



2024 EMS Billing Rate Proposal

Holliston Fire Department

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TABLE OF CONTENTS

A PROFILE: HOLLISTON FIRE DEPARTMENT	3
Staffing	3
Emergency Medical Services: Operations	3
Emergency Medical Services: Receipts	3
MEDICARE AND MEDICARE AND MEDICAID BILLABLE SERVICES	4
Basic Life Support (BLS) - Emergency	4
Advanced Life Support, Level 1 (ALS1) - Emergency	4
Advanced Life Support, Level 2 (ALS2)	5
Mileage	6
Itemized Billing	6
AMBULANCE BILLING RATES	8
Medicare Billing Rates	8
Medicaid Billing Rates	8
Private Billing Rates	9
Unpaid Ambulance Receipts - Collections	11
REIMBURSEMENT	12
Medicare & Medicaid Adjustments	12
EMS Billing Receipts	12
Certified Public Expenditure (CPE) Program	13
HOLLISTON FIRE DEPARTMENT AMBULANCE BILLING RATES	15
Current Holliston Fire Department Billing Rates	14
Proposed Holliston Fire Department Billing Rates	15
REVENUE PROJECTIONS	16
Flat Rate Increase and Itemized Rate Implementation Revenue	16
BLS vs ALS Transport Ratio	16
Collections	17
Fiscal Year 2025 EMS Revenue Projections	17

A PROFILE: HOLLISTON FIRE DEPARTMENT

Staffing

Holliston Fire Department is a small combination fire department located in Southern Middlesex County, Massachusetts. The department at full staffing consists of a career Fire Chief, career Assistant Fire Chief, and a Principal Clerk. The Fire Suppression Division is on call, and consists of 2 Deputy Fire Chiefs, 5 Captains, 5 Lieutenants, and 40 Firefighters. The Emergency Medical Services (EMS) Division is a combination of on-call, per-diem and part-time employees, averaging 45 members.

Emergency Medical Services: Operations

In calendar year 2023, the Fire Department responded to 1,669 calls for service of which 1,096 or 65.6 % were for Emergency Medical Services. 852 patients were transported to the hospital, of which Holliston Fire performed 762 (136 ALS and 632 BLS).

Emergency Medical Services: Receipts

In total, \$ 939,846.28 was billed in Fiscal Year 2023. Holliston Fire Department collected \$ 435,086.76, or approximately 93 % of what can be collected after the federally mandated insurance adjustments.

MEDICARE AND MEDICAID BILLABLE SERVICES

Understanding what constitutes an emergency response, as well as the different levels of emergency ambulance service billing as defined by Medicare and Medicaid can be confusing. We will review the following areas as they pertain to Medicare and Medicaid Billing:



- Basic Life Support (BLS) - Emergency
- Advanced Life Support, Level 1 (ALS1) - Emergency
- Advanced Life Support, Level 2 (ALS2)
- Mileage
- Itemized Billing

Note: Medicare Benefit Policy Manual, Chapter 10 - Ambulance Services (Revision 243, 04-13-2018) was utilized as a reference for developing this section.

Basic Life Support (BLS) - Emergency

Transportation by ground ambulance vehicle and the provision of medically necessary supplies and services, including BLS Ambulance Services as defined by the state in the context of an emergency response.

A service may submit a claim for reimbursement at the BLS Emergency Rate for a patient who was found to be deceased on arrival and no resuscitative efforts were initiated and the patient was not transported, provided that the patient was placed on the Cardiac Monitor to confirm his/her cardiac rhythm was not amenable to sustain life.

***Dead on Arrival
(DOA)s CAN be
billed to Medicare***

Advanced Life Support, Level 1 (ALS1) - Emergency

Transportation by ground ambulance vehicle and the provision of medically necessary supplies and services, including the provision of an ALS Assessment by ALS Personnel or, at least one ALS Intervention in the context of an emergency response.

An ALS Intervention, if documented in the patient care report, that is medically necessary and performed in accordance with state and local laws performed by and ALS Provider shall be billed at the ALS1 - Emergency Level. ALS Interventions include but are not limited to the following, as defined by the Massachusetts Office of Emergency Medical Services Pre-Hospital Statewide Treatment Protocols, Version 2020.2:

- Advanced Airway Interventions: *Nebulizer Treatments, Nasal Capnography, CPAP*
- Medication Administration (2 or Less Intravenously, or any Sublingual, Intranasal, Intramuscular or Subcutaneous Injections): *Acetaminophen, Adenosine, Dextrose, Epinephrine, Haloperidol, Ipratropium Bromide, Ketorolac, Midazolam, Ondansetron, or Tranexamic Acid, etc.*
- Cardiac Monitoring: *Acquisition and Interpretation of 3 or 4 Lead, and 12 Lead ECGs*
- Intravenous Therapy: *Any attempt of intravenous therapy or blood draw, regardless of whether or not the attempt was successful.*

Advanced Life Support, Level 2 (ALS2)

Transportation by ground ambulance vehicle and the provision of medically necessary supplies and services, which shall include at least one of the following criteria:

- Three or more administration of individual *Intravenous medications: *The same medication administered multiple times in accordance with local protocols, three separate medications, continuous infusion (excluding **crystalloid fluids) or any combination of the three.*
- ALS 2 Procedures: *Manual defibrillation, cardioversion, or pacing. Intubation, central venous line, chest decompression, surgical airway, or intraosseous access.*

Services that utilize the Withholding and Cessation of Resuscitation by EMT Paramedic Protocol as a Medical Control Option of the Massachusetts Office of Emergency Medical Services Pre-Hospital Statewide Treatment Protocols, and cease resuscitative efforts on scene, that if transported would have resulted in an ALS2 reimbursement claim are not permitted to bill for ALS2 Reimbursement due to the fact the patient was not transported. However, as annotated in the BLS Emergency Section, they may file a claim for reimbursement at the BLS Emergency Rate.



** Medications that are administered by other means, including but not limited to: intramuscular, sublingual, or nebulized do not qualify for billing at the ALS2 rate.*

*** Crystalloid fluids include but are not limited to D5W (Dextrose 5%), Saline and Lactated Ringers.*

Mileage

In general, local transportation by ambulance is covered, therefore only mileage to the nearest appropriate facility that is equipped to treat the patient is covered. However, if there are two or more facilities that meet the destination requirements and can treat the patient appropriately and are within the service area, then full mileage to any of the facilities is covered. Bypassing a local or community hospital to transport to a specialty resource center utilizing the Department Approved Point of Entry Plan as outlined in Appendix A4 of the Massachusetts Office of Emergency Medical Services Pre-Hospital Statewide Treatment Protocols, Version 2020.2 is permitted and will be covered.

Itemized Billing

Medicare and Medicaid do not recognize itemized billing, and therefore any service that performs itemized billing can expect that it will automatically be adjusted (see reimbursement section for further information on Medicare and Medicaid adjustments) and removed from the invoice. Furthermore, a Medicare or Medicaid patient may not be billed directly for any itemized services.

When invoicing a private insurance company, itemized billing is tabulated and rolled into the “flat fee” (BLS Emergency, ALS - 1 Emergency, ALS - 2, etc). Only the “Flat Fee” and Mileage appear on invoices sent to insurance companies. However, when patients are billed directly (self-pay) and/or receive billing statements will show each itemized procedure/intervention.

Examples of interventions or services that some Ambulance Services bill for include, but are not limited to:

- ALS Treat and Release* (Example Unresponsive Diabetic or Overdose victim who is treated by EMS and refuses transport to the hospital)
- Extra Attendant (additional EMS Providers)
- BLS Routine Supplies
- Oxygen
- ALS/BLS Defibrillation
- Intravenous/Intraosseous Therapy
- ALS Airway (Intubation, King Airway, Capnography, CPAP, etc)
- Cardiac Monitor (4-Lead)
- Cardiac Monitor (12-Lead)
- Hazardous Material Waste (Both Medical Waste and/or Debris/Fluid Removal at the scene of Motor Vehicle Crash**)
- Use of the “Jaws of Life” **



** ALS Treat and Release billing is not reimbursable through Medicare, Medicaid or Private Health Insurance and is billed directly to the patient. Patients who received pre-hospital treatment and sign a refusal of transport to the hospital fall into this category.*

*** Motor Vehicle Crash Hazardous Material Waste and Use of the “Jaws of Life” are not reimbursable through Medicare, Medicaid, or Private Health Insurance and is billed either directly to the patient or the Auto Insurance.*

AMBULANCE REIMBURSEMENT RATES

Medicare Fee Schedule

- The Federal Government based upon geographic location sets Medicare rates. Some states, such as Massachusetts may have more than one rate dependent on location within the state.
 - Between 2015 and 2020 Middlesex County, Norfolk County and Suffolk Counties receive 8.5% more than does the rest of the Commonwealth of Massachusetts, this has decreased to only 4.8 % more between 2020 and 2023.
- Between 2015 and 2020, the authorized Medicare billing rates for Massachusetts have only increased by approximately 4.5%. This improved between 2020 and 2023, with approximately a 13.2 % increase.

Year / Location	BLS Emergency	ALS 1 Emergency	ALS 2	Specialty Care Transport	Mileage
2023 (01)	\$ 486.13	\$ 577.27	\$ 835.53	\$ 987.44	\$ 8.57
2023 (99)	\$ 463.61	\$ 550.53	\$ 796.83	\$ 941.70	\$ 8.94

(01) Middlesex County, Norfolk County, and Suffolk County Only
 (99) All other Massachusetts Counties

Medicaid (MassHealth) Fee Schedule

- Both the Federal Government and participating states governments administer Medicaid. States are not however mandated to participate, but since 1982, all states have been actively participating.
 - In the Commonwealth of Massachusetts Medicaid is also known as Mass Health.
- Between 2008 and 2020, the authorized Medicaid billing rates for Massachusetts have only increased by approximately 6.9%. Between 2020 and 2023, approximately a 32.2 % increase occurred.

Year	BLS Emergency	ALS 1 Emergency	ALS 2	Specialty Care Transport	Mileage
2023	\$ 334.19	\$ 396.86	\$ 574.40	\$ 678.83	\$ 6.45

Private Fee Schedule

- Each individual Ambulance Service sets its own ambulance billing rates that are utilized to invoice private insurance companies, self-pay patients, etc.
- Some services choose to utilize only flat rate billing (BLS Emergency, ALS1 - Emergency, etc) while others bill flat rates and then itemize bill for specific services rendered (IV, Cardiac Monitor, etc).

Average Private Fee Schedule - By Massachusetts Fire District

Massachusetts Fire District	# of Departments Reporting	BLS Emergency	ALS 1 Emergency	ALS 2	Mileage
District 1	1	\$ 1,056.23	\$ 1,927.76	\$ 3,037.99	\$ 29.76
District 2	4	\$ 1,483.98	\$ 2,045.55	\$ 2,781.59	\$ 30.55
District 3	1	\$ 1,619.00	\$ 2,420.00	\$ 3,570.00	\$ 38.00
District 4	6	\$ 1,807.00	\$ 2,361.58	\$3,091.83	\$ 35.05
District 5	2	\$ 1,600.00	\$ 2,125.00	\$ 2,825.00	\$ 44.00
District 7	6	\$ 1,336.43	\$ 1,849.20	\$ 2,722.05	\$ 29.25
District 8	7	\$ 1,227.58	\$ 1,592.94	\$ 2,343.77	\$ 35.95
District 11	1	\$ 1,000.00	\$ 1,844.27	\$ 2,832.97	\$ 31.25
District 14	9	\$ 1,308.80	\$ 1,776.91	\$ 2,457.15	\$ 31.66
District 15	1	\$ 1,575.00	\$ 2,415.00	\$ 3,590.00	\$ 40.00
Statewide	38	\$ 1,411.03	\$ 1,932.81	2,716.09	\$ 33.46

** Average Private Itemized Fee Schedule - Statewide*

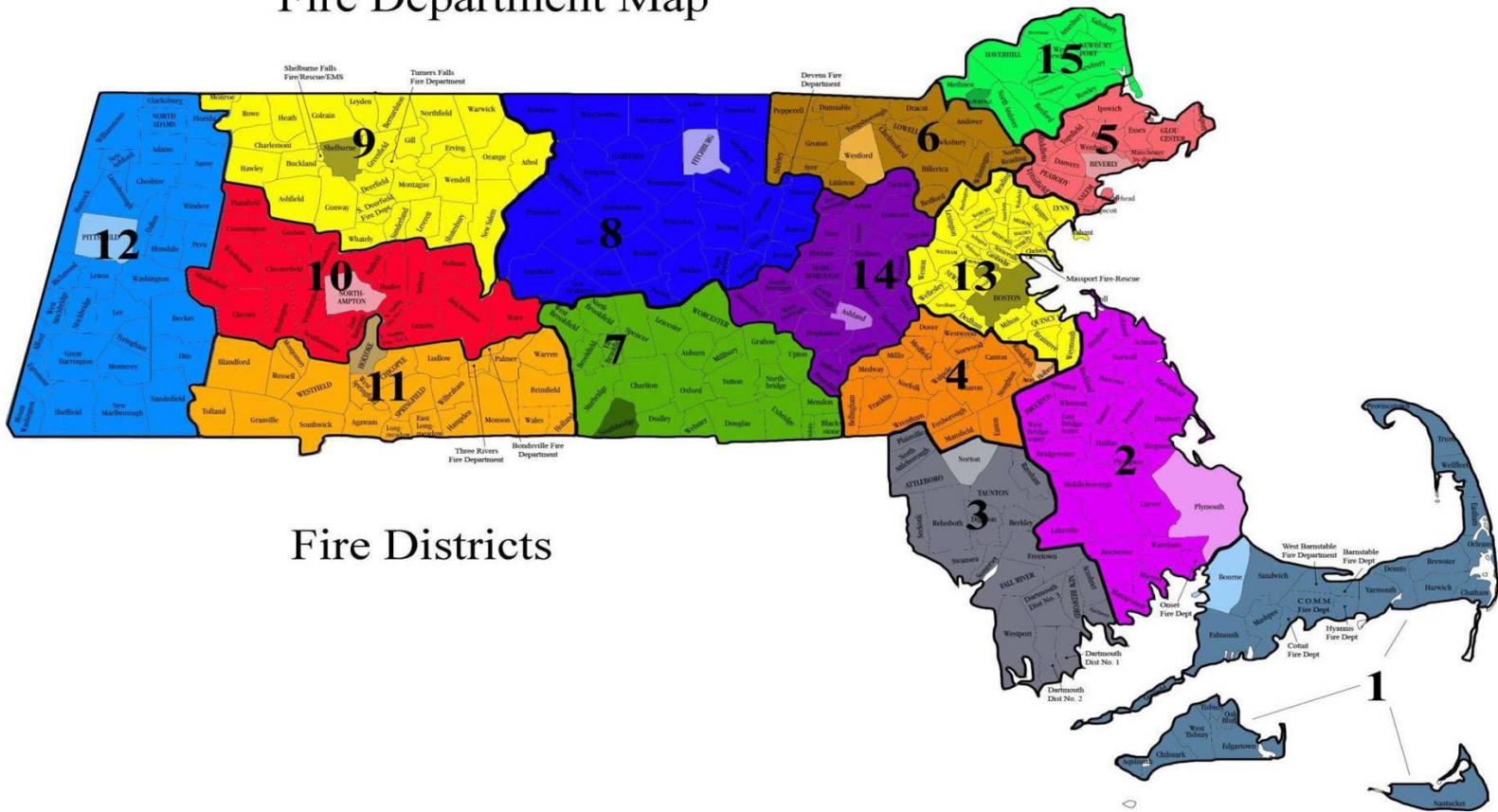
	Extra Attendant	Oxygen	ALS Airway	IV Attempt	IO Attempt	Cardiac Monitor (4-Lead)	Cardiac Monitor (12-Lead)
Statewide	\$ 325.76	\$ 100.41	\$ 250.16	\$ 195.97	\$ 209.14	\$ 245.68	\$ 242.41

** The average private itemized billing rates listed above are based upon information provided by 7 Ambulance Services that itemize bill.*

Commonwealth of Massachusetts

Department of Fire Services

Fire Department Map



Fire Districts

It is understood that the average private fee schedules listed on the previous page are just that - averages. There are also outliers that should be noted as well as depicted the table below:

	Low	High
BLS Emergency	\$ 653.81	\$ 2,800.00
ALS 1 Emergency	\$ 776.40	\$ 3,900.00
ALS 2	\$ 1,123.73	\$ 3,900.00
Mileage	\$ 15.00	\$ 46.53

Unpaid Ambulance Receipts – Collections

- 24 out of 39 surveyed Ambulance Services currently utilize collection services for unpaid Ambulance Receipts.
 - Some services only utilize collections for non-residents in their primary service area.
- The amount of money retained by each Ambulance Service annually varied widely from as little as \$1,000.00 to as much as \$25,000.00.

REIMBURSEMENT

Medicare & Medicaid Adjustments

When a patient has Medicare or Medicaid for their primary insurance, their invoice is automatically “adjusted”. This means that the private rate that the ambulance service bills has the Medicare (or Medicaid) Rate subtracted, and the difference is “adjusted” and is not collectible. Medicare then will only pay 80% of their rate, leaving the remaining 20% payable by either the patient or supplemental insurance.

Medicare Adjustment Example

- Private BLS Transport Rate (\$ 1,000.00) - Medicare BLS Rate (\$ 395.55) = \$604.45 Adjusted
- Private Mileage (\$ 30.00) - Medicare Mileage Rate (\$ 7.62) = \$ 22.38 Adjusted
- *Medicare Reimbursement Rate = \$ 403.17*
 - *Medicare Payment = \$ 322.53*
 - *Patient/Supplemental Insurance Payment: \$ 80.64*
- *Adjusted/Non-Collectable = \$ 626.83*

EMS Billing Receipts

Overwhelming the vast majority of EMS Billing Receipts go to a Town/Cities “General Fund”. There are some exceptions to this; several departments have a set percentage of EMS Receipts or a pre-determined amount set aside in an ambulance replacement account.

A small number of services place a percentage or pre-determined amount into a Capital EMS Purchases Account. Ten departments retain 100 % of their ambulance revenue in a variety of forms including Salaries/Expenses, Enterprise Fund, etc.

% of Pre-Adjustment Billing Collected

The percentage of pre-adjustment billing collected varied greatly ranging from 8.5 % to 60 %, with an average of 35.19 %. Holliston Fire currently collects 46.2%

% of Post-Adjustment Eligible EMS Billing Collected

The percentage of post-adjustment billing collected was very close, ranging from 55 % to 96%, with an average of 80.9%. Holliston Fire currently collects 93.4%

% of EMS Receipts from Private Insurance

The percentage of EMS Receipts from Private Insurance varied greatly ranging from 10 % to 84 %, with an average of 34 %. Holliston Fire collects 12.6% of our EMS Receipts from Private Insurance.

% of EMS Receipts Kept as Payment by Billing Company

The percentage of EMS Receipts taken as payment by EMS Billing Companies was relatively similar, ranging from 2.6 % to 12 %, with an average of 4.4 %. Holliston Fire currently pays 3% for our EMS Billing Services.

Certified Public Expenditure (CPE) Program

According to the Public Consulting Group (PCG), a total of eighty-nine cities and towns participated in the CPE Program in Fiscal Year 202, bringing in an additional \$15,000,000.00 of EMS Receipts to government-based ambulances services throughout the Commonwealth. Holliston Fire Department has submitted an application to participate in this program for Fiscal Year 2024. In an average year, it is expected that the CPE Program may bring in additional \$10,000.00 to \$20,000.00 of revenue.

HOLLISTON FIRE DEPARTMENT AMBULANCE BILLING RATES

Current Holliston Fire Department Billing Rates

- Current Holliston Fire Department Billing rates went into effect on March 2015 and have not been updated since that time.

Level of Service	Flat Rate Fee
BLS Emergency	\$ 875.00
ALS 1 Emergency	\$ 1,300.00
ALS 2	\$ 1,650.00
Specialty Care Transport (SCT)	\$ 1,975.00
BLS Mileage	\$ 25.00
ALS Mileage	\$ 33.00
Care with Refusal	\$ 450.00
Extra Attendant	\$ 110.00
Expendable Supplies	\$ 93.50

Proposed Holliston Fire Department Billing Rates

- Proposed Holliston Fire Department Billing rates, if approved by the Select Board, shall go into effect on July 1, 2024.

Level of Service	Flat Rate Fee	Itemized Rate Fee
BLS Emergency	\$ 1,500.00	
ALS 1 Emergency	\$ 2,000.00	
ALS 2	\$ 3,000.00	
Specialty Care Transport	\$ 4,000.00	
Paramedic Intercept	\$ 425.00	
Mileage	\$ 35.00	
Provide Care, No Transport	\$ 450.00	
Extra Attendant		\$ 325.00
Expendable Supplies		\$ 125.00
BLS Defibrillation Supplies		\$ 225.00
Oxygen		\$ 100.00
ALS Airway		\$ 250.00
ALS Defibrillation Supplies		\$ 225.00
IV Therapy		\$ 200.00
IO Therapy		\$ 225.00
CPAP Mask		\$ 175.00
Cardiac Monitor		\$ 150.00
12-Lead		\$ 300.00

REVENUE PROJECTIONS

Flat Rate Increase and Itemized Rate Implementation Revenue

- It should be noted that the aforementioned proposed EMS Billing Increase(s) will only affect anticipated revenue collected from Private Insurance and Self Pay patients. Medicare & Medicaid Patients will not be affected by the proposed rate change(s). The table below depicts the differences for private insurance only.

Fiscal Year	Current Rate(s)		Propose Rate(s)		Rate Difference		
	BLS	ALS	BLS	ALS	BLS	ALS	Difference
FY 23	\$ 189,770.24	\$ 33,131.36	\$ 282,550.40	\$ 59,541.02	\$ 92,780.16	\$ 24,409.66	\$ 119,189.82
FY 22	\$ 161,015.22	\$ 44,561.09	\$ 239,736.83	\$ 80,081.61	\$ 78,721.61	\$ 35,520.52	\$ 114,242.12
FY 21	\$ 162,302.08	\$ 54,545.54	\$ 241,652.84	\$ 98,024.85	\$ 79,350.76	\$ 43,479.30	\$ 122,830.07
3 Year Average	\$ 128,271.88	\$ 33,059.50	\$ 190,985.02	\$ 59,411.87	\$ 62,713.13	\$ 26,352.37	\$ 89,065.50

BLS vs ALS Transport Ratio

- The ratio of BLS vs ALS Transports, plays a critical role in EMS revenue collections. ALS Transports are billed at a higher rate than BLS Transports.
- In a retrospective review of the last three (3) Fiscal Years of transport data at Holliston Fire Department, the BLS vs ALS Transport ratio is an average of 83.8 % BLS Transports and 16.2 % ALS Transports.
 - Through a combination of transitioning to the Paramedic Level, as well as increased Education & Training of ALS Providers, it is not unreasonable to expect to see an average ratio of 60 % ALS Transports and 40 % BLS Transports.

Fiscal Year	BLS	ALS
FY 23	88.6 %	11.4 %
FY 22	83.1 %	16.9 %
FY 21	80.2 %	19.8 %
3 Year Average	83.8 %	16.2 %

- For example, in a review of private insurance billing only - for Fiscal Year 2023 with existing rates, with an average transport of 7 miles the following would have been billed, with existing rates at the time, for private insurance only:
 - Actual Ratio: \$ 33,131.36
 - 60 % ALS to 40 % BLS Ratio: \$ 60,267.13

Increase Of: \$ 27,135.77

Collections

- From June 2021 to until August 2022, Holliston Fire Department has sent \$ 106,419.56 of past due EMS Billing to collections. To date, \$ 7,480.82 has been paid, and the department has received \$ 3,740.41 (approximately 7 % of what was sent to collections), the remainder was retained by the collections company.
- As of February 2024, Holliston Fire Department had a total of \$ 185,663.70 of past due EMS Billing from calls for service ranging from July 2022 to October 2023 is eligible to send to collections.
 - If the previous collection rate of 7 % is collected, the Holliston Fire Department may recoup approximately 12,996.46.
- It should be noted, that Ambulance Collections should not be relied upon as a regular source of income when preparing a budget.

Fiscal Year 2025 EMS Revenue Projection(s)

- To be conservative, assume Holliston Fire Department will only perform 700 transports in Fiscal Year 2025 (27 transports less than Fiscal Year 2023):
 - 50 % BLS to 50 % ALS Transport Ratio
 - Increase in EMS Billing Rates
 - Itemized Billing
 - Lowest actual private insurance payor mix in last 3 years
 - Medicare - 58.3 %
 - Medicaid - 12.6 %
 - Private Insurance - 20.7 %
 - Self-Pay - 8.4 %
 - Collecting 0 % of Self Pay
- **Projected EMS Revenue: \$ 573,393.72**
 - **80 % of Projected EMS Revenue: \$ 458,714.97**
 - **90 % of Projected Revenue: \$ 516,054.34**