




CITY AND BOROUGH OF SITKA

A COAST GUARD CITY

MEMORANDUM

To: Mayor Eisenbeisz and Assembly Members

Thru: John Leach, Municipal Administrator 

From: Craig Warren, Fire Chief

Date: September 1, 2022

Subject: Update Sitka General Code Chapter 9.16 "Ambulance Service"

Background

The current Sitka General Code (code) was established in 1973 and states that the Sitka Fire Department (SFD) of the City and Borough of Sitka (CBS) ambulance service only exists until a private ambulance service can provide emergency medical response in Sitka. This code predates the creation of Emergency Medical Services (EMS) in the State of Alaska and is now obsolete due to the state certification processes for EMS. The SFD EMS division currently provides ambulance services to Sitka residents. This code change will also allow the SFD to bill to the current allowable rates which are set by the Centers for Medicare/Medicaid Services (CMS) without having to go back to the Assembly on an annual basis.

Analysis

There may come a time when a private ambulance service is established and provides service in Sitka, and this ordinance will allow for that. What this ordinance is designed to accomplish is to ensure consistent emergent response and stabilization of medical patients, by the SFD EMS division, for our residents, regardless of the organization that will provide transport.

This ordinance will also allow us to bill to the rate that Medicare deems as fair for the service provided.

Fiscal Note

There are no new costs to CBS associated with this ordinance. There will be a small increase in the billable rates for ambulance services, but the increased billing will be

deemed allowable as CMS sets the rates and most other insurance companies will follow that rate. Find enclosed the current rates used and billed by CBS compared to the allowable rates set by CMS. If CBS were to charge at the CMS allowable rates, CBS would have a total revenue increase of \$53,266.74.

Recommendation

I recommend passing this ordinance to ensure timely and professional emergency response for healthcare needs in Sitka.

Encl: Enclosure 1 – Rate outline compiled by Rob Janik, EMS Captain

Chief,

Continuing with our discussion on EMS billing rates, it was my understanding, based on correspondence between me and the finance department from January 2009, that the CBS assembly had approved matching our rate to the CMS allowable rate (including applicable super rural premium) which is revised annually by Congress. It was also my understanding that our billing contractor would annually adjust our charges according to this schedule. Listed below are our current charges which seem to match the 2009 CMS super rural allowables, the 2022 CMS super rural allowables, the difference between the two and a hypothetical where FY2022 was billed at 2022 CMS allowable. Please let me know if more information is needed.

Rob

CBS Current rates	HCPCS	Rate
MILEAGE	A0425	\$10.41
Advanced Life Support	A0426	\$370.31
Advanced Life Support Emergent	A0427	\$586.32
Basic Life Support	A0428	\$308.58
Basic Life Support Emergent	A0429	\$493.75
Advanced Life Support 2	A0433	\$848.62

FY22 Billed	HCPCS	Number	Charges
MILEAGE	A0425	2818	\$29,332.26
Advanced Life Support	A0426	4	\$1,481.24
Advanced Life Support Emergent	A0427	275	\$161,238.00
Basic Life Support	A0428	320	\$98,745.60
Basic Life Support Emergent	A0429	660	\$325,875.00
Advanced Life Support 2	A0433	1	\$848.62
Total Overall Charges		4078	\$617,520.72

2022 Medicare Allowable Rates	HCPCS	RURAL BASE RATE / LOWEST QUARTILE
RURAL GROUND MILES 1-17	A0425	\$12.15
Advanced Life Support, non-emergency, Level 1	A0426	\$400.75
Advanced Life Support, emergency, Level 1	A0427	\$634.53
Basic Life Support, Non-emergency	A0428	\$333.96
Basic Life Support, emergency	A0429	\$534.34
Advanced Life Support, Level 2	A0433	\$918.41

If FY2022 billed at 2022 CMS allowable	HCPCS	Charges	% Change
MILEAGE	A0425	\$34,238.70	17%
Advanced Life Support	A0426	\$1,603.00	8%
Advanced Life Support Emergent	A0427	\$174,495.75	8%
Basic Life Support	A0428	\$106,867.20	8%
Basic Life Support Emergent	A0429	\$352,664.40	8%
Advanced Life Support 2	A0433	\$918.41	8%
Total Overall Charges		\$670,787.46	9%