

Daisy Mountain Fire and Medical - Administration 41018 N. Daisy Mountain Dr. \* Anthem \* 85086 Phone 623\*465\*7400 Fax: 623\*465\*7632

www.DaisyMountainFire.org

August 5, 2021

## **SENT VIA EMAIL**

Mr. Charles Carpenter
Program Manager/Medical Resource Office
Industrial Commission of Arizona
800 West Washington Street, Ste 305
Phoenix, AZ 85007

Email: Charles.Carpenter@azica.gov

Re: ICA/Department of Health Services Ground Ambulance Rate Schedule & Arizona Revised Statutes Section 36-2239 (D)

Dear Mr. Carpenter:

This letter is respectfully submitted in support of the Industrial Commission's determination to include the Arizona Department of Health Services ("DHS") Arizona Ground Ambulance Service Rate Schedule within the ICA's proposed 2021-2022 Fee Schedule.

As you know, in or about September, 2020, we discussed certain critical issues relating to significant and unjustified reduced workers' compensation reimbursements being paid by insurers to Arizona Fire Departments, Fire Districts, and Emergency Medical Service Agencies for emergency services they provided to Arizona first responders.

Fees for emergency transportation service providers are set and mandated by the DHS through its Arizona Ground Ambulance Service Rate Schedule ("Rate Schedule"). We discovered that many Workers' Compensation Insurance Carriers have been paying substantially less than the DHS required reimbursement Rate Schedule. For example, in a recent 3-5 year period, ten agencies legally billed the Insurance Carriers the sum of \$1,439,276.09, but were only reimbursed the sum of \$1,017,099.78. This represents a disturbing and unfair \$420, 613.92 (29%) underpayment to our essential frontline emergency service providers.

ALL ground emergency services transportation (ambulance) providers must comply with Arizona Revised Statutes Section 36-2239 (D) which states, in relevant part, as follows:

"[a]n ambulance service shall not charge, demand or collect any remuneration for any service greater or less than or different from the rate or charge determined and fixed by the department as the rate or charge for that service. [A]n ambulance service shall not refund or limit in any manner or by any device any portion of the rates or charges for a service that the department has determined and fixed or ordered as the rate or charge for that service." (emphasis supplied)



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Thus, providers cannot legally accept any amount less than the statutorily and regulatory mandated fees set by DHS. These unfair, unjustified, arbitrary, and unreasonable payment practices are causing substantial economic damage to Arizona fire and EMS agencies to our collective economic detriment. Indeed, the impact of these pervasive practices are place injured workers at risk, negatively impact the economic stability of our agencies, and creates an economic windfall for the Carriers that embrace these unfair practices.

Emergency service agencies should not be forced to accept less than the amount set forth in the Rate Schedule. Further, municipalities and emergency services agencies, large or small, should not be required to expend time, effort, or taxpayer funds to file an appeal or sue a carrier each time a carrier pays less than the DHS statutorily mandated rate.

Arizona fire departments, fire districts, and the Arizona Ambulance Association support the ICA's determination in support of our courageous first responders and hard-working citizens who are injured on the job! Simply stated, there is no factual or legal basis for any insurance underpayments and such reductions make it more difficult to provide and sustain the crucial and essential services to the citizens who benefit greatly from the Arizona Workers' Compensation system.

We greatly appreciate the Arizona Industrial Commission's efforts to support our Fire and Emergency Services providers and agencies and all you do to support and protect the health and safety of Arizona's workers!

Respectfully,

Mark J. Robens, Esq.
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Assistant Chief
Attorney At Law

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