



LEGISLATIVE
RESEARCH &
GENERAL COUNSEL

Insurance Coverage for Ambulance Supplies

Office of Legislative Research and General
Council

August 21, 2024

▶ Billing Overview

▶ Base Rate

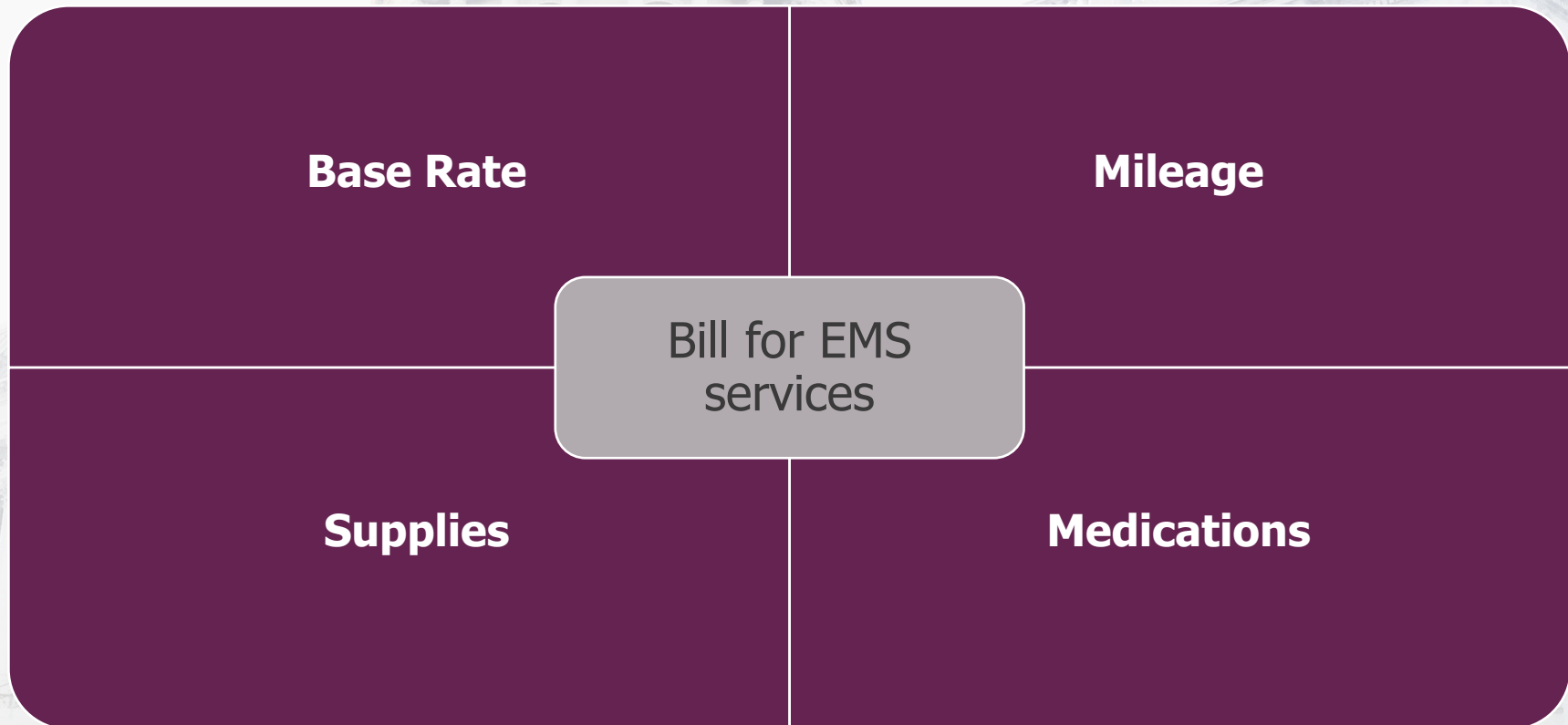
▶ Supplies

▶ Background

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How are emergency services billed?

A bill for Emergency Medical Services (EMS) transport is comprised of charges across four categories



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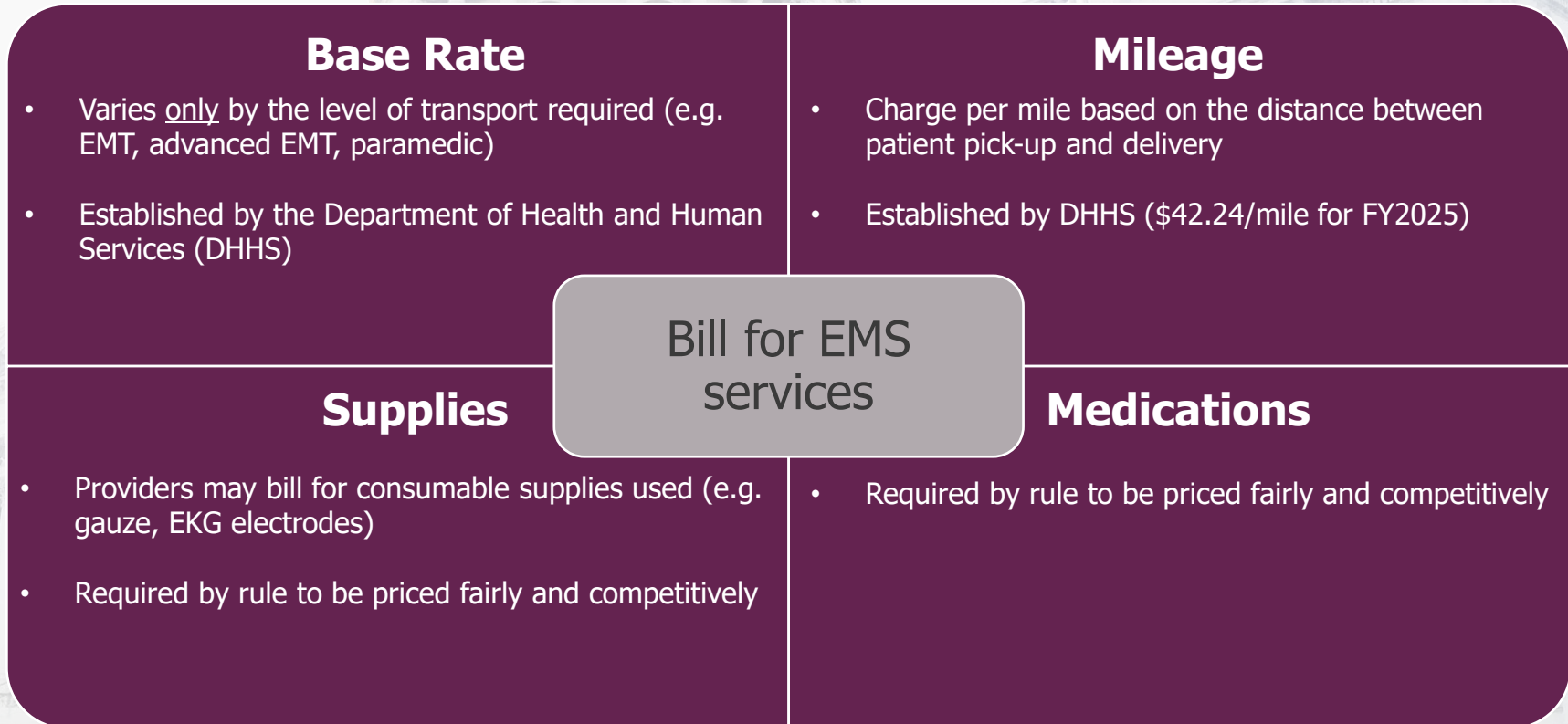
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Focus of today's discussion

How are emergency services billed?

A bill for Emergency Medical Services (EMS) transport is comprised of charges across four categories

Base Rate

- Varies only by the level of transport required (e.g. EMT, advanced EMT, paramedic)
- Established by the Department of Health and Human Services (DHHS)

Mileage

- Charge per mile based on the distance between patient pick-up and delivery
- Established by DHHS (\$42.24/mile for FY2025)

Bill for EMS services

Supplies

- Providers may bill for consumable supplies used (e.g. gauze, EKG electrodes)
- Required by rule to be priced fairly and competitively

Medications

- Required by rule to be priced fairly and competitively

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Base Rate for EMS Services

- [U.C.A. § 53-2d-503\(1\)](#) grants the Department of Public Safety (DPS) the authority to establish maximum rates for ground ambulance and paramedic providers
- Base rates for FY2025 ([Rule R911-8-200\(6\)](#)):
 - EMT - \$1,176.11
 - Advanced EMT - \$1,552.68
 - Paramedic - \$2,270.22
- DPS adjusts rates annually based on financial reports from providers



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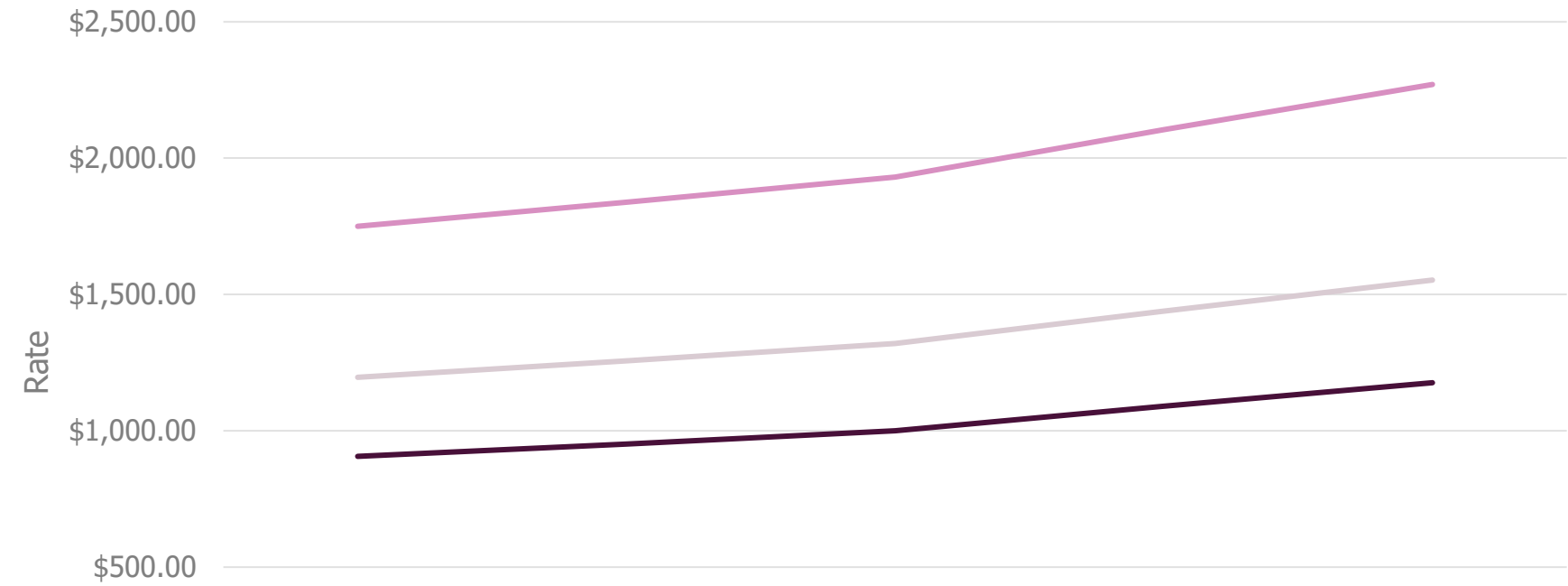
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Base Rate for EMS Services



	FY2021	FY2022	FY2023	FY2024	FY2025
EMT	\$906.00	\$951.00	\$1,000.00	\$1,090.00	\$1,176.11
Adv. EMT	\$1,196.00	\$1,256.00	\$1,320.00	\$1,439.00	\$1,552.68
Paramedic	\$1,750.00	\$1,838.00	\$1,930.00	\$2,104.00	\$2,270.22

6.7% average year-over-year increase



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Consumable Supplies

- DPS Rule ([R911-8-200\(12\)](#)) permits providers to charge for supplies provided supplies are, “priced fairly and competitively with a similar product in the local area”
- Providers’ cost of supplies varies widely across the state
 - Large, private providers and urban departments benefit from economies of scale resulting in lower cost of supplies compared to rural counterparts

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Cost Certainty vs. Reimbursement Certainty

Cost Certainty

- Insurers have reliable estimates beforehand of the average cost of a transport
- Base rate charges: **High cost certainty**
 - Charges have little variance across patients
- Supplies charges: **Lower cost certainty**
 - Costs vary widely depending on supplies used and provider's actual cost of supplies

Reimbursement Certainty

- Providers have a guarantee from insurers that charges will be covered at a high percentage
- Base rate charges: **High reimbursement certainty**
 - Charges have very high reimbursement rates across insurers
- Supplies charges: **Lower reimbursement certainty**
 - Reimbursement for supplies can vary by insurer, patient, and billing code used

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Private Payers vs. Medicare/Medicaid

Private Payers

- Base rate and charge structure governed by DHHS
- Supplies billed separately from base rate

Medicare/Medicaid

- Rates and charge structure governed by Centers for Medicare & Medicaid Services (CMS)
- Estimated supply costs incorporated into the base rate

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2023 Interim Discussion

- In the Business and Labor Committee's [August 2023](#) meeting, the committee heard from parties related to a stipulation from an insurer that supplies would no longer be reimbursed
- EMS providers would be required to agree to the stipulation for their services to remain in-network



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2023 Interim Discussion

- After hearing from providers, insurers, and representatives from both DPS and the Insurance Department, the committee advised parties on two next steps:
 1. Insurers would agree to delay the deadline for providers to agree to new contract terms
 2. All parties would cooperate on an appropriate, non-legislative solution



