

Ambulance Charity and Account Write Off Policy

Scope:

Applies to all accounts receivable with balances greater than \$30.00. Applies to all personnel responsible for performing, supervising or monitoring billing for ambulance transports including, but not limited to:

Administration
Compliance Officer

Emergency Department
Business Office

Purpose:

The timely disposition of uncollectible accounts that are not assigned to the contracted collection agency.

Policy:

The City of Owosso recognizes the needs of individuals in the community who require medical service but do not have the ability/means to pay for their services. Patient eligibility for financial assistance is determined through a formalized application process. Standardized criteria is used based on total gross family income/assets, and the amount of discount will be based on a graduated discount scale of gross family income at or below 200% of the Federal Poverty Income Levels. After reasonable efforts to obtain payment have been made within the business office accounts with a balance of \$30.00 or less shall be written off according to this policy.

Federal Poverty Guidelines:

Each year, at the end of February or the beginning of March, the government establishes the Poverty income guidelines for the year. These guidelines are published in the Federal Register. The City of Owosso will review these guidelines to determine the family income level on which to base the write off policy.

Procedure:

All patients may be eligible for assistance

All third party resources must be exhausted prior to patient receiving write off.
Patient must be a citizen of the United States or permanent resident alien.

The application must be completed by the patient/guarantor

Use income from all sources for individual(s) who are responsible for the accounts that are outstanding. Gross income for a minimum of 3 months prior to the date of application is required.

Financial affidavits are to be used only when adequate proof of income is not obtainable.

Business office staff will use the following guidelines for patients who call or walk in after receiving a statement or a call from the billing department.

The employee will take an interview detailing the financial status.

The employee will document the information obtained in the billing system notes.

The employee will assist the patient to fill out the application.

If the patient is unable to come in the employee will mail an application. The patient will be informed they must return the completed application and all required proof/verification within a set timeframe in a self-addressed return envelope to the employee's attention.

If the patient/guarantor fails to return the application within the set timeframe, the application will be denied. This will be documented in the billing system notes.

If the application is returned, the employee will review it to ensure that it is complete and ready to process.

After approval, the accounting staff will list the approved account on the appropriate adjustment form.

The accounting staff will notify the patient/guarantor of approval or denial by sending the appropriate letter to notify them that the review of their application is complete.

Calculating Income:

Charity write off covers families with gross incomes up to 200% of the federal poverty guidelines.

To qualify, gross income for a minimum of 3 months, and up to 12 months prior to the application date must be at or below the guidelines.

The application date is used when calculating income in order to address the family's current income situation. This allows additional support to families with changes in income that could prevent them from paying current or previous bills with the City of Owosso. For example, a family had been able to make monthly payments on accounts now has a reduction in income and is unable to continue the payment plan.

All income currently received must be counted. Cash assets must be disclosed by the patient **ONLY IF THEY ARE MORE THAN \$2,500.00.**

If "cash assets" exceeds \$2,500.00 (i.e. bank account balances such as checking and savings accounts, cash on hand, bonds, etc.) it MAY be requested that the patient apply any cash assets **OVER \$2,500.00** to their outstanding account balance(s) before they will be eligible for a discount.

The patient's primary residence and family vehicles are not considered in the application process.

Assets that are intended to provide future retirement income (i.e. 401K/IRA, stocks in Mutual Funds, bond, etc.) for which the patient is not taking current income do not count as income. However, any income that is actually received from these sources is counted.

Eligible Accounts That are Pending Insurance Payment:

If insurance has been billed on an account, which qualifies for write off, the adjustment will not be taken until after the insurance has made a determination on the account (i.e. paid or denied the claim). If the claim is rejected by insurance, the billing department staff will reverse any contractual allowances taken upon billing. The patient accounting department will follow these accounts and maintain a file of these applications to be sure insurance determination is expedited. If determination is not obtained by the billing department within a reasonable amount of time, a manager will be consulted for resolution. If any contractual allowances taken upon billing still need reversed when the account is written off, the patient accounting department will reverse them before adjustment.

Eligible Accounts Pending Medicaid Eligibility:

Account that qualifies for write off but are pending Medicaid eligibility will be processed for adjustment while waiting for a decision. If Medicaid eligibility is later obtained, the adjustment will be reversed.

Medicaid Accounts:

Patients eligible for Medicaid on the date of service are exempt from personal financial responsibility for ambulance transport, and from collection activity. Medicaid eligibility confirms that the income/asset level of Medicaid recipient is below the State of Michigan recognized poverty levels on the date of service. Uncollectable balances can be written off with the approval of the director using the appropriate credit code.

Bankruptcy:

When legal documentation from the contracted credit bureau confirm that bankruptcy is in process and that no collection potential exists, the account is written off using the appropriate credit code.

Treatment Without Transport Ambulance Charges:

Occasionally a patient is treated without transporting. The treatment fee is charged and written off using the appropriate credit code. NOTE: The only exception is the treatment without transport ambulance runs in which the QL modifier applies. In this instance, the fee is billed to the appropriate payor.

Medical Examiner Transports:

Upon the request of the Medical Examiner, a deceased person is sometime transported. These accounts may be written off as a courtesy using the appropriate credit code.

Deceased Persons:

Any unpaid account in which the person bearing financial responsibility is no longer alive, the balance may be written off without the approval of the director if the balance is less than \$30.00. Accounts with a balance of greater than \$30.00 is subject to credit bureau collection activities.

Jail Inmates:

An account balance resultant from transport of a prisoner while in the care of the jail due to incarceration may be written off as a courtesy using the appropriate credit code.

Contracted Accounts:

Any agreed upon payment with an HMO will be received as payment in full. Any charges in excess of the contracted reimbursement may be written off using the appropriate credit code.

Adopted by the Owosso City Council on October 1, 2001.

Rate Schedule

Basic Life Support (BLS)	\$375.00 plus \$10.00 a loaded-mile-minimum one mile
Non-Emergency Transfers	\$375.00 plus \$10.00 a loaded-mile-minimum one mile
Advanced Life Support 1 (ALS1)	\$475.00 plus \$10.00 a loaded-mile-minimum one mile
Advanced Life Support 2 (ALS2)	\$550.00 plus \$10.00 a loaded-mile-minimum one mile
Specialty Care Transport (SCTs)	\$600.00 plus \$10.00 a loaded-mile-minimum one mile
Use of Oxygen	\$40.00

- Resident not responsible for Co-Pay
- Non-Resident required to pay Co-Pay

Levels of Care Defined

Basic Life Support Definition: Level of service provided by an EMT-Basic and is based on state and local protocols. There was some confusion in the Proposed Rule about including IV therapy in the basic life support payment. The Final Rule makes it clear that IVs are included in the BLS base rate ONLY in those areas where EMTs may start IVs under state or local law.

ALS1 Definition: An ALS1 level of service is defined as including an ALS assessment OR the provision of at least one ALS intervention. An ALS assessment is performed by an ALS crew and results in the determination that the patient's condition requires an ALS level of care, even if no other ALS intervention is performed. ALS assessments will be recognized only in emergency situations.

If both a BLS and ALS unit respond to a call and an ALS Assessment is performed by the ALS service and it is determined that no further ALS intervention is required, the BLS unit may transport patient to hospital with no ALS staff on board. THE BLS unit can charge at the ALS level of service even though no ALS staff was on board during transport. (Of course, ALS and BLS service may have contractual agreement in place whereby the parties agree to payment of these services; consult qualified legal counsel for more information. ALS Assessment is only done in Emergency Situations and the transporting unit is the entity who files the Medicare claim.

ALS2 Definition: An ALS2 level of service has been clarified to mean the administration of at least three medications OR the provisions of at least one of the following procedures: **manual defib/cardioversion; endotracheal intubation; central venous line; cardiac pacing; chest decompression; surgical airway; intraosseous line.** Dextrose, normal saline and Ringer's lactate are NOT medications for the purposes of the "three medication" rule, and neither are oxygen or aspirin. Also, medications must be administered by intravenous push/bolus or by continuous infusion to satisfy the "three medication" rule. In addition, Medicare will now permit three administrations of the same qualifying medication to satisfy the "three medication" rule.

Specialty Care Transports (SCTs): An ambulance service will be eligible for payment at the SCT rate if it performs a transport of a patient requiring care by "health professionals in an appropriate specialty area" (like nursing, emergency medicine, respiratory care) or a "paramedic with additional training." There is no prescribed certification, curriculum, course or number of hours established to determine what constitutes a "paramedic with additional training" for purposes of being paid at the SCT level. However, the final rule states that this is determined with reference to state or local authority that governs EMS personnel in that jurisdiction.

Adopted by the Owosso City Council on December 5, 2005.

AMBULANCE SERVICE RATES

Service	Resident Fee	Non-Resident Fee
Call terminates within City Limits		
Base fee:		
Basic Life Support	\$325.00	\$325.00
Advance Life Support	\$475.00	\$475.00
Emergency Transfer outside City Limits		
Base fee:		
Basic Life Support	\$325.00	\$325.00
Advance Life Support	\$475.00	\$475.00
Loaded Mile	\$7.00	\$7.00
Waiting Time/Hour (after first ½ hour)	\$50.00	\$50.00
Non-Emergency Transfer	\$350.00	\$350.00
(Loaded mile and wait time the same as emergency transfers)		

Resident not responsible for Co-Pay		
Non-Resident Required to Pay Co-Pay		

Adopted by the Owosso City Council on October 1, 2001.