

Department of Vermont Health Access

Ambulance Provider Tax and Rates of Reimbursement Considerations
March 17, 2016

Tax Assumptions

- University of Vermont Medical Center (UVMC) hospital owned ambulance service considered within the ambulance provider tax
- Only organizations registered with the Vermont Secretary of State can be assessed a tax
- Some dollar values are extrapolated due to incomplete revenue data
- Taxes must be broad based and not result in hold harmless reimbursement
- Large administrative burden (would need 2 FTEs) for a small amount of money

Reimbursement Assumptions

- Rates can only be increased where Medicaid is the primary payer
- Increases must be applied uniformly, regardless of location
- Increases applied to the following (both emergency and non-emergency):
 - Mileage
 - Advanced Life Support (ALS)
 - Basic Life Support (BLS)
- Increases not applied to:
 - Air Ambulance Services
 - Supplies

Demonstration of Funding Impacts

State	Estimated Net Patient Revenue	Estimated 3.3% Assessment Amount	Increase in Medicaid Rates to 80% of Medicare	Avg. % Increase in Medicaid Reimbursement (After Provider Tax)
VT	\$ 32,502,934	\$ 1,072,597	\$ 2,033,543	31%
NH	\$ -	\$ -	\$ 164,585	67%
MA	\$ -	\$ -	\$ 38,314	49%
NY	\$ -	\$ -	\$ 28,038	47%
Other States	\$ -	\$ -	\$ 2,426	38%
	\$ 32,502,934	\$ 1,072,597	\$ 2,266,906	41%

Medicaid Rates as % of Medicare exempt crossovers (as they pay at Medicare rates) and excluded categories.

Some ambulance companies do not bill Medicaid, so they are disproportionately impacted by the tax.

Percents above are on average. Impacts on individual providers vary.