

Staff Report**File #:** 16-046**Version:** 1**Date:** 6/6/2016**Item #:****TO:** Mayor and City Council**THROUGH:** Steve Powers, City Manager**FROM:** Mike Niblock, Fire Chief**SUBJECT:**

Setting fees and charges for all prehospital emergency and non-emergency medical treatment and ambulance transport services provided by Salem Fire Department.

Ward(s): All Wards

Councilor(s): All Councilors

Neighborhood(s): All Neighborhoods

ISSUE:

Shall the City Council adopt Resolution No. 2016-18, increasing fees and charges for prehospital emergency and non-emergency medical treatment and ambulance transport services provided by Salem Fire Department by 1.19 percent?

RECOMMENDATION:

Adopt Resolution No. 2016-18 increasing fees and charges for prehospital emergency and non-emergency medical treatment and ambulance transport services provided by Salem Fire Department by 1.19 percent.

SUMMARY AND BACKGROUND:

ORS 682.031 authorizes cities to regulate "ambulances and emergency medical services providers" provided that such regulation does not conflict with any of the following:

- Other state laws.
- Rules adopted by the Oregon Health Authority.
- The county plan for ambulance services and ambulance service areas.

Since 2005, the City has contracted with a private ambulance transport provider to meet most of the demand for prehospital emergency and non-emergency medical services within Salem. The City Council regulates the rates that may be changed. This regulation applies equally to the Fire

Department and any contractors such as Falck Northwest, the City's contracted ambulance provider.

The City Council set the rates that are currently in effect on June 8, 2015, by adopting Resolution No. 2015-23.

FACTS AND FINDINGS:

Like the rate increase proposed and adopted one year ago, this proposed rate increase is based on the April-to-April change in the CPI-W B/C for Medical Care. Staff recommends using this version of the Consumer Price Index for the following reason:

- It is directly related to medical services.
- It is directly related to cities of our size in our region.
- It is less volatile than other price indices that might have been chosen (especially those related to transportation).

Over the last ten years, the CPI-W West B/C for Medical Care has increased at an average rate of 3.25 percent per year. For the twelve months ended April 30, 2016, the increase was 1.19 percent.

The proposed increase will enable both the City and Falck Northwest to mitigate increasing financial pressure from factors such as fuel costs and the reimbursement policies of Medicare and Medicaid. At the same time, tying increases to a price index provides the public with increases that are reasonably stable and predictable.

Rachael Hostetler
Management Analyst II

Attachment:

1. Resolution 2016-18 with fee schedule
05/17/2016