



# Contra Costa EMS System Emergency Ambulance Reimbursement Report

# 2018

This report provides a year over year summary of insurance reimbursement and payer mix associated with Contra Costa County EMS System Ambulance Service Providers. Data reported was collected from EMS provider agencies that provide emergency ambulance services to the residents of Contra Costa County. This report was prepared by Contra Costa EMS Agency.

**Payer Mix  
Summary  
2010-2017**

# Executive Summary

9-1-1 ambulance providers within Contra Costa County are required to be at the ready to serve over 1.1 million people 24 hours a day, 7 days a week, 365 days a year. Emergency Medical Services (EMS) ambulance providers must respond to every call regardless of an individual’s ability to pay within strict response time performance measures while assuring that ambulance equipment is up to date and personnel are highly trained. They are also responsible to serve the community in disaster.

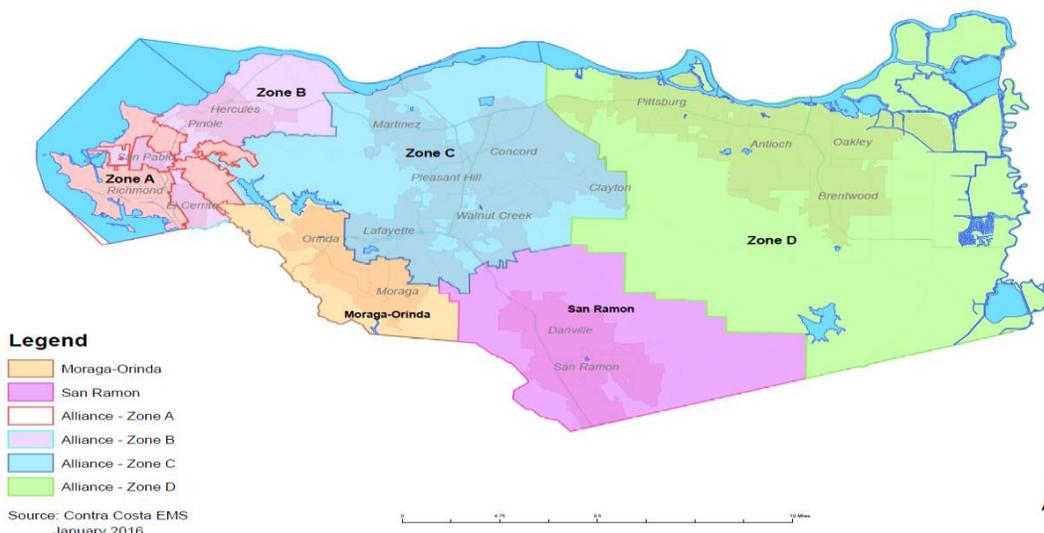
This report provides a year over year summary of insurance reimbursement and payer mix data for Contra Costa County EMS System Ambulance Service Providers. Data reported was collected from EMS provider agencies contracted to provide emergency ambulance services to the residents of Contra Costa County between 2010 and 2017. The information is updated periodically to inform the community, EMS System leadership and policy makers of changes in ambulance fees and reimbursement associated with changes in the federal and state health care legislation.

Residents of Contra Costa County are served by three EMS System ambulance providers:

1. Moraga-Orinda Fire District (MOFD) provides exclusive EMS ambulance services to residents in the Moraga-Orinda Ambulance Response Zone.
2. San Ramon Valley Fire Protection District (SRVFPD) provides exclusive EMS ambulance services to residents living in the San Ramon Ambulance Response Zone.
3. Contra Costa County Fire Protection District (CCCFPD) with their ambulance subcontractor American Medical Response (AMR) provides exclusive emergency ambulance services as the “Alliance” to the remaining portions of the county (Ambulance Response Zones A,B,C and D).

Prior to January 1, 2016 American Medical Response was the sole EMS ambulance contractor for ambulance response zones A thru D. Emergency ambulance service areas are illustrated below.

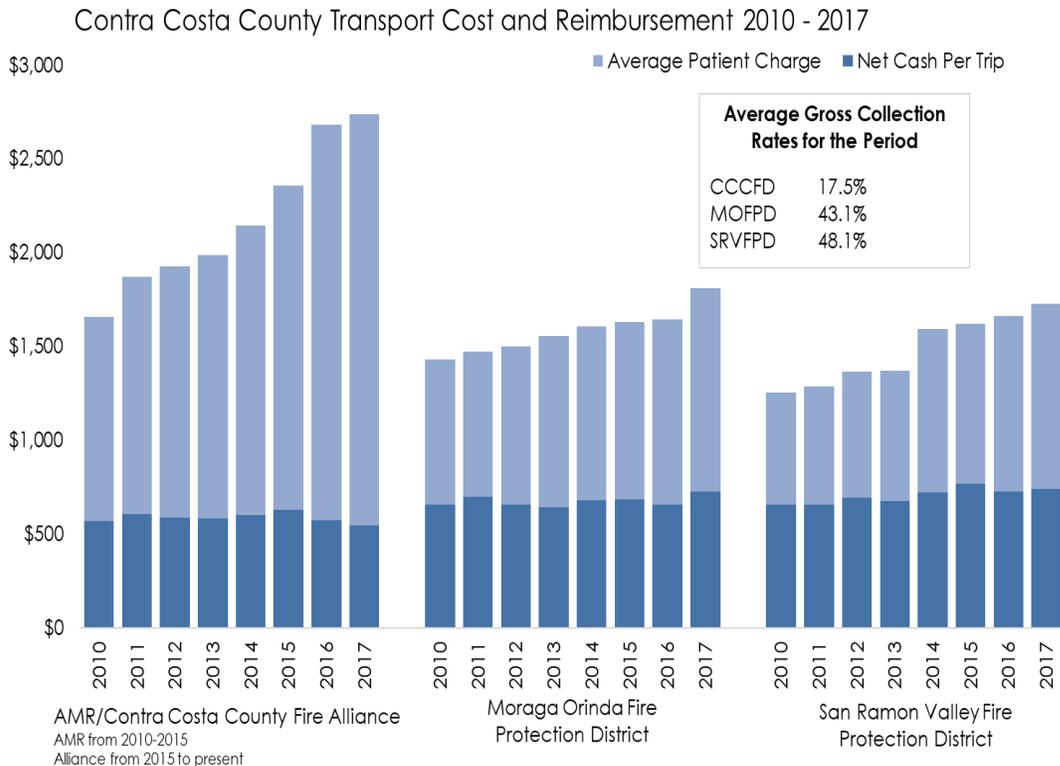
## Contra Costa County Ambulance Response Zones



Source: Contra Costa EMS  
January 2016

## Why do emergency ambulance providers charge so much?

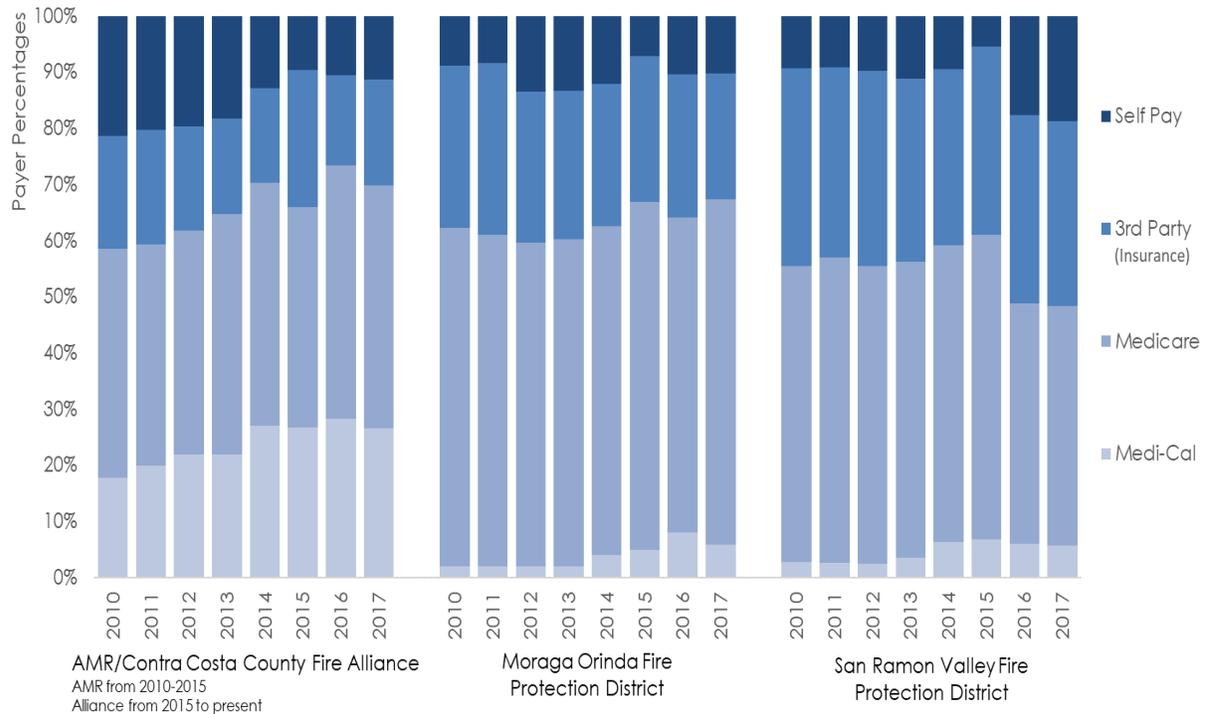
Emergency ambulance services rely primarily on insurance reimbursement to support and sustain operations within the community. Over the years insurance reimbursement associated with EMS ambulance transport has shifted to serve a large number of residents who have Medicare and Medi-Cal as their only health care coverage. The elderly, working poor, children and the medically vulnerable are the primary recipients of these federal and state insurance plans. Insurance reimbursement for emergent medical transport services covers a fraction of the actual cost of providing the service. In response to these reduced payments, EMS providers institute increased rates for ambulance transportation services as a method of cost recovery. This trend is not unique to Contra Costa and affects ambulance services throughout California and the United States. The illustration below captures the changes over time in Contra Costa County.



Ambulance service rates increase in response to numerous factors, including increases in the cost of equipment, technology, medications, personnel and cost of living in addition to poor insurance reimbursement. Emergency Medical Services is also a highly regulated industry subject to unfunded state and federal mandates that drive cost for services.

Government payers such as Medi-Cal and Medicare reimburse only a fraction of the charges. They reimburse at “capitated rates” that stipulates the provider accept the capitated reimbursement as “payment in full” or requires the individual to assume a portion of the remaining cost (e.g. copay).

## Contra Costa County Ambulance Reimbursement Sources 2010 - 2017



Private third party payers (e.g. Kaiser, AETNA, Blue Cross and other HMO and PPO payers) typically reimburse at a “usual and customary” rate after the patient meets their insurance deductible for the year. If the patient is covered by a “high deductible insurance plan” and the individual requires ambulance service before meeting their high out of pocket deductible, the individual may receive a bill for the full charge of ambulance service. This can result in a bill for several thousand dollars which can take many individuals by surprise.

Ambulance insurance reimbursement is complex and coverage varies greatly so it is not unusual for an individual who is billed for ambulance services to not fully understand what their insurance covers and what it does not.

However all ambulance providers in Contra Costa County are required to have billing appeals processes for individuals who may not be able to pay their emergency ambulance bill. To learn more about how to appeal an ambulance bill visit <http://cchealth.org/ems/ambulance-rates.php> for more information on Ambulance Rates and free Medicare Appeals Assistance.

**Summary:** The Contra Costa County EMS Agency monitors insurance and reimbursement issues affecting the ambulance industry in its role as the local authority regulating emergency and non-emergency care and transport services throughout the County. Emergency Ambulance rates are set and approved by the governing bodies of the participating fire districts in accordance with written agreements approved by the Contra Costa Board of Supervisors.

Changes in federal or state insurance reimbursement programs such as Medicare and Medi-Cal have a profound effect on the fiscal sustainability of EMS ambulance service delivery in communities. Current reductions in insurance reimbursement from government payers are anticipated increasing costs to the consumer.