

ORDINANCE NO.

FILE OF CITY COUNCIL

BILL NO. 53 - 2019

AUGUST 21, 2019

AN ORDINANCE

Amending Part Three, Business Regulation and Taxation Code, Title Nine – Fees, Article 391, City Billing for Emergency Medical Services by updating Section 391.04, Sub-Section D and E to better clarify when a patient is responsible for the ambulance ride bill.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF ALLENTOWN:

SECTION ONE: That City Council authorizes the following changes to the City Billing for Emergency Medical Services Policy:

ARTICLE 391 – CITY BILLING FOR EMERGENCY MEDICAL SERVICES

SECTION 391.04 – POLICY

D. The City shall make reasonable collection efforts, in some cases according to the most current rules or regulations set forth by the Centers for Medicare and Medicaid Services. The City may bill any applicable co-insurance ~~carriers, co-pays or deductibles~~ for such amounts not ~~covered~~ paid by primary insurances, as applicable by law. Exceptions include only those instances where the City has made a determination that the cost of billing and collecting such co-payments or deductibles exceeds or is disproportionate to the amounts collected.

E. City residents shall not be held responsible for any balance due for medically necessary transport that is not ~~covered~~ paid by an insurance carrier with the exception of the deductible as long as said resident complies within 30 days of the date of the encounter with any and all requests for insurance information or verification of insurance (or lack thereof) from the EMS billing department. If the resident does not respond to the requests within the time frame above, the resident shall be responsible for the amount owed. City residents are responsible for any balance due that is not covered paid by an insurance carrier for transport deemed not medically necessary by EMS staff beginning with the resident's third use of this service. Exception to these provisions are when City Ambulances are not available due to resource depletion based on heavy call volume and where mutual aid ambulances are substituted to provide EMS services within the City of Allentown. In those cases, City residents may have additional charges above and beyond those covered by insurance based on the billing practices of the mutual aid ambulance service. (14843 § 1 12/1/10)

SECTION TWO: That this Ordinance will take effect ten (10) days after final passage.

SECTION THREE: That all Ordinances inconsistent with the above provisions are repealed to the extent of their inconsistency.

- **What Department or bureau is Bill originating from? Where did the initiative for the bill originate?**

EMS / The bills originated from a situation with a patient who brought the confusing language to light.

- **Summary and Facts of the Bill**

Ordinance 391.04, Sections D and E have some confusing language that can be reworded to apply more consistent application of EMS billing practices. This bill seeks to address those issues.

- **Purpose – Please include the following in your explanation:**
 - **What does the Bill do – what are the specific goals/tasks the bill seek to accomplish**
 - **What are the Benefits of doing this/Down-side of doing this**
 - **How does this Bill related to the City’s Vision/Mission/Priorities**

The bill will change the word "covered" to "paid" in section E. Covered has a different meaning in insurance terminology and can be confusing in this application. I believe the intent of this provision can be better captured by changing “covered” to “paid.” As currently worded, an insurance company can “cover” part of the cost and say the patient is responsible for the balance (Highmark and other non-participating insurance). In all other applications for calls that do meet medical necessity, the patient is not responsible for the bill. Changing this language would allow a more consistent application of the rule and not punish those with Highmark unfairly. In section D, we would change applicable co-insurance co-insurance, copays or deductibles for such amounts not paid.

- **Financial Impact – Please include the following in your explanation:**
 - **Cost (Initial and ongoing)**
 - **Benefits (initial and ongoing)**

We predict a very minor financial impact since the existing wording is only confusing for a small subset of residents. Many of the residents are already not responsible for the balance or the entire bill (if uninsured) when the call meets medical necessity.

- **Funding Sources – Please include the following in your explanation:**
 - **If transferring funds, please make sure bill gives specific accounts; if appropriating funds from a grant list the agency awarding the grant.**

Not applicable

- **Priority status/Deadlines, if any**

As soon as practicable to prevent future instances for our residents.

- **Why should Council unanimously support this bill?**

While we are interested in maximizing revenue generation, our primary goal is to provide an essential public service to our residents in their time of need. The ordinance is written to remove a financial burden from these residents, and these changes will help close any "loopholes" that exist due to verbiage.