

NEW YORK CITY FIRE DEPARTMENT

NOTICE OF 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.

A public hearing on the ratemaking proposal will be held on October 17, 2002, at 10 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 October 2, 2002.

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

www.nyc.gov/fdny

The Fire Department proposes to amend its charges for ambulance service provided by the Fire Department’s Emergency Medical Service through the New York City 911 System, and to adopt a new schedule of charges, as follows:

Schedule of Charges for Fire Department Ambulance Service

<u>Type of Service</u>	<u>Charge</u>
Basic Life Support Ambulance	\$ 420.00
Advanced Life Support Ambulance	\$ 535.00
Additional Charges:	
– Mileage (distance traveled to hospital)	\$ 6.00/mile
– Provision of Oxygen (as applicable)	\$ 50.00

JUSTIFICATION:

The Fire Department is proposing to simplify and increase the amounts it charges patients for Emergency Medical Service (EMS) ambulance service provided through the New York City 911 System to reflect increased costs, help defray the City’s cost of providing such service, and eliminate time-of-day rate differentials.

The Department currently charges \$330 for an ambulance response (including treatment and transport) by a Basic Life Support (BLS) ambulance staffed by two Fire Department Emergency Medical Technicians during daytime hours (9 a.m. to 4:59 p.m.), and \$350 during nighttime hours (5 p.m. to 8:59 a.m.). The estimated average bill for a BLS ambulance response is \$341.60, excluding mileage and oxygen charges.

The Department currently charges \$415 for an ambulance response (including treatment and transport) by an Advanced Life Support (ALS) ambulance staffed by two Fire Department Paramedics during daytime hours, and \$450 during nighttime hours. The estimated average bill for an ALS ambulance response is \$435.30, excluding mileage and oxygen charges.

The Department currently charges \$6.00/per mile in mileage charges and \$50.00 for provision of oxygen.

The charges for ambulance service (other than for mileage) were last increased more than eight years ago, in February 1994, when EMS ambulance service was operated by the New York City Health and Hospitals Corporation.

The present severe budget deficit necessitates an increase in ambulance rates to help defray the Fire Department's cost of providing ambulance service, which in Fiscal Year 2002 amounted to more than \$150 million.

The Department proposes to adopt a new schedule of charges that would increase ambulance rates twenty-three percent (23%) to reflect higher costs since the last rate change in 1994. Personnel expense, the largest single component of ambulance operating cost (exceeding 80% of total cost), rose 23.86% between 1994 and 2001 on a compounded basis, as measured by the collective bargaining wage increases received by EMS personnel during this period. Non-personnel expense rose 21.4% during the same period on a compounded basis, as measured by the Consumer Price Index for the Urban New York-New Jersey area. Together, the cost of providing ambulance service rose more than 23%. There was no concomitant increase in the charges for ambulance service during this period.

The Department also proposes to restructure its schedule of charges by discontinuing the current time-of-day rate differential for ambulance services. Pursuant to the proposed schedule of charges for Fire Department ambulance service, the Department would bill all ambulance patients at a uniform rate, regardless of the time of day that an individual has the misfortune to fall ill. This change would also simplify the billing of ambulance charges and otherwise promote administrative efficiency.

Accordingly, the proposed schedule of charges provides for a single BLS ambulance rate and a single ALS ambulance rate based upon the estimated average bill for a BLS and an ALS ambulance response, respectively, plus a 23% rate increase and mileage and oxygen charges.

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

Neither the current nor the proposed rates would apply to emergency medical care provided by Fire Department firefighters as Certified First Responders. The Fire Department does not charge for such services.