

Response to Questions on the FY 2010 County's Line of Business & Schools Program Review Processes Fall 2008

Request By: Chairman Connolly / Supervisor McKay

Question: Can fees be charged to insurance companies for Police medevac transport?

Response: State Code Section 32.1-111.14, **Powers of Governing Bodies of Counties, Cities and Towns**, allows the Police Department "to make reasonable charges for use of emergency medical services vehicles, including charging insurers for ambulance services as authorized by § [38.2-3407.9](#)." Under State Code Section 32.1-111.1, **Definitions**, the helicopters qualify as emergency medical service (EMS) vehicles. Therefore, the Police Department has the legal authority to charge for medevac transport.

It should be noted that there are a number of implementation issues that will need to be resolved should this plan be pursued. Primarily, a new billing process would need to be established that may require additional staff. Due to the low volume of medevac transports, 250 in Calendar Year 2007, compared to the number of EMS transports conducted by the Fire and Rescue Department, as well as the higher burden of justification of medical necessity for each transport, it may be difficult to find contractors willing to perform this function at a competitive rate. If implemented, staff would recommend implementing a compassionate billing structure with a process for including hardship waivers and patient advocacy, similar to what is currently in place for the Fire Department's Emergency Medical Services (EMS) transport billing. Another alternative would be to contract with the current EMS transport billing vendor to provide the medevac billing services. Due to the uncertainty of the ultimate contractor overhead, additional staff costs, and collection rate, it is difficult to accurately ascertain the net revenue medevac transport would generate. Initial conversations with the Fire and Rescue Department and current EMS billing contractor suggest that the overhead rate would be higher and the collection rate is likely to be lower for medevac than is currently realized for EMS transport, due to the lower volume of transports and higher justification of medical necessity compared to EMS. Based on the average cost of a medevac flight of \$1200 and assuming contractor overhead costs and moderate recovery rates, estimated revenue associated with a fee for medevac is \$150,000.

The Police Department has expressed other concerns related to conflict of mission this could create for the helicopter division. Pilots have always had discretion on whether to fly in potentially dangerous weather conditions. Some evidence suggests that medevac units in the region that currently perform billing have been more willing to fly in deteriorating weather conditions, which greatly increases risks to the safety of staff and patients. Currently, Police missions take precedent over medical missions as alternatives do exist in EMS transport and Inova medevac. While the Police Department will work to clarify the purpose and priorities of this unit if medevac billing moves forward, the billing process could potentially introduce a layer of confusion.

If this something the Board of Supervisors wishes to pursue, the Police Department will work with the Board to further research this issue, determine an appropriate process, develop the necessary organizational structure, and a arrive at a mutually agreeable charge.