

NEW YORK CITY FIRE DEPARTMENT

NOTICE OF PROPOSED RATEMAKING

Notice of Opportunity To Comment on Proposed Schedule of Charges for Fire Department Ambulance Service

NOTICE IS HEREBY GIVEN PURSUANT TO THE AUTHORITY VESTED in the Fire Commissioner of the City of New York pursuant to Section 487(f) of the New York City Charter, the New York City Fire Department intends to increase its charges for Fire Department Emergency Medical Service (EMS) ambulance service. New material is underlined and material to be deleted is [bracketed].

A public hearing will be held on Wednesday, August 2, 2006, at 10:30 a.m., in the Auditorium at Fire Department Headquarters at 9 MetroTech Center, Brooklyn, New York 11201-3857. Written comments regarding this ratemaking may be submitted to the Counsel to the Department, at Fire Department Headquarters, by the above date.

Persons who request that a sign language interpreter or other form of reasonable accommodation for a disability be provided at the hearing are requested to notify the Counsel to the Department at the foregoing address by Wednesday, July 19, 2006.

The Notice of Proposed Ratemaking, Proposed Schedule of Charges for Fire Department Ambulance Service, and Justification for Proposed Ratemaking, will be available on the Fire Department Internet Home Page at:

www.nyc.gov/fdny

The Fire Department proposes to amend its schedule of charges for ambulance service provided by the Fire Department’s Emergency Medical Service through the New York City 911 System, as set forth in Appendix A to Title 3 of the Rules of the City of New York (following Chapter 43 thereof), as follows:

Schedule of Charges for Fire Department Ambulance Service
 (effective [November 24, 2002] (new effective date))

Type of Service	Charge
Basic Life Support Ambulance	\$[420.00] <u>475.00</u>
[Advanced Life Support Ambulance	\$ 535.00]
<u>Advanced Life Support Ambulance</u> <u>Service – Level 1 (ALS1)</u>	\$ <u>600.00</u>
<u>Advanced Life Support Ambulance</u> <u>Service – Level 2 (ALS2)</u>	\$ <u>700.00</u>
Additional Charges:	
– Mileage (distance traveled to hospital)	\$[6.00] <u>7.00/mile</u>
– Provision of Oxygen (as applicable)	\$ 50.00

JUSTIFICATION FOR PROPOSED RATEMAKING:

The Fire Department is proposing to increase the amounts it charges patients and insurers for Emergency Medical Service (EMS) ambulance transport service provided through the New York City 911 System, to reflect increased costs and help defray the City’s cost of providing these services.

The charges for ambulance transport service were last increased in November 2002. The rates adopted at that time and currently in effect are \$420 for an ambulance response (including treatment and transport) by a Basic Life Support (BLS) ambulance staffed by two Fire Department Emergency Medical Technicians; \$535 for an ambulance response (including treatment and transport) by an Advanced Life Support (ALS) ambulance staffed by two Fire Department Paramedics; \$6.00/per mile for hospital transports; and \$50.00 for provision of oxygen.

The Department proposes to increase the rates to continue to bring them more in line with the cost of providing these services. The proposed schedule of charges continues the existing single rate for BLS service, but proposes separate rates for the two levels of ALS service established by the Centers for Medicare and Medicaid Services of the United States Department of Health and Human Services for Medicare reimbursement, which have become the nationally-accepted standards for ambulance service levels.

ALS1 service comprises all regular ALS ambulance treatment and transport. The ALS2 level of service is limited to treatment and transport requiring certain advanced care, as set forth in Medicare regulations, including manual defibrillation, endotracheal intubation, the insertion of a central venous line, and the intravenous administration of certain medications, such as morphine, diazepam, lidocaine and lasix.

The proposed schedule of charges reflects a 13% increase above the current BLS rate. With respect to the proposed ALS rates, more than 90% of ALS transports involve the provision of ALS1 care, and accordingly the estimated average bill for all ALS transports (ALS1 and ALS2 combined) under the proposed ALS rates would be \$605, also an increase of 13% above the current ALS rate.

The proposed 13% increase in BLS and ALS rates is necessitated by increased costs. The most significant cost increases during the relevant time period were the collective bargaining increases for the Fire Department EMS personnel who staff the ambulances, and the very substantial capital investment made by the Fire Department in new communications equipment. The balance of the proposed increase is accounted for by a general increase in non-personnel costs, based on the cost of living index.

This substantial capital investment was made for the purchase, installation and operation, in all Fire Department ambulances, of automatic vehicle locator (AVL) equipment, which utilizes global positioning satellite technology. By providing exact locations for each of the Fire Department's ambulances as they move around the city, this technology will enable the Fire Department's Computer Aided Dispatch system and Fire Department dispatchers to identify more precisely the ambulances best situated to respond to a call for medical assistance, thereby reducing ambulance response time.

The current and proposed charges set forth above are the amounts that the Fire Department would bill for EMS ambulance service. The charges do not necessarily reflect the amounts accepted by the Fire Department as payment for such services from government and private health insurance plans.

The increase in mileage charges is consistent with the mileage rate approved by the Centers for Medicare and Medicaid Services.

Neither the current nor proposed rates apply to emergency medical care provided by Fire Department firefighters as certified first responders. The Fire Department does not charge for such services.