CITY OF LONG BEACH



FIRE DEPARTMENT DAVID W. ELLIS, FIRE CHIEF

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January 11, 2005

HONORABLE MAYOR AND CITY COUNCIL City of Long Beach California

SUBJECT:

Hearing and Resolution for Emergency Ambulance Transportation Rate

Increase (Citywide)

DISCUSSION

The Fire Department is proposing an adjustment to the Advanced Life Support (ALS) and Basic Life Support (BLS) ambulance rates in accordance with the biennial survey conducted by the County of Los Angeles, Department of Health Services. ALS rates are applied toward the transportation of critical patients by City of Long Beach (City) Paramedics. BLS rates are applied toward the transportation of non-critical patients by City Paramedics when private ambulance transportation is unavailable or significantly delayed to provide timely transportation. On December 2, 2003, the City Council authorized the City of Long Beach to set the ambulance rates to be consistent with the rates established by the County of Los Angeles, Department of Health Services. The rates were last adjusted on September 7, 2004 by the City Council.

The County of Los Angeles (County) has again adjusted its rates effective January 1, 2005, based on its most recent survey. These rates are based on an average of all ALS rates (excluding Los Angeles and Orange Counties) and all BLS rates (excluding Los Angeles County). Survey participants included all other California counties. Based on the results of the County's survey, the Fire Department is proposing an increase of the ALS rate from \$671.75 to \$793.25 (18.1 percent increase) and the BLS rate from \$438.00 to \$557.50 (27.3 percent increase). Medicare/Medi-Cal payments are currently capped at a fixed amount and patients are not held accountable for the difference between the ALS/BLS rate and the Medicare/Medi-Cal payment.

Although full cost recovery is a goal, the inclusion of overhead costs such as emergency medical services' quality assurance, training and paramedic assessment unit costs would make the goal financially prohibitive.

This item was reviewed by Deputy City Attorney Richard Anthony on January 4, 2005 and Budget Management Officer David Wodynski on January 3, 2005.

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TIMING CONSIDERATIONS

City Council action on this matter is requested at the January 11, 2005 meeting in order to immediately execute the rate change.

FISCAL IMPACT

The proposed fee increase will generate approximately \$320,000 of revenue for the remainder of FY 05 and will assist the Fire Department in meeting its revenue objectives. This revenue will be deposited in the General Fund (GP).

IT IS RECOMMENDED THAT THE CITY COUNCIL:

Receive supporting documentation into the record, conclude the hearing and adopt the attached Resolution to increase emergency ambulance transportation service rates for Advanced Life Support (ALS) from \$671.75 to \$793.25 and Basic Life Support (BLS) from \$438.00 to \$557.50.

Respectfully submitted,

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DAVID W. ELLIS FIRE CHIEF

APPROVED:

GERALD R. MILLER CITY MANAGER

ATTACHMENT

DWE:AAH:GP