

TRANSPORTATION COMMITTEE REPORT relative to adjusting fees charged to the public by private ambulance companies and other non-ambulatory passenger vehicle services in the Non-Emergency Medical industry.

Recommendations for Council action:

1. FIND that:
  - a. The vote and approval by the Board of Transportation Commissioners was valid and appropriate.
  - b. The rates for these industries were due for an adjustment based upon increased operational costs.
  - c. The Los Angeles Department of Transportation's (LADOT) proposed schedule of fees as detailed in Board Orders 608 and 609, attached to the Council File, are just and reasonable.
2. APPROVE Board Orders 608 and 609, reflecting the rate schedules for private ambulance and non-ambulatory passenger service with an effective date of June 1, 2022.
3. REQUEST the City Attorney to prepare and present an Ordinance to establish the rates as detailed in Board Orders 608 and 609 with an effective date of June 1, 2022.
4. DIRECT the LADOT to report back in one year with recommendations to improve the rate setting process, including:
  - a. Stakeholder input on survey methodology.
  - b. A review of practices in other jurisdictions.
  - c. Consideration of alternative rate structures.

Fiscal Impact Statement: The LADOT reports that these changes will not result in fiscal impacts to the City.

Community Impact Statement: None submitted.

Summary:

On May 17, 2022, your Committee considered a May 11, 2022 LADOT relative to adjusting fees charged to the public by private ambulance companies and other non-ambulatory passenger vehicle services in the Non-Emergency Medical industry.

According to the LADOT, the Board of Transportation Commissioners (Board) and Council previously directed the 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 five years and ten 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 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 Los Angeles County but outside of the City boundaries.

The Board adopted the current rate schedule for Private Ambulances under Board Order 606 on March 9, 2017. The 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. The 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 LADOT used rates from the County since it is the only county which regulates rates for non-ambulatory passenger vehicles. The 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. After consideration and having provided an opportunity for public comment, the Committee moved to approve the recommendations contained in the LADOT report, as amended. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

Transportation Committee

A handwritten signature in black ink, appearing to read "Aldo Bonini". The signature is written in a cursive style with a prominent initial "A".

**COUNCILMEMBER VOTE**

BONIN: YES

KORETZ: YES

BUSCAINO: YES

ARL

5/17/22

**-NOT OFFICIAL UNTIL COUNCIL ACTS-**