



THE CITY OF KEY WEST

Post Office Box 1409 Key West, FL 33041-1409 (305) 809-3700

To: Jim Scholl, City Manager

Via: Sarah Hannah-Spurlock, Assistant City Manager

Form: Edward Perez, Division Chief of EMS, KWFD
Michael Davila, Division Chief of Operations, KWFD

Date: April 14, 2016

Reference: Staff Recommendation Regarding a Resident Waiver of Out-of-Pocket EMS Transport Fees.

Background:

The City of Key West Fire Department contracts with a third party billing company, Ambulance Medical Billing (AMB), to process, bill, and collect all claims for ambulance transports using the insurance payer information provided by the patient at the time of transport. This service includes submission for payment to Medicare, Medicaid, and private insurance payers.

On March 18, 2015 the Key West City Commission approved Resolution # 15-137, Adoption of Formal Policy on Collection of Emergency Medical Fees. This resolution authorized the City Manager or his designee to initiate the standard process for collecting fees for ambulance transport. This resolution further directed staff to collect transport data (resident vs. non-resident) for the first 12 months of service and bring back to Commission for consideration a recommendation regarding a resident waiver of out-of-pocket EMS transport fees, similar to the waiver offered by the County for their medical helicopter transport. Since the City's first transport on April 1, 2015, rescue staff has been tracking the number of residents and non-resident users of the service. The status is determined by reviewing each user's identification, if they have one, at the time of transport. If the ID has a Key West address, the user is identified as a resident. If the ID has an address for any other town in the Keys, United States or world, the user is identified as a non-resident. If the user is not carrying ID and the rescue staff does

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not know the patient, his or her status is identified as “unknown.” This review is the simplest and most effective way to track residency status for data collection purposes only without compromising the care of those being transported with a more involved verification or going through the onerous process of verifying information after transport is completed.

Recommendation:

Staff does not recommend implementing a resident transport fee waiver. According to the data collected, residents of Key West currently account for about 64%, or 3,565 of total annual EMS responses (see attached). As such, a resident waiver of out-of-pocket EMS transport fees will most likely significantly reduce the amount of money collected. In addition, the process of verifying and administering residency waiver applications for potentially thousands of residents each year, who do not have insurance or chose not to file a claim with their insurance company because they know they can get the fee waived anyway will be labor intensive and staff does not currently have the resources to perform this function effectively.

The County offers a resident fee waiver for their Trauma Star air ambulance which is a much different transport service. Trauma Star is reported to have completed 382 patient transports in 2015 with a minimum cost of \$13,210.00 per transport, which is significantly higher than our ambulance transport fee of \$643.50 on average.