

From: Rich Etheridge <Rich.Etheridge@juneau.org>
Sent: Friday, April 07, 2017 9:52 AM
To: Michelle Sparck
Subject: RE: got the EMTS hearing on April 13

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In Juneau, I write the fire department budget. It gets submitted to the City Manager's Office, they modify it and then submit it to the Assembly for final approval.

We have to set out rates for EMS calls and each department does that a little differently. Most departments set their rates at approximately what the insurance companies will pay for. Our billing company sends a patient's insurance company a bill for (hypothetically) \$1,000.00. The insurance company pays (hypothetically) \$800.00 and the remainder gets billed to the patient to pay.

Medicare & Medicaid by law receive the same \$1,000.00 bill and only pay \$450.00 of it. By law, the remainder cannot be billed back to the patient and the department absorbs that as lost revenue or bad debt. As the number of people eligible for Medicaid increase, the amount of money written off also increases.

There are additional expenses to provide EMS that cannot be passed on to the patients or the cost to the patient would become un reasonable. Things like ambulance maintenance, a percent of the facility maintenance dedicated to EMS, additional responders such as paid firefighters or volunteers, medical equipment replacement. All of these costs are currently funded by tax dollars.

This bill allows us to enter into negotiations with the feds to identify what costs they are willing to reimburse departments for.

Hopefully this helps

Rich

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Readiness, Dedication, Service

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