



Legislation Text

File #: 21-0609, Version: 1

CITY COUNCIL AGENDA ITEM

ACTION REQUESTED:

Approve the award of Option Year Two to Contract 17-039, EMS and Non-EMS Billing Services, to Andres Medical Billing, Ltd. and to Fire Recovery USA, LLC for an amount not to exceed 3.1% of total dollars collected for EMS billing services and 20% of total dollars collected for non-EMS billing services

DEPARTMENT: Fire Department

SUBMITTED BY: Mark Puknaitis, Chief

BOARD/COMMISSION REVIEW:

N/A

BACKGROUND:

The City received \$3.9 million in ambulance revenues in 2020 and, thus far in 2021, has collected \$2.46 million. This includes payments under the Ground Emergency Medical Transportation (GEMT) agreement.

The City began outsourcing billing and collection support for ambulance transport and emergency response (EMS services) in 2004 due to the specialized nature of the billings. Vendors in this market have experience filing with Medicare, Medicaid, and other private insurance carriers and claims processing centers.

On June 20, 2017 the City Council awarded Contract 17-039 to Andres Medical Billing, Ltd (Andres) and Fire Recovery USA, LLC (Fire Recovery) for a three-year term from July 1, 2017 to June 30, 2020, with two, one-year options to extend. The purpose of the contracts is to partner with a service provider to provide a turn-key solution to bill and collect EMS and non-EMS fees for the City.

DISCUSSION:

During the original term and first extension of the contract, Andres worked with the department to identify additional cost recovery strategies for implementation. Andres meets with staff monthly to review payer mix and trends in collections as well as strategies moving forward. Andres has been a collaborative partner in assisting with cost reporting and tracking GEMT funding at no additional cost.

Based upon the vendors' performance, the Fire Department recommends extending the contract for the second option year. Andres and Fire Recovery USA have agreed to maintain the rates and terms provided under the contract. Fee payments under the current contracts have amounted to \$138,000 for EMS billing and \$22,000 for non-EMS services. Based on the average spend for the last three years, the City anticipates payments in the amount of \$239,000 in 2021.

The term of the second option year is July 1, 2021 to June 30, 2022 with no option years remaining.

FISCAL IMPACT:

CIP #: N/A

Ambulance billing fees are expensed to the Administrative services account listed below for a total of \$259,200. Fees are offset by the City's ambulance revenues of which \$2.46 million has been received year-to date and will remain in the budget.

Account Number	Fund Description	Total Budget Amount
22101100-532316	General Fund	\$259,200