

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 11, 2022

To: Honorable City Council
c/o City Clerk, Room 395
Attention: Honorable Mike Bonin, Chair, Transportation Committee

From: Seleta J. Reynolds, General Manager 
Department of Transportation

Subject: **REPORT ADJUSTING FEES CHARGED BY THE DEPARTMENT OF TRANSPORTATION'S PERMITTED PRIVATE AMBULANCE AND NON-AMBULATORY PASSENGER SERVICES.**

SUMMARY

On April 7, 2022, the Board of Transportation Commission Approved new Board Orders 608 and 609 adjusting fees charged to the public by private ambulance companies and other non-ambulatory passenger vehicle services in the Non-Emergency Medical industry.

RECOMMENDATION

That the City Council, subject to approval by the Mayor:

1. **FIND** that the vote and approval by the Transportation Commission was valid and appropriate;
2. **FIND** that rates for these industries were due for an adjustment based upon increased operational costs;
3. **FIND** that the Department's proposed schedule of fees shown in the attached Board Orders (608 and 609) are just and reasonable;
4. **APPROVE** the attached Board Orders, reflecting the rate schedules for private ambulance and non-ambulatory passenger service;
5. **REQUEST** that the new fees take effect June 1, 2022.

BACKGROUND

On April 7, 2022, the Transportation Commission voted to approve Board Orders 608 and 609 adjusting the rates charged by private ambulance and non-ambulatory passenger vehicle companies.

DISCUSSION

The Board of Transportation Commissioners (Board) and the City Council (Council) previously directed the Department of Transportation (LADOT) to report annually on private ambulance rate adjustment recommendations based on the use of the Consumer Price Index (CPI) in odd numbered years, and

based on a comprehensive rate study in even numbered years.

Due to staffing challenges and the pandemic, LADOT has not adjusted these rates in over 5 years and 10 years for the Ambulance and Non-Ambulatory Service industries respectively. A rate increase is appropriate and necessary to maintain proper and safe operations in the City of Los Angeles (City) while accounting for rising costs of operations, including increases in fuel costs, salaries, insurance and other factors.

The approved rate study calculation averages the change in existing rates, after applying the change in the CPI for the previous calendar year, a survey of regulated rates in 11 specified counties in the State, and a survey of City regulated companies for rates they charge within the County of Los Angeles but outside of the City of Los Angeles boundaries.

The Board adopted the current rate schedule for Private Ambulances under Board Order 606 on March 9, 2017. LADOT calculated the CPI adjustment for the proposed rate schedule for the years 2016 – 2021. Compounded year over year, the increase was approximately 18.5 percent. LADOT calculated this increase by taking an average of the change in the Transportation and Medical Care Indices for the Los Angeles-Long Beach-Anaheim area. This 18.5 percent increase was applied to the 2021-22 trip rates and charges.

The Board adopted the current rate schedule for Non-Ambulatory Passenger Services under Board Order 602 on June 14, 2012. Based upon the CPI adjustment of 2011 through 2021, this amounted to an increase of approximately 20.2 percent, which was applied to the 2021-22 trip rates and charges. In conducting a survey of the counties, the Department used rates from the County of Los Angeles since it is the only county which regulates rates for non-ambulatory passenger vehicles.

LADOT expects the adjusted rates and charges, as recommended, will incentivize healthy competition leading to reduced response times, and improved recruitment and retention of trained medical personnel, including Emergency Medical Technicians and Paramedics. Companies will also be able to provide more updated equipment, attend to driver safety, and increase vehicle maintenance.

FISCAL IMPACT

These changes will not result in fiscal impacts to the City.

SJR:JK:jm

Attachments

Commission Reports and Board Orders 608 and 609