

A D D I T I O N A L A G E N D A

for the Regular Meeting of Red Deer
City Council, **TUESDAY, SEPTEMBER 6, 1988,**
commencing at 4:30 p.m., in the
Council Chambers, City Hall, Red Deer

1) City Clerk - Re: Ambulance Rates

.. 1

NO. 1

DATE: September 1, 1988
TO: City Council
FROM: City Clerk
RE: AMBULANCE RATES

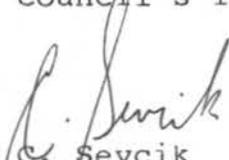
1.

At the Council meeting of August 22, 1988, the following resolution was passed as a result of various complaints from seniors:

"RESOLVED that Council of The City of Red Deer having considered various correspondence and petition regarding the City of Red Deer ambulance rate increase, hereby concur with the recommendations of the Ambulance Services Advisory Board as outlined in their report dated August 15, 1988, re: Ambulance Rate Increase and as presented to Council August 22, 1988;

Council further agrees to suspend extra charge billing to senior citizens over 65 years of age until this matter is reviewed with Alberta Blue Cross and the Minister of Hospitals & Medical Care."

Enclosed hereafter are further reports from the administration for Council's information and consideration.


C. Sevcik
City Clerk
CS/ds
Encl.

DATE: September 1, 1988
TO: CITY CLERK
FROM: DIRECTOR OF FINANCE
RE: INVOICING OF AMBULANCE SERVICE TO SENIORS

It is my understanding that subsequent to the last Council meeting Alberta Blue Cross has indicated they will not allow the City direct billing privileges unless the City reduces its ambulance rates for all Alberta Blue Cross subscribers to the Alberta Blue Cross approved rates.

It would now appear Council has basically the following alternatives:

1. Do not do anything. Continue billing at the City approved rates and have Seniors pay the ambulance invoices and obtain reimbursement from Alberta Blue Cross.
2. Reduce City rates for Blue Cross subscribers to the Blue Cross approved rates so direct billing by the City to Alberta Blue Cross can be allowed. (This alternative could also include reducing the rates charged all ambulance users).
3. Accept a 30 day postdated cheque for the full amount of the invoice and give the Seniors an invoice stamped "Paid in Full" to submit to Alberta Blue Cross for reimbursement up to the Blue Cross approved rate. At the time the Senior gave the postdated cheque the Senior would be advised of the amount Blue Cross would not reimburse. By postdating the cheque 30 days it would allow time for Blue Cross to reimburse the Senior so funds would be available to fund most of the cheque. In the event the cheque was not received from Blue Cross within 30 days, the Senior could contact the City and request an extension on cashing the cheque.

If Council does not agree to consider reducing the City ambulance rates, then I would recommend alternative (3) be approved. This recommendation has been discussed with the City Solicitor and he agrees it would be the most appropriate way to assist the Seniors.

If Council approves the recommendation, then the invoices for ambulance service subsequent to the last Council meeting that have not been sent out, and any future invoices, would be mailed with instructions on the procedure.



A. WILCOCK, B. COMM., C.A.
Director of Finance

AW/jrt

c.c. Accounts Receivable
Fire Chief

Date: August 31, 1988

TO: City Clerk

FROM: Fire Chief

Re: Alberta Blue Cross - Payment of Ambulance Fees by Assignment

On August 31st, I spoke to Mr. Graham Ferguson, Vice President, Alberta Blue Cross regarding assignment of ambulance billings to the City of Red Deer.

He informed me that Alberta Blue Cross dropped assignment of ambulance fees some two years ago as they considered it a form of direct billing.

As direct billing is offered to ambulance services who maintain the rates offered by Blue Cross, his Board of Directors do not wish to reinitiate assignments.

Forwarded for your information.



Robert Oscroft
Fire Chief

RO/cb

Commissioners' Comments

We would concur with the recommendation of the Director of Finance.

"R.J. MCGHEE"
Mayor

"M.C. DAY"
City Commissioner

DATE: August 25, 1988
TO: Fire Chief
FROM: Assistant City Clerk
RE: AMBULANCE RATES COMPLAINTS

At the Council meeting of August 22, 1988, consideration was given to various letters relative to the above topic and at which meeting the following resolution was passed.

"RESOLVED that Council of The City of Red Deer having considered various correspondence and petition regarding the City of Red Deer ambulance rate increase, hereby concur with the recommendations of the Ambulance Services Advisory Board as outlined in their report dated August 15, 1988, re: Ambulance Rate Increase and as presented to Council August 22, 1988;

Council further agrees to suspend extra charge billing to senior citizens over 65 years of age until this matter is reviewed with Alberta Blue Cross and the Minister of Hospitals & Medical Care."

As indicated in the above resolution, Council concurred with the recommendations of the Ambulance Services Advisory Board to maintain the existing Ambulance Fee Schedule and to pursue a form of assignment route to Blue Cross or limit direct billing to alleviate pressure on senior citizens. With regard to the second recommendation, however, Council did suspend billing the extra charge to senior citizens over 65 until the matter is reviewed with Alberta Blue Cross and the Minister of Hospitals and Medical Care.

I would request that you now be in contact with Alberta Blue Cross and the Minister of Hospitals and Medical Care to formally request that a form of assignment or direct billing from the City to Blue Cross be allowed and ask that a response be received in time for presentation to the September 6, 1988, Council meeting at which time this topic will again be discussed.

As preparations for the September 6, 1988, agenda will begin the week of August 29, I would ask for your report no later than August 30, 1988.

If you have any questions, please do not hesitate to contact me. Trusting you will find this satisfactory.


K. Kloss
Assistant City Clerk
KK/ds
c.c. Mayor
City Commissioner
Deputy Chief, Ambulance
Dir. of Finance

Office of the Mayor



August 18, 1988

Mr. Stockwell Day, M.L.A.
Red Deer North
507, 4808 Ross Street
RED DEER, Alberta
T4N 1X5

Mr. John Oldring, M.L.A.
Red Deer South
503, 4901 - 48 Street
RED DEER, Alberta
T4N 6M4

Dear Sirs:

RE: RED DEER AMBULANCE RATES

The Alberta Ambulance Operators Association (A.A.O.A.), of which The City of Red Deer is a member, recommends ambulance rates to be charged by its members each year. In May of 1988 the Minister of Hospitals and Medical Care directed a letter to municipalities requesting municipal councils across the province to defer making any decision on the new rates proposed by A.A.O.A. until the government had had an opportunity to fully assess the A.A.O.A. proposal.

Because the City had not heard anything further from the government regarding its review of the A.A.O.A. rate increases, and because the increases were necessary to offset cost increases, at the Council Meeting of July 11, 1988, City Council adopted the A.A.O.A. recommended rates. It should be noted that the Minister of Hospitals and Medical Care had known for a year that the new rates would be imposed and, in addition, various parties, including The City of Red Deer, have, over the years, lobbied the province for a review of the ambulance service, but without success.

....2

Mr. Stockwell Day, M.L.A.
Mr. John Oldring, M.L.A.
Page 2
August 18, 1988

On July 13, 1988, the Minister announced to municipalities that the government, in conjunction with Alberta Blue Cross, had established its own rates, and encouraged all municipalities to not exceed those rates. Subsequent to the Minister's announcement, Alberta Blue Cross advised the A.A.O.A. by letter of July 14, 1988, that municipalities which chose not to charge within the Provincial Government guidelines would be required to seek reimbursement directly from the subscriber.

At its meeting of July 25, 1988, Red Deer City Council reaffirmed its decision to adopt the A.A.O.A. rate increases, and requested that the Fire Chief advise Alberta Blue Cross, based on its letter of July 14 to A.A.O.A., that the City would be terminating its direct bill agreement with Alberta Blue Cross. Council agreed that if Alberta Blue Cross is not prepared to accept City bills, all future bills to patients include an explanation of the City's position.

At the July 25, 1988 Meeting of Council it was further agreed that the Mayor, through the offices of our M.L.A.s, attempt to arrange a meeting with the Minister of Hospitals and Medical Care to discuss this important issue.

In this regard we would appreciate your assistance in arranging such a meeting as soon as possible.

Thank you for your attention to this request.

For your information and perusal, we are attaching our correspondence on this issue.

Sincerely,



R. J. MCGHEE
Mayor

PMS/bd

Att.

cc: City Clerk



THE CITY OF RED DEER

P.O. BOX 5008, RED DEER, ALBERTA T4N 3T4

City Clerk's Department 342-8132

August 25, 1988

Ms. Doreen Middleton
114 - 52 Piper Drive
Pines Lodge
Red Deer, Alberta
T4P 1H8

Dear Madam:

RE: AMBULANCE RATE INCREASE/BLUE CROSS BILLING

At the Council meeting of August 22, 1988, consideration was given to your letter regarding the above topic and at which meeting Council passed the following resolution:

"RESOLVED that Council of The City of Red Deer having considered various correspondence and petition regarding the City of Red Deer ambulance rate increase, hereby concur with the recommendations of the Ambulance Services Advisory Board as outlined in their report dated August 15, 1988, re: Ambulance Rate Increase and as presented to Council August 22, 1988;

Council further agrees to suspend extra charge billing to senior citizens over 65 years of age until this matter is reviewed with Alberta Blue Cross and the Minister of Hospitals & Medical Care."

The decision of Council in this instance is submitted for your information. As indicated in the above resolution, the City will be now contacting the Alberta Blue Cross and the Minister of Hospitals and Medical Care to attempt to again implement direct billing for ambulance bills to Blue Cross. In the interim, the billing to seniors for the extra charge above the cost of blue cross rates will be suspended until the matter is again heard by Council at the September 6, 1988, Council meeting.

If you wish to be in attendance at the September 6, Council meeting, I would ask that you contact the undersigned in the morning of September 2, 1988, for an approximate time the matter will be heard by Council.

Page 2
Doreen Middleton
August 25, 1988

I would like to take this opportunity to thank you on behalf of Council for presenting your concerns. If you have any questions, please do not hesitate to contact the undersigned.

Trusting you will find this satisfactory.

Sincerely,



K. Kloss
Assistant City Clerk
KK/ds

c.c. Fire Chief
Deputy Chief, Ambulance
Dir. of Finance
Verne Reeves, Piper Creek Lodge Foundation



THE CITY OF RED DEER

P.O. BOX 5008, RED DEER, ALBERTA T4N 3T4

City Clerk's Department 342-8132

August 25, 1988

Ms. Ivy Reid-Rosenauer
Pines Lodge
#207, 52 Piper Drive
Red Deer, Alberta
T4P 1H8

Dear Madam:

RE: AMBULANCE RATE INCREASE/BLUE CROSS BILLING

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Page 2
Ivy Reid-Rosenauer
August 25, 1988

I would like to take this opportunity to thank you on behalf of Council for presenting your concerns. If you have any questions, please do not hesitate to contact the undersigned.

Trusting you will find this satisfactory.

Sincerely,



K. Kloss
Assistant City Clerk
KK/ds

c.c. Fire Chief
Deputy Chief, Ambulance
Dir. of Finance
Verne Reeves, Piper Creek Lodge Foundation



THE CITY OF RED DEER

P.O. BOX 5008, RED DEER, ALBERTA T4N 3T4

City Clerk's Department 342-8132

August 25, 1988

Ms. Molly Johnston
Residence Manager
Pines Lodge
52 Piper Drive
Red Deer, Alberta
T4P 1H8

Dear Madam:

RE: AMBULANCE RATE INCREASE/BLUE CROSS BILLING

At the Council meeting of August 22, 1988, consideration was given to your letter regarding the above topic and at which meeting Council passed the following resolution:

"RESOLVED that Council of The City of Red Deer having considered various correspondence and petition regarding the City of Red Deer ambulance rate increase, hereby concur with the recommendations of the Ambulance Services Advisory Board as outlined in their report dated August 15, 1988, re: Ambulance Rate Increase and as presented to Council August 22, 1988;

Council further agrees to suspend extra charge billing to senior citizens over 65 years of age until this matter is reviewed with Alberta Blue Cross and the Minister of Hospitals & Medical Care."

The decision of Council in this instance is submitted for your information. As indicated in the above resolution, the City will be now contacting the Alberta Blue Cross and the Minister of Hospitals and Medical Care to attempt to again implement direct billing for ambulance bills to Blue Cross. In the interim, the billing to seniors for the extra charge above the cost of blue cross rates will be suspended until the matter is again heard by Council at the September 6, 1988, Council meeting.

If you wish to be in attendance at the September 6, Council meeting, I would ask that you contact the undersigned in the morning of September 2, 1988, for an approximate time the matter will be heard by Council.

Page 2
Molly Johnston
August 25, 1988

I would like to take this opportunity to thank you on behalf of Council for presenting your concerns. If you have any questions, please do not hesitate to contact the undersigned.

Trusting you will find this satisfactory.

Sincerely,



K. Kloss
Assistant City Clerk

KK/ds

c.c. Fire Chief
Deputy Chief, Ambulance
Dir. of Finance
Verne Reeves, Piper Creek Lodge Foundation

Hand Delivered - 1.40 p.m.
Aug. 5/88 - BD.

114-52 Piper Drive,
Pines Lodge
Red Deer, Alberta
Aug. 4, 1988

150.

NO. 9

Mayor Bob McGhee,
City Hall,
Red Deer, Alberta

Dear Mr. McGhee: Re: Ambulance Rate Increase

On July 26/88 I had a very severe angina attack which I was unable to control. The ambulance was called to take me to hospital to get medical attention. At the time I thought I was covered by Alberta Blue Cross.

Since coming home from hospital I received a bill from the City of Red Deer billing me for \$190.36. Thinking this was a mistake I called the Accounts Receivable department only to be told, it was no mistake, that the City no longer had a contract with Blue Cross because they had rejected the proposal set forth by the Blue Cross as to what they would pay. It wasn't enough for the City or they wanted more.

On checking with Blue Cross office they informed me that most Cities and Towns in Alberta had accepted their proposal, but City of Red Deer was one of a few who didn't. This meant we had to pay for the ambulance service ourselves and then send in a claims form to Blue Cross for reimbursement. However we would not be fully reimbursed, we would only be given what the Blue Cross had offered in their proposal. I can tell you the people of Red Deer are really up in arms over this, to think that you and the counsellors would reject something this important to all the citizens of Red Deer. This puts many lives in jeopardy because a lot will not be able to afford to use the ambulance from now on with the situation as it stands at the present time.

Always before I received very good care from ambulance attendants, but now it seems they have asked for more money they are very lax in the care they give. They arrived at the Lodge at approximately 12:15 A.M. and it was 3/4 hr. later when they were driving out of the Pines Lodge yard heading for the hospital. The attendant was unable to get an I.V. started. He then stated that if he did get one going he had no medication with him he could give me for any relief as he hadn't been provided as yet with his packet of medication. After wasting all this time here they finally got me to hospital about one hour after their arrival at the Lodge. ~~Then~~ and only then was I able to get some medical attention. Does this kind of care deserve more money? In my books NO. Had it actually been a heart attack instead of a severe angina attack I could have died before they even attempted to take me to the hospital or give me the assistance I required.

I have heard you many times Mr. McGhee say the Senior Citizens of Red Deer made this City what it is today and that they deserve to be well respected and receive the best of care possible. Where was your thinking when you and council decided to reject the Blue Cross proposal and leave the Seniors and Citizens of Red Deer with the dirty deal they are getting now.

2.....

Some of you Whipper Snappers I knew when you were still wetting your diapers and I was working my fingers to the bone. You grew up and went to school with my daughter. Now you sit there so high and ~~high~~ mightymaking rash decisions as you are doing, not having a care or one ounce of compassion for the elders. I trust you will reopen this matter and it will be brought up at the next council meeting and the Good Lord will give you all the good sense and judgement to reverse your decision.

I hope we will see some good results on this matter very shortly. Remember we are not going to take this lying down and unless something is done soon you will be hearing from us sooner than you expect.

Yours very truly

(Mrs.) *Doreen Middleton*
(Mrs.) Doreen Middleton
114-52 Piner Drive
Pines Lodge
Red Deer, Alberta
T4P 1H8

c.c. Mr. Stockwell Day
MLA for Red Deer North

10:30 a.m.
Aug 5/88 152.
bd.

52 Piper Drive
Red Deer, Alberta
August 4, 1988

Mayor McGhee & City Councillors
4914 - 48 Avenue
Red Deer, Alberta

Dear Mayor McGhee and Councillors;

A recent issue of the Red Deer Advocate carried an article headlined "City Ambulance Rates Increased". As the manager of a senior citizens lodge, I have a few concerns I would like to share with you.

As you are no doubt aware lodges provide housing for seniors. We do not have nurses on staff because we are not nursing homes. We do, however, have several residents with heart conditions, chronic lung conditions, etc. We also run into situations where a resident may fall and there is the possibility of a fracture.

Our present procedure when dealing with an emergency situation is to call an ambulance and provide our residents with the best professional care possible. All of my staff have been instructed "When in doubt, call the ambulance". We don't pretend to be medical professionals when it comes to dealing with the health and safety of our residents. We don't waste time asking the resident whether or not he/she wishes to go to the hospital via ambulance or taxi. We respond to the situation in the most efficient and safest method possible.

Your recent decision has made it difficult for us to follow our standard procedure. We have always felt confident that we were providing the best possible care for our residents in emergency situations. We never had to concern ourselves or our residents regarding additional costs billed directly to them as a result of staff actions in dealing with the emergency.

I found it interesting when speaking with a representative of Alberta Blue Cross that only seven centres in Alberta chose not to go with the new fee schedule and direct billing to Alberta Blue Cross. Basic Old Age Pension is the same amount for seniors throughout Alberta. Is there some reason why the senior citizens of Red Deer should be treated any differently than the majority of other centres? Should their health and safety be jeopardized because ambulance operators want more money? One senior citizen commented if the Mayor thought so much of the senior citizens that he hosted the "Senior Party" every year for them, why didn't he take that money and put it to the ambulance costs? It would certainly be a more thrifty way of handling city coffers.

I am asking you and the city aldermen to review this situation and reconsider your decision. The senior citizen should not be directly billed for ambulance services. If you believe that the senior citizens of today are the back-bone of the country then show them some consideration and appreciation, particularly in the years when they need the security of knowing that help is only a phone call away.

Sincerely,
Molly K. Johnston
Molly K. Johnston
Residence Manager, Pines Lodge

c.c. Stockwell Day, M.L.A.
Marvin Moore, Minister of Hospitals
& Medical Care

My opinions regarding ambulance service are endorsed by the following;

Dr. J. Keith

Mrs Cecilia A Schweslitzky

Esther Hayward.

Gertrude 7173rd

John A. Smith

W. Demers

William J. Long

Dr. H. Skates 112

Anna Switzer

Est. Marler

Mary E. Rabidon

L. Isabel Coakley

W. W. Garrison

Adeline M. Taylor

Edith Kinniburgh

John Davis

Margaret Anderson

Ed. Martin

Wm. Hill

Wm. Hill

Hazel Brandt

Ed. Jones

Helen M. Carr.

Freda Neuman

Wm. Hill

Miss Sarah Eleanor Herder
Mrs. Hazel Truison

Mrs May Amada Suederus

William Maser

Elmer Orr

Harold M. Perry

Jennie Gibbons

Foy Reid - Rosenauer

Henry E. Nikkyt.

Herb Middleton

Maurice Middleton

Mary E. Mearns

Sadie Fairley

Edna Jones

Thays Shea

Sara Cyp

Miss Turner

Minnie Stoll

Clare Brunson

Ed H. Loney

Joy Fairbank

W. W. Warrick

Frieda Rice

Miss J. L. Lacy

Anna Lauter

Ed Cross

A. G. de Zeeuw

Paul Groves

G. Lawrence

Lajorie Smith

Bert. S. Lewis

Wm. Muller

J. Swinson

Carrie Trichson

Howard Duckering

T. Barnett

J. Payne Howell

Jane Tibbitts

Maurice Sumner

207 - 52 Piper Drive
Red Deer
Alberta T4P 1H8

Mayor Bob McGhee
City Hall, Red Deer
Alberta.

Dear Sir:

In regard to the new rule of paying for the Ambulance, which to we people of Lodge, it is outrageous.

I am very worried, being alone with no family. Were I to be in the hospital for a length of time, how would I pay the bill, or collect from the Blue Cross. I have no car.

We are all in a difficult position. We think it would be a more considerate thing to do, for the city council to accept the contract made by the Blue Cross.

We have worked hard in this city, and have been proud of it. The seniors deserve a little consideration. The working families, who strive to make ends meet, also.

I remain,

Yours Sincerely,

"Ivy Reid-Rosenauer."

The Ripw Creek Lodge

157.

We the undersigned request that your new
billing system for ambulance services be
discontinued.

Louise Sargent
Olive Russell
Angus MacDonald
Harriet Hansen
Margaret Davis
Abigail Hobbs
W Logan
Ruth Menegazzo
Don Jones
Kerry Ring (Karl)
William Washet
John Sargent
Eugenie Link
J. G. MacDonald
Laurene Salomon
Marianne Supt. Westman
Mrs. Margaret Varnon
Gayory Smith
Marian Earl
Minnie McPhee
Mary Leitch
Mary G. Russell
Amy Whitver
Carl King
B. Claster
J. King

THE CITY OF RED DEER
CLERK'S DEPARTMENT

RECEIVED	
TIME	10 AM
DATE	83/08/17
BY	KL

Mildred M^e Adam
Margaret Dostin
Ethel Hornseth
~~Anna M^e Kenzie~~
Frank Hudson

Delphia Schellermann
Beed LeDunn
Gertrude Ingman
Marie Grandell
E m Ruby.
I Burkinstad
G. Stanchfield
Alva Bussard
Caroline Foster
Blanche Leblond.

Jim M^e Rae
Bert & Rawns
Helen Hoberg
Grace Reeves.
Veba McCann.
Mae Morton.
~~Frank Stetson~~

D. Miller
Renee Hennings

DATE: AUGUST 5, 1988
 TO: CITY CLERK
 FROM: DIRECTOR OF FINANCE
 RE: AMBULANCE RATES - SENIOR CITIZENS

Until Council approved the new ambulance rates, the procedure was to submit the ambulance invoice for a senior citizen directly to Blue Cross for reimbursement. Blue Cross then paid the City for 100% of the invoice amount.

As a result of the new rates approved by Council, the procedure is for the City to invoice the patient. The patient then submits a claim to Blue Cross for reimbursement. Because the City ambulance rates are now higher than what Blue Cross will reimburse, a portion of the bill will not be reimbursed by Blue Cross to the patient.

The following table illustrates the difference between the rates Blue Cross will reimburse and the rates charged by the City:

<u>Service Description</u>	<u>City Rate</u>	<u>Blue Cross Rate</u>	<u>Difference</u>
B.L.S.			
- Base Rate	\$132.00	\$113.50	\$18.50
- Distance	\$2.04/Km	\$1.76/Km	.28
A.L.S.			
- Base Rate	\$172.00	\$147.50	\$24.50
- Distance	\$2.04/Km	\$1.76/Km	.28

As a result of the new City rates, an in town transfer (A.L.S.) would cost about \$192.40. The patient would pay this cost and be reimbursed for \$165.10 by Blue Cross.

The purpose in the new rates was to make the ambulance users responsible for more of the deficit for running the ambulance service. In 1988 the ambulance deficit was expected to be \$314,000. If the new rates had been in effect for a full year, the deficit would still be \$242,000.

It is interesting to note that Blue Cross is requiring patients to pay the invoice before they can receive reimbursement at the Blue Cross rate.

City Clerk
Page 2
August 5, 1988

An alternative that would be more reasonable and much easier for the patient would be for Blue Cross to allow an assignment of reimbursement to go directly to the City so the patient would only have to pay the difference. This policy appears to be purposely intended to make it unnecessarily difficult for the patient so more pressure is put on the City.



A. Wilcock, B. Comm., C.A.
Director of Finance

AW/mrk

c.c. Fire Chief

August 15, 1988

TO: CITY COUNCIL
FROM: AMBULANCE SERVICES ADVISORY BOARD
RE: AMBULANCE RATE INCREASE

At the August 10, 1988 meeting of the Ambulance Services Advisory Board consideration was given to correspondence from Alberta Blue Cross indicating that the City's contract with Blue Cross will be terminated if we did not maintain the rates set by them. Also receiving consideration were letters from the public voicing their concerns over the present situation of the user being directly billed. On consideration of the above, resolutions as noted hereunder were introduced and passed.

"THAT the Ambulance Services Advisory Board recommend to Council of the City of Red Deer maintaining of the existing fee schedule as approved by Council in order to maintain the present level of ambulance service."

"THAT the Ambulance Services Advisory Board request City Council to pursue a form of assignment route to Blue Cross or limit direct billing to alleviate pressure on senior citizens in this respect and as directed by the Board August 10, 1988."

The above resolutions are submitted to Council for their information and action. Trusting you will find this satisfactory.



R. GILLIES,
Chairman
Ambulance Services Advisory Board

PRESS RELEASE

The City of Red Deer has been forced by the Provincial Government and Alberta Blue Cross to bill their subscribers directly for ambulance service, which in the past had been billed to Alberta Blue Cross. Patients must now pay the bill themselves, and seek reimbursement from Alberta Blue Cross once they receive the payment receipt from the City. This includes senior citizens, who had previously been paid for by the Provincial Government through Alberta Blue Cross. ABC has indicated that they will not pay the full amount of these bills any longer.

BACKGROUND

Under the terms of the Municipal Government Act, and as a long standing policy of the Provincial Government, ambulance service is considered to be a Municipal responsibility. The City has objected to this position on the basis that ambulance service is an integral part of health care, and as such it should be a Provincial responsibility. Nevertheless, the City has operated an ambulance service through the Red Deer Fire Department since 1962, and added paramedics to the service in 1985.

The Act states in section 168(b) that a municipal council may "fix the fees that may be charged in respect of ambulance services." In previous years, these rates have been arrived at through discussion between the Alberta Ambulance Operators Association, of which the City is a member, and Alberta Blue Cross, and then approved by Council to be effective July 1st of each year. The Provincial Government paid for all ambulance service to senior citizens through Alberta Blue Cross.

Last year, in response to urgent pleas from the Province to hold down health care costs, no increase was applied to the rates charged for senior citizens under Blue Cross, and the increase to other Blue Cross claims was 5%. For all other government departments and agencies, as well as for individuals not covered by Alberta Blue Cross, the rates were set at \$172 for Advanced Life Support service and \$132 for Basic Life Support service, plus \$2.04 per kilometer. It was made clear that this consideration would be extended for one year only in a letter from Mr. Andrew Moffat, President of the Alberta Ambulance Operators Association, to the Honorable Marvin Moore, Minister of Hospitals & Medical Care. The letter states in part:

"In response to the strong personal plea of Mr. Beck (Mr. Moore's representative) that increases to Government sponsored programs or the levying of extra billing charges would be politically perilous to the Government as both would fly in the face of strongly expressed Government stands in the Health Care field, the Alberta Ambulance Operators Association agreed to withhold increases in both the 01 and 66 groups of Alberta Blue Cross for one year.

"This was done expressly as a supportive goodwill gesture to the Provincial Government and on a onetime basis only. Mr. Beck was unequivocally told that as of 1 July, 1988, these exceptions would end, thus giving the Government a full year within which to modify the political climate so that the subsequent increase would be politically bearable."

Mr. Moore, in his reply of October 20, 1987 stated again that "The government has always upheld the position that ambulance services are a municipal responsibility.", and that "Your Association's assistance in holding back on rate increases in the current budget year is appreciated."

On April 20, 1988 the Alberta Ambulance Operators Association announced following their convention in Jasper that there would be no increase to the previous year's rates, but that Alberta Blue Cross would now be expected to pay this rate effective July 1st, 1988, as per their understanding from the previous year. On July 11, 1988 Red Deer City Council passed a motion adopting these rates, to be effective July 12.

On May 24, 1988 Mr. Moore sent a letter asking all municipalities to delay consideration of a rate increase until he had had time to consider the AAOA proposal. We heard nothing further from Alberta Blue Cross or the Government until on July 13, 1988 Mr. Moore announced that the Province, in cooperation with Alberta Blue Cross had established their own rates of \$147.50 for ALS service, \$113.50 for BLS service and \$1.76 per kilometer. We then received a letter dated July 14 from ABC announcing the imposition of these rates and stating in part:

"This is an interim approach until implementation of the recommendations included in the (New Dimensions in Emergency Health Services: An Alberta Solution) ambulance report and all ambulance services are encouraged to support these rates. Your cooperation will go a long way in insuring acceptance of future funding arrangements arising out of the ambulance report."

"Those who choose not to charge within the maximum rates outlined in the schedule attached will be required to seek reimbursement directly from the subscriber, who in turn will be responsible for paying the account and then seeking reimbursement up to the allowable rate from Blue Cross."

It is interesting to note that in the five year period from January, 1983 to July, 1988 Alberta Blue Cross has increased its rates to its family subscribers from \$36.93 to \$68.94 (an 87% increase) for dental coverage; from \$9.96 to \$24.82 (a 149% increase) for medical coverage (including ambulance), while the AAOA has increased its rates from \$117.00 to \$172.00 for ALS coverage and from \$90.00 to \$132.00 for BLS coverage (a 47% increase in each case.)



ALBERTA AMBULANCE OPERATORS ASSOCIATION

18429 - 97A Avenue Edmonton, Alberta T5T 3L6
Telephone 484-1568

September 29, 1987

Honorable Marvin E. Moore
Minister of Hospitals & Medical Care
423 Legislature Building
Edmonton, Alberta
T5K 2B6

Dear Sir:

I wish to place on record the position of the Alberta Ambulance Operators Association as explicitly stated and acknowledged at our meeting on 29 June, 1987 with Alberta Blue Cross and your personal representative, Mr. George Beck, at which the 1987/88 Alberta Ambulance Operators Association recommended rates were established.

For many years the Ambulance Operators of Alberta have independently pursued a policy of holding-the-line on ambulance rates. Annual rate increases have been held to the Edmonton COLA and, occasionally to zero, even though the actual cost of operations have annually increased by as much as ten times the COLA. In short, the ambulance operators of this province were exercising a self-imposed fiscal restraint in Health Care when no others were! This has, regrettably, brought us to an economic state of doubtful operational viability.

This is virtually the only jurisdiction in North America in which the senior level of government does not accept ambulance operations as an integral part of the Health Care system and underwrite at least 50% of the operational cost. We cannot continue to survive under past circumstances where we are only subject to Health Care influence when politically convenient, but not when it is to the patient's benefit or in the interests of keeping ambulance operations viable.

The June meeting confirmed that henceforth it would be the Alberta Ambulance Operators Association policy to establish annual rates in keeping with the changing cost of operations. The operators are not preoccupied with a concern over profit or profit margins - but with meeting their cost of operations. The Provincial Government has gone to some pains over the past twelve years to point out that ambulance operations in Alberta are a part of "private enterprise" and not a government controlled or managed operation - and the Alberta Ambulance Operators Association has been clear in its strong opposition to any form of provincially run or managed service. The Government must accept a consistent position in allowing ambulance operations to exercise at least that degree of "private enterprise" freedom that permits adjustment of income to meet operating expenses.

Honorable Marvin E. Moore - September 29, 1987

Page 2.

In response to the strong personal plea of Mr. Beck, that increases to Government sponsored programs or the levying of extra billing charges would be politically perilous to the Government as both would fly in the face of strongly expressed Government stands in the Health Care field, the Alberta Ambulance Operators Association agreed to withhold increases in both the 01 and 66 groups of Alberta Blue Cross for one year.

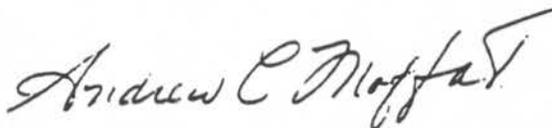
This was done expressly as a supportive goodwill gesture to the Provincial Government and on a one-time basis only. Mr. Beck was unequivocally told that as of 1 July, 1988, these exceptions would end, thus giving the Government a full year within which to modify the political climate so that the subsequent increases would be politically bearable.

Alberta ambulance services have been in the forefront of maintaining fiscal Health Care responsibility for many years. There is evidence that this has now brought us to a state where the standard of patient care available to our citizens is rapidly falling below an acceptable level. The ambulance operators must, and will, resist such a degradation. Quite apart from the question of income-through-rates, your Policy Advisory Committee was provided with a number of options and courses of action that will re-instate Alberta's very high level of emergency health service in the ambulance field.

In the meanwhile, however, the Alberta Ambulance Operators Association position expressed and acknowledged at our June, 1987 meeting must remain clear: in the future, the Alberta Ambulance Operators Association recommended rates will reflect the current cost of operations, modified only for those payees providing rapid cash flow or markedly reduced operating costs.

I thank you for this opportunity to restate what I am sure your representative must already have passed on to you.

Sincerely,



Andrew C. Moffat
President

ACM/jso

cc. Alberta Blue Cross
Ray Martin, Leader of the Official Opposition
Nick Taylor, Leader of the Liberal Party
Alberta Urban Municipalities Association
Alberta Association of Municipal Districts and Counties
Members of the Alberta Ambulance Operators Association



Office of the Minister

HOSPITALS AND MEDICAL CARE

423 Legislature Building, Edmonton, Alberta, Canada T5K 2B6 403/427-3665

October 20, 1987

Mr. Andrew C. Moffat
 President,
 Alberta Ambulance Operators Association
 18429 - 97th Avenue
 EDMONTON, Alberta
 T5T 3L6

Dear Mr. Moffat:

In response to your September 29, 1987 letter, I would like to provide the following comments.

Mr. George Beck attended the meetings between your Association and Alberta Blue Cross to present the government's position concerning holding ambulance rates for Non-Group subscribers and seniors subsidized under the Non-Group Plan. In all other matters, he was merely a department observer. I believe this fact was reinforced at your September 28th meeting with department staff.

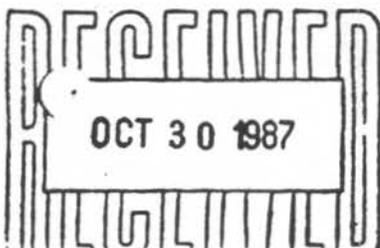
The government has always upheld the position that ambulance services are a municipal responsibility. Concerns regarding deficiencies in the system should be addressed by the municipalities.

Many of the concerns raised in your letter will be considered by the Policy Advisory Committee in the course of their investigations and I anticipate the recommendations will precipitate improvements in ambulance services to Albertans.

Your Association's assistance in holding back on rate increases in the current budget year is appreciated.

Yours truly,

MARVIN E. MOORE
 Minister of Hospitals
 and Medical Care



Commissioners' Comments

We would concur with the recommendations of the Administration and the Ambulance Services Advisory Board.

For the benefit of Council and particularly those people who have written letters, we attach correspondence from a previous agenda which outlines rationale behind Council's decision.

"R.J. MCGHEE"

Mayor

"M.C. DAY"

City Commissioner

DATE: September 7, 1988
TO: Dir. of Finance
FROM: City Clerk
RE: AMBULANCE RATES/ALBERTA BLUE CROSS

At the Council meeting of September 6, 1988, your report, along with that of the Fire Chief, concerning the above topic was again considered by Council. At the aforesaid meeting, Council passed the following motion.

"THAT the fee for ambulance services to all Blue Cross subscribers be as approved by Blue Cross effective July 12, 1988."

The decision of Council in this instance is submitted for your information and appropriate action. I trust that you will be notifying Alberta Blue Cross of Council's decision in this instance.

Notwithstanding the above decision, Council has requested that the administration pursue meeting with the Minister to discuss this issue. By way of a copy of this memo, I am requesting the Mayor to continue to pursue this matter.



C. Sevcik
City Clerk
CS/ds
c.c. Mayor
City Commissioner
Fire Chief
Deputy Chief, Ambulance