

Funding for emergency operations

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Funding for Emergency Operations Jenalyn L. Brock EMC/330 March 19, 2013

Robert E. Wynne Funding for Emergency Operations Government funding for emergency medical services (EMS) operations and training comes from many different resources. Government also oversees contract options for funding Medicaid, Medicare, insurance, and private providers. The Taylor Ambulance Company in the University of Phoenix scenario has its own contract with the City of Kelsey. This contract should meet some general contract principles. Emergency managers need to understand the effect that legislation has on funding and operations.

Government Options for Funding EMS operations and training receive funding from the public and fee-for-service reimbursement (Brennan, 2006, p. 93). How an EMS organization is configured determines how the EMS services are funded. Traditionally, private EMS providers rely on fee-for-service funding, while public service providers rely on public funding. According to Brennan (2006), both providers are billing for services and private EMS companies are more and more dependent on public funding. In 1966, the National Highway Safety Act created a grant program that provided funding for equipment and personnel.

In order to receive money for grants, EMS organizations have to write grant proposals to the government. In the grant proposals, managers have to explain exactly how the funds will be used, who will benefit from the funds, and prove that they will not abuse the funds (FEMA, 2012). Local organizations also see revenue from funding alternatives such as taxes, user fees, fines, forfeitures, citations, enterprise funds, utility rates, sales of organizational assets, benefit assessments, and borrowing revenue (FEMA,

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2012). These funding alternatives are acquired through government processes.

In 1973, Congress passed the Emergency Medical Systems Act that provided further guidance and funding for EMS systems (Brennan, 2006, p. 94). Private EMS organizations like American Medical Response and Rural/Metro Corporation are mostly supported by user fees, unless they are patients covered by Medicare or Medicaid. Each of these government funding choices has its own implications and comes with restraints, as in restricting the way the money is used. Contract Options for Funding EMS organizations also have their contract options for funding.

According to the Centers for Medicare and Medicaid Services (2013), they developed a fee schedule for ambulance services, in order to contain costs. This schedule is written into a contract. Many patients that are transported by ambulance are Medicare beneficiaries. The government will only reimburse the companies for services rendered during transport, unless contraindicated by the patient's medical condition. There are codes associated with treatment that either replace or supplement ICD-9 codes. The fee schedule also corresponds with BLS and ALS levels of care, rating treatment from routine to complex (Brennan, 2012).

Private insurance companies like Blue Cross Blue Shield include ambulance services for their patients when other transportation would otherwise harm the patient. Cities and hospitals create contract agreements with private ambulance companies for services. Taylor Ambulance Company Service Contracts Generally in contract writing, there are six basic contract elements (The Law Handbook, 2010). The first is that both parties must have the <https://assignbuster.com/funding-for-emergency-operations/>

capacity to enter a contract. There must be an offer and then acceptance. There needs to be intention to create legal relations. Considerations are made regarding as far as the value of what is being exchanged.

There is also consideration for what will happen if the other party fails to follow through with their portion of the contract. The considerations must not be illegal in nature, or the contract is not valid. The Taylor Ambulance Company has a General Services Agreement with the City of Kelsey. The two parties are capable of entering the contract. The contract clearly states that both parties agree that Taylor Ambulance Services will provide emergency transport for the city, through 911-dispatch. The contract also clearly states that Taylor Ambulance Company will provide appropriately trained personnel and its own equipment.

The contract also delineates how many ambulances will be running, staffed, and stocked during the contract. It also identifies Taylor Ambulance Company as the primary provider of emergency transport services for the City of Kelsey. The ambulances must be in good working order and staff must be trained according to all applicable laws. The contract states exactly how much Taylor Ambulance Company will be paid for each patient that it transports. The total of \$829. 40 will be the price. For the rest of the costs associated with the transport, like medical supplies, blankets, and other equipment, must be provided by Taylor Ambulance Company.

At the end of each month, Taylor Ambulance Company must total the ambulance transports. The City of Kelsey will send them an accounting report and Taylor Ambulance Company must approve the statement. If both parties still disagree, they will seek further counsel. These elements of the <https://assignbuster.com/funding-for-emergency-operations/>

contract cover the consideration elements of a contract. The contract has an exact start and stop time, and is signed by the Mayor of the City of Kelsey and the Owner of Taylor Ambulance Company. Effect of Legislation on Funding and Operations Federal and local legislation can have significant effects on funding and operations.

Depending on the type of organization, it could be dependent on Federal funding. Mercer (2013) reported that the South Dakota state Senate rejected an attempt to change financial agreements between insurance companies and ambulance services. A Senator wanted to allow ambulance services to be paid directly by insurance providers, as opposed to sending checks to patients. There are times when the ambulance companies were not receiving payments. The interruption in the payment cycle can have a direct effect on the company's funding and operations. On a Federal level, financial stability can have a great overall impact on ambulance companies.

Fortunately, in January 2013, President Obama signed the National Defense Authorization Act. It reauthorized the Fire and SAFER grant programs and called to reform the Public Safety Officers Benefits Program. The act also extends Medicare bonus payments for ambulance services. Ambulance companies will receive an extra two percent for urban transports, three percent for rural transports, and 22.6% for super-rural transports (Fire Chief, 2013). Conclusion Government funding for EMS operations and training comes from several different resources. Ambulance companies rely on both public and private funding.

Government also oversees contract options for Centers for Medicare and Medicaid Service providers like Medicaid and Medicare. Insurance companies

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and private providers also adhere to contracts. The Taylor Ambulance Company in the University of Phoenix scenario has its own contract with the City of Kelsey. This contract meets the general contract principles and clearly outlines the terms of the deal between Taylor Ambulance Company and the City of Kelsey. Emergency managers who understand legislation and how it effects funding will be able to anticipate changes and effectively manage their organizations. References Brennan, J.

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