



**City of Long Beach**  
Working Together to Serve

**Office of Gerrie Schipske, R.N.P., J.D.**  
**Councilwoman, Fifth District**

**Memorandum**  
**R-13**

Revised

Date: June 12, 2012

To: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

From: Councilwoman Gerrie Schipske, Fifth District  
Councilmember Rae Gabelich, Eighth District

Subject: **AGENDA ITEM:** Report on City's Application for AB 678 Funding To Provide Supplemental payments for Ambulance and Paramedic Services rendered to a Medi-Cal Recipient

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**BACKGROUND:** In October 2011, Gov. Jerry Brown signed AB 678 (Pan-D), creating a mechanism to reimburse local agencies up to \$50 million statewide in federal dollars for providing emergency medical transport services by fire departments for Medi-Cal patients. Currently, Medi-Cal reimbursement for emergency ground transportation falls short of the actual costs incurred by several hundred dollars per transport. AB 678 was enacted to remedy that.

In order to receive a supplemental payment for services rendered to a Medi-Cal beneficiary, a provider would certify that it spent X amount of funds on that service, that it received Y reimbursement from Medi-Cal, and that Z amount of the total cost was uncompensated by Medi-Cal. For example, if the actual cost of an ambulance transport for a Medi-Cal beneficiary was \$100, then a provider would certify that it spent \$100 on a transport, that it received \$60 in Medi-Cal reimbursement, and that there was a remainder of \$40 in uncompensated cost. The provider would receive \$20 of that \$40 as a reimbursement from the federal government in the form of a supplemental payment provided for in this bill. Supplemental payments would be made on a "per transport" basis.

The bill empowers the fire departments to submit to the California Department of Health Care Services certified unpaid Medi-Cal ambulance transport expenses that could then be submitted to the federal government for reimbursement.

Cities were advised by the League of California cities to "act quickly in order to receive the supplemental reimbursement" as the first round of reimbursements was to be made as early as January 2012.

It is estimated that the City of Long Beach Fire Department can realize several millions from this new source of revenue because of the number of transports provided to Medi-Cal recipients.

**RECOMMENDATION:** By motion of the City Council, request the City Manager to report on whether or not the City has applied for AB 678 revenue; the amounts received and expected to be received; and how this revenue will be used to bring staffing to an appropriate level.