions to the Local Fire and Rescue Department (LFRD) equal to 15% of the net revenues.

Council staff recommends approval as submitted.

Potential Discussion Issues

1. What impact, if any, will this have on patients?
2. What impact, if any, do you expect on the Patient Advocate position in the Office of Consumer Protection, with respect to additional calls or complaints?

<u>This staff report contains the following</u>	©
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Draft Resolution	11-12




OFFICE OF THE COUNTY EXECUTIVE
Rockville, Maryland 20850

Marc Elrich
County Executive

May 22, 2020

TO: Sidney Katz, President, Montgomery County Council

FROM: Marc Elrich, County Executive 

SUBJECT: Montgomery County Fire & Rescue Service (MCFRS Executive Regulation 6-20 Adoption Schedule of Fees for Emergency Medical Services Transport Reimbursement Program -Method 2

Attached please find Executive Regulation 6-20 pertaining to fees for Emergency Medical Services Transport Reimbursement Program. This regulation repeals and replaces Executive Regulation 15-12 and is being transmitted to the County Council under Method 2. The regulation was advertised in the April 01, 2020, Montgomery County Register, Volume 37, issue 4 with a comment deadline of April 30, 2020. No public comments were received.

The regulation revises the old fee structure to align it with current Medicare rates and eliminates the required annual increase by the amount of the Ambulance Inflation Factor (AIF). The Department's approved FY21 budget revenue projection reflects the new fees. If you have additional questions or need additional information, please contact Biodun Ayo-Durojaiye at 240-777-2371.

ME:rs

Attachment



MONTGOMERY COUNTY EXECUTIVE REGULATION

Offices of the County Executive • 101 Monroe Street • Rockville, Maryland 20850

Subject Emergency Medical Service Reimbursement Program	Number 6-20
Originating Department Montgomery County Fire and Rescue Service	Effective Date July 1, 2020

Montgomery County Regulation on

EMERGENCY MEDICAL SERVICES REIMBURSEMENT PROGRAM

Issued by: County Executive

Regulation No. 6-20

COMCOR: Chapter 21

Authority: Montgomery Code Section 21-23A

Supersedes: Regulation 15-12

Council Review: Method (2) under Code Section 2A-15

Register Volume No. 37 Issue 4

Effective Date: The date this regulation is approved under Section 2A-15(f)
Emergency Medical Services Reimbursements Act becomes effective 2/12/13.

Comment Deadline: April 30, 2020

Summary: This Regulation establishes (1) An emergency medical services transport reimbursement Schedule; and (2) a requirement that an individual who receives an emergency medical services transport provide certain information and execute an assignment of certain health insurance benefits.

Staff contact: Biodun Ayo-Durojaiye, EMST Billing Manager
Montgomery County Fire and Rescue Services
(240) 777 – 2371, Email: Biodun.Ayo-Durojaiye@montgomerycountymd.gov

Address: Montgomery County Fire and Rescue Service
100 Edison Park Drive, 2nd Floor
Gaithersburg MD, 20878



MONTGOMERY COUNTY EXECUTIVE REGULATION

Offices of the County Executive • 101 Monroe Street • Rockville, Maryland 20850

Subject Emergency Medical Service Reimbursement Program	Number 6-20
Originating Department Montgomery County Fire and Rescue Service	Effective Date July 1, 2020

Section 1. Reimbursement Schedule

- a. In imposing and collecting the emergency medical services transport reimbursement authorized under Code Section 21-23A, the Fire Chief must comply with all applicable provisions of 42 CFR Parts 410 and 414, *Fee Schedule for payment of Ambulance Services and Revisions to the Physician Certification Requirements for Coverage of Non-emergency Ambulance Services*.
- b. The Fire Chief must impose the emergency medical services transport reimbursement according to the following schedule:
 - i. \$8.50 per mile, one way, from point of pick up to the health care facility; plus
 - ii.

- Basic Life Support Non-emergency*	[\$300.00] <u>\$400.00</u>
- Basic Life Support – Emergency*	[\$400.00] <u>\$500.00</u>
- Advanced Life Support – Level 1 – Non Emergency*	[\$350.00] <u>\$450.00</u>
- Advanced Life Support – Level 1 – Emergency*	[\$500.00] <u>\$600.00</u>
- Advanced Life Support Level 2*	[\$700.00] <u>\$850.00</u>
- Specialist Care Transport*	[\$800.00] <u>\$950.00</u>

*The terms in the schedule are as defined in 42 CFR Parts 410 and 414

Section 2. Required Information; Assignment of Benefits

- a. If required by the Fire Chief, each individual who receives an emergency medical services transport must furnish to the County, or its designated agent: (i) information pertaining to the individual’s health insurer (or other applicable insurer); and (ii) financial information that the Fire Chief determines is necessary for determination of granting a waiver of the reimbursement.
- b. Each insured individual who receives an emergency medical services transport must execute an assignment of benefits necessary to permit the County to submit a claim for the reimbursement to the applicable third party payor.
- c. [The Fire Chief must increase the amount of the reimbursement in the schedule annually by the amount of the Ambulance Inflation Factor (AIF), as published by the Centers for Medicare and Medicaid Services (CMS), United States Department of Health and Human Services.]



MONTGOMERY COUNTY EXECUTIVE REGULATION

Offices of the County Executive • 101 Monroe Street • Rockville, Maryland 20850

Subject Emergency Medical Service Reimbursement Program	Number 6-20
Originating Department Montgomery County Fire and Rescue Service	Effective Date July 1, 2020

Section 3. Severability

If a court of final appeal holds that any part of this regulation is invalid, that [rulling] ruling does not alter the validity of other parts of this regulation.

Section 4. Effective Date

This regulation is effective on the date that the Council approves this regulation under Section 2A-15(f).

Approved

Handwritten signature of Marc Erlich in cursive script.

Marc Erlich, County Executive

APPROVED AS TO
FORM AND LEGALITY
OFFICE OF COUNTY ATTORNEY
BY [Signature]
DATE 3/12/2020



MONTGOMERY COUNTY EXECUTIVE REGULATION

Offices of the County Executive • 101 Monroe Street • Rockville, Maryland 20850

Subject Emergency Medical Service Reimbursement Program	Number 6-20
Originating Department Montgomery County Fire and Rescue Service	Effective Date July 1, 2020

Montgomery County Regulation on
EMERGENCY MEDICAL SERVICES REIMBURSEMENT PROGRAM

Issued by: County Executive

Regulation No. 6-20

COMCOR: Chapter 21

Authority: Montgomery Code Section 21-23A

Supersedes: Regulation 15-12

Council Review: Method (2) under Code Section 2A-15

Register Volume No. 37 Issue 4

Effective Date: The date this regulation is approved under Section 2A-15(f) Emergency Medical Services Reimbursements Act becomes effective 2/12/13.

Comment Deadline: April 30, 2020

Summary: This Regulation establishes (1) An emergency medical services transport reimbursement Schedule; and (2) a requirement that an individual who receives an emergency medical services transport provide certain information and execute an assignment of certain health insurance benefits.

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Montgomery County Fire and Rescue Services
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MONTGOMERY COUNTY EXECUTIVE REGULATION

Offices of the County Executive • 101 Monroe Street • Rockville, Maryland 20850

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- b. The Fire Chief must impose the emergency medical services transport reimbursement according to the following schedule:
 - i. \$8.50 per mile, one way, from point of pick up to the health care facility; plus
 - ii.

- Basic Life Support Non-emergency*	\$400.00
- Basic Life Support – Emergency*	\$500.00
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- Advanced Life Support – Level 1 – Emergency*	\$600.00
- Advanced Life Support Level 2*	\$850.00
- Specialist Care Transport*	\$950.00

*The terms in the schedule are as defined in 42 CFR Parts 410 and 414

Section 2. Required Information; Assignment of Benefits

- a. If required by the Fire Chief, each individual who receives an emergency medical services transport must furnish to the County, or its designated agent: (i) information pertaining to the individual’s health insurer (or other applicable insurer); and (ii) financial information that the Fire Chief determines is necessary for determination of granting a waiver of the reimbursement.
- b. Each insured individual who receives an emergency medical services transport must execute an assignment of benefits necessary to permit the County to submit a claim for the reimbursement to the applicable third party payor.

Section 3. Severability

If a court of final appeal holds that any part of this regulation is invalid, that ruling does not alter the validity of other parts of this regulation.



MONTGOMERY COUNTY EXECUTIVE REGULATION

Offices of the County Executive • 101 Monroe Street • Rockville, Maryland 20850

Subject Emergency Medical Service Reimbursement Program

Number 6-20

Originating Department
Montgomery County Fire and Rescue Service

Effective Date
July 1, 2020

Section 4. Effective Date

This regulation is effective on the date that the Council approves this regulation under Section 2A-15(f).

Approved

Marc Erlich, County Executive

APPROVED AS TO
FORM AND LEGALITY
OFFICE OF COUNTY ATTORNEY
BY
DATE 3/12/2020

Fiscal Impact Statement
Executive Regulation 6-20, Emergency Medical Service Reimbursement Program

1. Executive Regulation Summary

This regulation supersedes Executive Regulation 15-2 to update the emergency medical services transport reimbursement schedule. The change is required to ensure that Emergency Medical Services Transport Reimbursement billing rates keep pace with increases in the cost of providing service and the Medicare reimbursement rate.

2. An estimate of changes in County revenues and expenditures regardless of whether the revenues or expenditures are assumed in the recommended or approved budget. Includes source of information, assumptions, and methodologies used.

Revenues are expected to increase by up to \$980,000 in FY21 by increasing Emergency Medical Services Transport Reimbursement rates based on the proportion of revenues collected from Medicare and current Medicare reimbursement rates. The projection assumes a five to nine percent increase in revenues collected from Medicare in each fee category, and between a two and a half and five percent increase in revenues collected from private insurance companies.

Expenditures are expected to increase \$92,000 above the FY20 Approved budget, and \$164,612 above the FY20 estimated budget. Expenditures include billing contractor reimbursement and distributions to the Local Fire and Rescue Departments (LFRD) equal to 15 percent of net Emergency Medical Services Transport Reimbursement revenues.

The change in Emergency Medical Service Transport Reimbursement schedule is shown below.

Proposed EMST Fee Adjustment		
Service	Current Rate	Proposed Rate
Basic Life Support, Non-Emergency	\$300	\$400
Basic Life Support, Emergency	\$400	\$500
Advanced Life Support, Level 1 - Non-Emergency	\$350	\$450
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Projected FY21 Revenue		
Current Fee Structure		\$19.0M
Proposed Fee Structure		\$20.0M

3. Revenue and expenditure estimates covering at least the next 6 fiscal years.

Projected revenues and expenditures over the next six years are shown below. Revenues and expenditures are expected to increase two percent each year over the six-year period, reflecting inflation.

EMST Revenue and Expenditure Projections								
	FY20 Approved	FY20 Estimated	FY21	FY22	FY23	FY24	FY25	FY26
Revenue	19,500,000	19,000,000	20,000,000	20,400,000	20,808,000	21,224,160	21,648,643	22,081,616
Expenditure								
Reimbursement - Billing Contractor	880,877	858,290	900,877	918,895	937,272	956,018	975,138	994,641
LFRD Distributions	2,731,000	2,660,974	2,803,000	2,859,060	2,916,241	2,974,566	3,034,057	3,094,738
Expenditure Total	3,611,877	3,519,265	3,703,877	3,777,955	3,853,514	3,930,584	4,009,196	4,089,379

4. An actuarial analysis through the entire amortization period for each regulation that would affect retiree pension or group insurance costs.

Not applicable.

5. An estimate of expenditures related to the County’s information technology (IT) systems, including Enterprise Planning (ERP) systems.

Not applicable.

6. Later actions that may affect future revenue and expenditures if the regulation authorizes future spending.

Not applicable.

7. An estimate of the staff time needed to implement the regulation.

Implementing the proposed reimbursement schedule is not expected to require additional staff time.

8. An explanation of how the addition of new staff responsibilities would affect other duties.

There is no anticipated impact on existing staff responsibilities.

9. An estimate of costs when an additional appropriation is needed.

In FY21, an additional appropriation of \$20,000 will be required to support reimbursement to the EMS Billing contractor, and \$72,000 in additional appropriation will be needed to support LFRD revenue distributions. This appropriation is assumed in the County Executive’s FY21 Recommended Budget.

10. A description of any variable that could affect revenue and cost estimates.

Changes in the Medicare reimbursement rate differing from the assumed two percent increase, or in the structure of Medicare reimbursement for emergency transport services would affect revenue and cost estimates. Similarly, unanticipated changes in the reimbursement rate or collection rate among private health insurers would affect revenue and cost estimates.

11. Ranges of revenue or expenditures that are uncertain or difficult to project.

Policy changes at the Federal level concerning the provision of health insurance and health care could have a significant impact on revenues and expenditures associated with this program.

12. If a regulation is likely to have no fiscal impact, why that is the case.

Not applicable.

13. Other fiscal impacts or comments.

Not applicable.

14. The following contributed to and concurred with this analysis:

Dominic Del Pozzo, Montgomery County Fire and Rescue Service
Rachel Silberman, Office of Management and Budget



Richard S. Madaleno, Director
Office of Management and Budget

5-19-20

Date

Resolution No.: _____
Introduced: _____
Adopted: _____

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY MARYLAND**

By: County Council

SUBJECT: Approval of Executive Regulation 6-20, Schedule of Fees for Emergency Medical Services Transport Reimbursement Program

Background

1. The Montgomery County Code, under Chapter 21, authorizes the County Executive to adopt regulations under Method (2).
2. Regulation 6-20 would amend the fees charged by the Montgomery County Fire and Rescue Service.
3. Executive Regulation 6-20 was advertised in the April 2020 Montgomery County Register. No public comments were received. The proposed regulation is unchanged from the advertised regulation.
4. The Council received Executive Regulation 6-20 in a memorandum from the Executive dated May XX, 2020.
5. The revised fees were anticipated in the approval of the Montgomery County Fire and Rescue Service FY21 budget.
6. The Council reviewed the regulation under Method (2) of County Code §2A-15.
7. Under Method (2), the Council may approve, disapprove, or extend the time for action within 60 days of receiving the regulation. In the absence of Council action, the regulation is deemed approved as submitted.

Action

The County Council for Montgomery County, Maryland approves the following resolution:

The County Council approves Executive Regulation 6-20, Schedule of Fees for Emergency Medical Services Transport Reimbursement Program

This is a correct copy of Council action.

Selena Mendy Singleton, Esq.
Clerk of the Council