

Department of Legislative Services
Maryland General Assembly
2012 Session

FISCAL AND POLICY NOTE

Senate Bill 623
Finance

(Senator Shank, *et al.*)

Washington County - Volunteer Fire and Rescue Companies - Reimbursement of
Costs

This bill authorizes the Washington County Commissioners to establish, by resolution or ordinance, a system of fees under which a volunteer fire department, rescue squad, or ambulance company in the county may charge for services rendered at an emergency fire or rescue incident to obtain reimbursement for the costs of providing the services. A resolution or ordinance adopted under this bill may provide for the reimbursement of reasonable costs for equipment, personnel, or consumable products used by a volunteer fire department, rescue squad, or ambulance company at an emergency fire or rescue incident. Such a resolution or ordinance must authorize the imposition of a fee only on a responsible party other than the person to whom assistance or medical care was provided at the incident.

Fiscal Summary

State Effect: None.

Local Effect: None. Any resolution or ordinance adopted by Washington County under the bill would not directly affect county operations or finances. However, the ability for volunteer fire and rescue companies in Washington County to receive fees for reimbursement of costs may reduce the potential need for additional support from the county government.

Small Business Effect: Minimal.

Analysis

Current Law: The Washington County Commissioners do not currently have the authority granted under the bill.

Background: While volunteer fire departments, rescue squads, or ambulance companies in the county currently send statements of services for some calls for service, there is no legal basis by which to collect amounts charged. In addition, many emergency calls handled by volunteer services involve vehicles along Interstate 68, 70, and 81 and do not involve county residents.

In the last several years, across the nation many fire departments and EMS providers have begun charging fees to offset service costs. Payment of these charges is provided for in Medicare, Medicaid, and most private insurance plans. In 2010, the Department of Legislative Services completed a phone survey of counties and fire stations that charge ambulance transport fees. Typically, charges vary based on the level of service provided, and can be as low as \$350 (for basic life support transport) or as high as \$600 (advanced life support). In addition to a base rate, mileage may also be charged from the point that the patient is picked up to the hospital. Other fees are sometimes charged, although it is not common in most Maryland jurisdictions. These include fees charged for assessments when the patient is not taken to the hospital and additional fees for services received in the ambulance, such as bandaging and receiving oxygen.

Ambulance transport fees enable fire departments to recover a portion of their costs. Medicare, Medicaid, and most private insurance companies already cover the cost of ambulance transports under current plans and premiums, so insurance rates would not rise as a result. In addition, since the majority of Maryland jurisdictions (19 of 24 local jurisdictions) already charge ambulance transport fees, insurance companies that do business in Maryland are already accustomed to them. Although federal requirements say that all patients must be billed for any amount not covered by insurance, most jurisdictions have developed financial hardship waivers to address amounts not covered by insurance or for those who lack insurance.

Local Fiscal Effect: Any resolution or ordinance adopted by the Washington County Commissioners under the bill would not directly affect county operations or finances. However, the ability for volunteer fire and rescue companies in Washington County to receive fees for reimbursement of costs may reduce the potential need for additional support from the county government. In fiscal 2010, the Washington County budget included \$3.4 million in general funds for fire and rescue volunteer services. In fiscal 2012, this amount had increased to \$5.5 million. In addition, the fiscal 2012 county budget included \$958,950 for fire and rescue operations.

Additional Information

Prior Introductions: None.

Cross File: Although identified as a cross file, HB 562 (Washington County Delegation) is not identical.

Information Source(s): Washington County, Maryland Institute for Emergency Medical Services Systems, Department of Legislative Services

Fiscal Note History: First Reader - February 14, 2012
mlm/hlb

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