

Insurance and Ambulance Bills – a tip from Point Pleasant Plumsteadville EMS

The bill you receive for ambulance service generally has 2 major insurance coverages: Medicare, and non-Medicare. Medicare patients have most of their bill covered at a rate set by CMS, the Centers for Medicare and Medicaid Services, a federal agency. CMS sets reimbursements at fixed rates depending on various factors such as rural vs. non-rural locations, type of care rendered, etc. Since they are the federal government, their rates are set at whatever they determine. So no matter what your bill is, Medicare will look at the services rendered, apply their rate schedule, and then pay the provider 80% of that rate. This leaves the patient with the remaining 20%. (There are “MediGap” insurance policies that cover this 20% that you can get if you so desire. Some Medicare Advantage plans may cover the 20% but not all. Check your plan ahead of time so there are no surprises).

Medicaid generally falls back to the states, so Pennsylvania would manage those payments. Their rates may differ but generally the ambulance service gets paid on their schedule regardless of any higher amount billed.

For those not on Medicare or Medicaid, the medical insurance the patient has covers some portion of the bill. Most people are familiar with the insurance industry definition of “in-network” and “out-of-Network”. The “in-network” providers are contracted by the insurance companies to agree to predetermined reimbursements similar to Medicare. These reimbursements are usually lower to in-network providers (that have various reasons for accepting those lower reimbursements). Most insurance companies pass some of these savings to the consumer in the form of programs offering \$0 copayments for various services, or some other form of cost savings.

Now here is where it gets tricky. It is not financially feasible for most ambulance services to sign up to be an “in-network” provider for an insurance company. Therefore, the services are all “out-of-network”, meaning that the ambulance service had not agreed to a reduced reimbursement schedule with any insurance company. However, it is not uncommon for some insurance companies to reimburse the provider at the “in-network” rate instead of the “out-of-network” rate. The result is the patient is left with the remaining portion of the bill being higher than they really should. Most people just accept the amount the insurance covers and they wind up paying the balance out of their own pockets.

In this situation, it falls to the patient to contact the insurance company and challenge the amount Insurance has covered. You need to specifically tell them that the ambulance service provider was ‘out-of-network’ and should be reimbursed at that rate rather than the “in-network” rate. This should result in the insurance company reimbursing the ambulance service a larger amount and leaving the patient with a significantly smaller bill.

Here's a hypothetical example:

Ambulance bill: \$1,500
In-network insurance: \$300
Patient responsibility: \$1,200

Ambulance bill: \$1,500
Out-of-network insurance: \$900
Patient responsibility: \$600

We have seen this first-hand in several cases. A patient gets what they believe is a large bill from us after insurance has handled it, as they call us. The first thing we ask is how much was the insurance reimbursement, and it usually is a few hundred dollars. We advise the caller to ask for their insurance to pay us the out-of-network rate. They investigate and, in most cases, change the ambulance reimbursement to what it should be. We've gotten feedback from those patients thanking us for the advice that significantly drops their out-of-pocket expense. One thing, this has to be done by the patient, not us, as it is the patient who has the contract with the insurance company.

Not all insurance companies try to do this, but it does happen. Our purpose here is to help you scrutinize your bill to ensure you are treated fairly. If you have any questions on the bill please call the billing company first, as they are contracted to handle your inquiries.

We thank you for your continued support!