

Emergency Medical Services (EMS) Revenue Recovery
Frequently Asked Questions
September 3, 2009

General Questions:

Q: What is EMS Revenue Recovery?

A: Revenue recovery is the process of obtaining financial reimbursement for the cost of providing medically necessary ambulance transportation. Medicaid, Medicare and most other private insurance policies (health, auto and/or homeowners) already allow for reimbursement for this service. The method has been implemented successfully by more than 40 localities in Virginia to recover necessary funds to support the growing needs of EMS services.

Q: Why is Albemarle County considering EMS revenue recovery?

A: Emergency medical calls are a large portion of the overall emergency service calls in the County. As the need for emergency medical service continues to grow, the County, like many local governments, is seeking ways to fund these services without relying solely on real estate property taxes. EMS revenue recovery permits localities to recoup system costs from those individuals who benefit directly from EMS delivery, including many non-County residents. EMS revenue recovery is a type of user fee that raises money needed to operate our system from the people who receive direct service, with the vast majority of the revenues collected from Medicare, Medicaid and insurance companies.

Q: How will this program affect me?

A: If adopted, the program will not change the way emergency service is provided. No one will ever be denied emergency service because of the EMS Revenue Recovery Program. If you have private insurance or are covered by Medicaid or Medicare, it will probably affect you very little because most policies have built-in provisions for emergency service. If the patient calls 911 but is not transported, there is no charge.

Q: How much money will be recovered?

A: Albemarle County estimates that about \$1.6 million will be recovered annually if the program is adopted with all career and volunteer rescue squads participating. Those funds will be used to support and strengthen the County's combination volunteer-career system.

Q: What other localities in this area have revenue recovery programs?

A: More than 40 cities, counties, and towns in Virginia currently bill for emergency ambulance transport to recover revenue. Nearby billing localities include Hanover, Chesterfield, Spotsylvania, Orange, Nelson, Louisa, and Roanoke. Nearly 80% of Virginia residents live in localities that bill for EMS transport. Nationally, that percentage approaches 85%. Many other localities in Virginia are currently considering this type of revenue recovery, including Augusta, Rockingham and the City of Harrisonburg.

How the Billing Would Work if the Program is Adopted:

Q: How would the billing work?

A: If the program is adopted, Albemarle County would contract with a service to handle EMS billing. Once at the hospital, the patient provides the necessary information and a claim form is forwarded to their insurance provider, Medicare, or Medicaid. Patients, themselves, would not be billed until all insurance options are exhausted.

Q: What would the billing rates be for this EMS service?

A: The exact rates are not finalized at this time. As a comparison, Hanover County rates are between \$350 and \$575 depending on the level of EMS care required by the patient.

Q: Will insurance generally pay the entire bill?

A: Depending on your provider, most insurance companies pay 80% of the charges for service. The billing company will accept cash, personal checks, and money orders (no credit cards).

Key Facts about Revenue Recovery:

- ▲ No one **will ever be denied treatment** or transport based on their ability to pay
- ▲ Most insurance policies, including Medicare and Medicaid, already allow for reimbursement for this service
- ▲ A compassionate billing policy will be in place for those with financial hardship
- ▲ More than 40 localities in Virginia are already using revenue recovery to provide funding for EMS services
- ▲ Revenue recovery is a user-based fee that raises money from the people who receive direct service instead of relying on property tax increases

Q: If EMS comes to my house but I don't need transport, will I receive a bill?

A: No.

Ability to Pay:

Q: What if I don't have insurance and am unable to pay?

A: All patients will be treated and transported regardless of the ability to pay. Albemarle's EMS revenue recovery policy will include compassionate billing provisions. If you can demonstrate financial hardship in accordance with the County's policy, a substantial reduction is available.

Q: If I have an outstanding balance on my insurance, will I be refused ambulance service?

A: All patients will be treated and transported. This program will not change the ambulance service provided to anyone in Albemarle County, regardless of insurance coverage or any other factor. Albemarle County will not deny service to those with delinquent accounts. Billing will not occur until after service has taken place. Emergency responders who respond to your call will have no knowledge of who has paid and who has not paid.

Insurance Information:

Q: Will my health insurance premiums increase as a result of this billing?

A: Unfortunately, health insurance premiums continue to rise regardless of whether or not a community decides to bill for EMS transports. Such factors as prescription drug coverage and litigation have resulted in escalating health insurance premium costs. However, ambulance transport costs represent less than 1% of health care expenditures. Many other local governments in Virginia have implemented a revenue recovery program, and they have reported no evidence that EMS billing increases health insurance premiums.

Effects on the Volunteers:

Q: How does this new program help the volunteers?

A: New funding made available through revenue recovery will be used to offset the rising costs associated with supporting our rescue squads and other EMS service providers, helping them to continue providing the best possible service to the County's citizens.

Q: What support does Albemarle County provide to the volunteers?

A: The County provides funding for many of the basic operating costs, such as vehicle fuel, cars, utility vehicles, equipment and disposables; capital funding for equipment and vehicles; and training and volunteer incentives.

Q: Will the volunteer rescue squads still need our donations?

A: Yes. The cost of providing EMS services continues to rise and our volunteer EMS agencies will still need the public's support.

Q: Will billing impact the donations and fund drives for volunteer EMS agencies?

A: Most agencies and billing companies alike who have researched this issue have found that billing for services has little or no impact on annual fund drive and donation collections.