

Emergency Medical Services (EMS) Cost Recovery Frequently Asked Questions

General Questions:

Q: What is EMS Cost Recovery?

A: Cost Recovery is the process of obtaining financial reimbursement for the cost of providing medically necessary ambulance transportation. Medicaid, Medicare and most other private insurance policies (health, auto and/or homeowners) already allow for reimbursement for this service. The method has been implemented successfully by more than 40 localities in Virginia to recover necessary funds to support the growing needs of EMS services.

Q: Why is Rappahannock County engaging in EMS Cost Recovery?

A: Emergency medical calls are a large portion of the overall emergency service calls in the County. As the need for emergency medical service continues to grow, the County, like many local governments, is seeking ways to fund these services without relying solely on real estate property taxes. EMS Cost Recovery permits localities to recoup system costs from those individuals who benefit directly from EMS delivery, including many non-County residents, with the vast majority of the costs collected from Medicare, Medicaid and insurance companies.

Q: How will this program affect me?

A: The program will not change the way emergency service is provided. No one will ever be denied emergency service because of the EMS Cost Recovery Program. If you have private insurance or are covered by Medicaid or Medicare, it will probably affect you very little because most policies have built-in provisions for emergency service. If the patient calls 911 but is not transported, there is no charge.

Q: Are all rescue squads in Rappahannock County going to bill for service?

A: The County will bill for the six volunteer rescue squads in the County through a contractor to be selected.

Q: How much money will be recovered?

A: Rappahannock County estimates that about \$250,000-350,000 could be recovered annually once the program is up and fully running. These funds will be used to support and strengthen the County's volunteer system.

Q: What other localities in this area have Cost Recovery programs?

A: More than 45 cities, counties, and towns in Virginia currently bill for emergency ambulance transport to recover expenses. Each one of our surrounding counties bill for service. Nationally, that percentage approaches 85%. Many other localities in Virginia are currently considering this type of Cost Recovery.

How the Billing Works:

Q: How will the billing work?

Rappahannock County will contract with a private firm specializing in this service to handle its EMS Billing. Once at the hospital, the patient will provide the necessary information and a claim form will be forwarded to their insurance provider, Medicare, or Medicaid. Patients, themselves, will not be billed until all insurance options are exhausted.

Q: Will insurance generally pay the entire bill?

A: Depending on your provider, most insurance companies pay 80% of the charges for service. The County will waive any co-pay or deductible that insured County residents may be liable for through their health plans.

Q: If EMS comes to my house but I don't need transport, will I receive a bill?

A: No. The fees are only if you are transported.

Ability to Pay:

Q: What if I don't have insurance and am unable to pay or have insurance but am unable to pay any balances due?

A: If you can't pay, you won't have to pay. All patients will be treated and transported regardless of the ability to pay. Rappahannock's EMS Cost Recovery Program includes compassionate billing provisions. If you cannot pay, a hardship waiver form will be made available to you.

Q: If I have an outstanding balance on my insurance, will I be refused ambulance service?

A: All patients will be treated and transported. This program will not change the ambulance service provided to anyone in Rappahannock County, regardless of insurance coverage or any other factor. Rappahannock County will not deny service to those with delinquent accounts. Billing does not occur until after service has taken place. Emergency responders who respond to your call will have no knowledge of who has paid and who has not paid.

Insurance Information:

Q: Will my health insurance premiums increase as a result of this billing?

A: Unfortunately, health insurance premiums continue to rise regardless of whether or not a community decides to bill for EMS transports. Such factors as prescription drug coverage and litigation have resulted in escalating health insurance premium costs. However, ambulance transport costs represent less than 1% of health care expenditures. Many other local governments in Virginia have implemented a Cost Recovery Program, and they have reported no evidence that EMS billing increases health insurance premiums.

Effects on the Volunteers:

Q: How does this new program help the volunteers?

A: New funding made available through Cost Recovery will be used to offset the rising costs associated with supporting our rescue squads and other EMS service providers, helping them to continue providing the best possible service to the County's citizens.

Q: What support does Rappahannock County provide to the volunteers?

A: The County provides funding for many of the basic operating costs as well as some capital funding for equipment and vehicles, training and volunteer incentives. Currently, this funding is provided entirely by tax dollars.

Q: Will the volunteer rescue squads still need our donations?

A: Yes. The cost of providing EMS services continues to rise and our volunteer EMS agencies will still need the public's support.

Q: Will billing impact the donations and fund drives for volunteer EMS agencies?

A: Most agencies and billing companies alike who have researched this issue have found that billing for services has little or no impact on annual fund drive and donation collections.

Key Facts About Cost Recovery:

- ◆ No one will ever be denied treatment or transport based on their ability to pay.
- ◆ Most insurance policies, including Medicare and Medicaid, already allow for reimbursement for this service.
- ◆ A compassionate billing policy is in place for those with financial hardship.
- ◆ Over 80% of the people in Virginia, and 85% of residents nationwide, live in a community that has cost recovery in place.