



PLACER HILLS - NEWCASTLE FIRE PROTECTION DISTRICTS



STAFF REPORT

Date: March 5, 2021
To: Board of Directors, Newcastle Fire District
From: Ian Gow, Fire Chief
Subject: First Responder Fees

EXECUTIVE SUMMARY

The Fire District currently provides expanded scope emergency medical technician service. We should continue this practice.

Imposing a First Responder Fee to pay for this advanced service may cause public relations issues that are not offset by the modest monies returned. At any rate, staff feels we can mitigate the public relations issues and that any income will help our department. Staff recommends moving ahead with this plan.

DISCUSSION

1. Fire Districts in California are funded with the expectation that they will provide fire suppression and basic medical care. Advanced medical care is not covered by property taxes or other usual fire department funding.
2. Under California Health & Safety Code §13916, a first responder fee may be applied for medical care that is above the basic level.
 - a. The department cannot profit from the fee. It is for cost recovery only.
 - b. A nexus study should be done by a third party. This study will calculate the actual cost of providing the service and the fee per call to pay for it.
3. Newcastle Fire District has been providing expanded scope EMT services to the community since 2018. This level of care provides some medications as well as advanced airway techniques.
4. Newcastle Fire District is also considering providing paramedic services. This is a much higher level of care.

DETAILS

1. We need an accurate cost of providing our advanced levels of service. (Expanded scope EMT and paramedic). Capitol Public Finance who prepared our Fire Facility Fee Study can do this nexus study for us at a cost of \$15,000. They can also help with the implementation such as creating the ordinance. This work would be an additional \$195 per hour.

2. We must hire a third party to handle the billing. Wittman Billing Services can provide this at \$15 per call.
3. The billing information will be sent to Wittman electronically by AMR. They are the County's Ambulance Company. There will be no cost added for this service.
4. We cannot bill Medicare or Medi-Cal. That leaves private insurance or no insurance as our funding sources.

432 calls in 2020 based on \$226 per call		Call/plan	
100 - MEDICARE	29.9%	129	N/A
101 - MEDICARE HMO	9.3%	40	N/A
107 - CONTRACTED GOVT MCR HMO	19.4%	84	N/A
200 - MEDICAID	3.7%	16	N/A
201 - MEDICAID HMO	9.6%	42	N/A
207 - CONTRACTED GOVT MCD HMO	1.2%	5	N/A
300 - NON-CONT INS & HMO	12.4%	53	12,068.74
400 - PRIVATE PAY	8.2%	35	7,959.30
500 - FACILITY/INSTITUTION CONTRACT	3.9%	17	3,840.48
700 - CONTRACTED INS & HMO	1.8%	8	1,782.63
900 - VETERANS ADMINISTRATION	0.5%	2	481.62
Wittman Billing Company charge	\$15/call	116	1,734.48
Total collections based on 100%			24,398.30

Note: Some sources suggest that collections could be as low as 30%.

POTENTIAL ISSUES

1. The Board should seek legal, union and public buy in.
2. We currently use *Fire Recovery USA* for billing for several incident types involving vehicles (vehicles accidents, brake fires and vehicle related HAZ-MAT). We must be careful not to double bill and will need to ensure that billing is targeted for the services rendered.
3. Billing has been a serious issue, with poor public relations, for other departments. The Billing Company will send bills to the payee, either the Insurance Company or the self-pay individuals. Additionally, if a person is insured, they will get a note saying their insurance has been billed. If bills are not paid in approximately 90 to 120 days, the account will go to collections.
4. The District should work with the billing company to pre-approve any correspondence sent to our clients.

5. The District could consider some form of “compassionate billing”. We could consider modifications such as only billing private pay once and not sending our constituents to collections. The Board could also allow the Chief as his/her discretion to waive any fees due to hardship.
6. The Board should make a significant effort to avoid PR issues. We should have multiple public meetings to address this issue. We could consider a mailer with a FAQ section.

STEPS

1. Board approval and staff, local and legal input.
2. Begin Nexus study.
3. Coordinate with billing company.
4. Coordinate with AMR.
5. Begin program.