



Office of the City Manager

CONSENT CALENDAR
July 24, 2018

To: Honorable Mayor and Members of the City Council

From: Dee Williams-Ridley, City Manager

Submitted by: David Brannigan, Fire Chief

Subject: Contract No. 8949D Amendment: Intermedix for Ambulance Billing Services

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to amend Contract No. 8949D with Intermedix, extending the contract from August 31, 2018 to January 31, 2019 and increasing the contract amount by \$111,250, for a total amended amount not to exceed \$1,500,250, to provide ambulance billing services.

FISCAL IMPACTS OF RECOMMENDATION

The amendment will add \$111,250 to the contract to cover billing service fees for five months from September 1, 2018 to January 31, 2019. \$83,333 is allocated in FY2019 in 010-6405-420-3038. An additional \$27,917 will be appropriated as part of the First Amendment to the FY 2019 Annual Appropriations Ordinance. The additional billing service fees will be offset by anticipated ambulance billing/collection during the extended period. This contract amendment has been entered into the City's contract management database and assigned CMS No. C863K.

CURRENT SITUATION AND ITS EFFECTS

On January 30, 2018, the City Council adopted Resolution No. 68310 to extend the ambulance billing contract with Intermedix from March 31, 2018 to June 30, 2018 and increased the total ambulance contract amount from \$1,200,000 to \$1,389,000. On March 22, 2018, the City Manager extended the contract from June 30, 2018 to August 31, 2018.

The City uses an electronic patient care report (ePCR) and data collection system provided by the Alameda County to transmit patient care data/report to receiving hospitals and the City's ambulance billing contractor. Accurate patient care data is critical to the billing process and successful collections. It is optimal to integrate the

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billing and patient care data collection services in one contract. Extending the ambulance billing contract for five months to January 31, 2019 gives staff sufficient time to solicit a new contract that provides both services.

BACKGROUND

The Berkeley Fire Department provides ambulance transport services to the Berkeley community for a fee, and has contracted for specialized ambulance billing services since 1987. The City's current ambulance billing contractor, Intermedix, bills the patients' insurance carriers and/or the patients for the transport services. Payments are made directly to the City. Billing service fees are billed to the City based on collections for the month. The City uses the ePCR and data collection system provided by the Alameda County to transmit patient care data/report to receiving hospitals and its billing contractor. The data is critical for the billing contractor to bill patients on a timely and accurate basis. A contract that provides both billing and data report/collection services streamlines the billing process and reduces data issues. The City's ambulance billing contract with Intermedix will expire on August 31, 2018. Staff needs additional time to complete a Request for Proposal to solicit a contract that provides both services. An integrated contract minimizes interruptions after the current billing contract ends.

The FY 2019 budget appropriated an average of \$16,667 billing service fees a month or \$83,333 for five months based on three ambulances. Beginning July 1, 2017 a fourth ambulance is put in full operation. The billings fees for four ambulances from September 1, 2018 to January 31, 2019 is estimated to be \$22,250 a month or \$111,250 for five months. An additional \$27,917 is needed to cover the billing services for the extended period.

ENVIRONMENTAL SUSTAINABILITY

There are no identifiable environmental effects associated with the subject of this report.

RATIONALE FOR RECOMMENDATION

The City currently uses the Alameda County's ePCR and data collection system to transmit patient care data to its billing contractor. Integrating a contract that provides both ambulance billing and electronic patient care data collection services will streamline the billing process. Staff will have a single point of contact to follow-up on billing and/or data issues, making it easier to monitor contract performances and evaluate results. Extending the billing contract to January 31, 2019 gives staff sufficient time to solicit a new contract that provides both services.

ALTERNATIVE ACTIONS CONSIDERED

None. The ambulance billing service contract will expire on August 31, 2018. Staff needs additional time to solicit a new ambulance billing contract that also provides patient care data collection services.

CONTACT PERSON

Dave Brannigan, Fire Chief, (510) 981-3473

Attachments:

1: Resolution

RESOLUTION NO. ##,###-N.S.

CONTRACT NO. 8949D AMENDMENT: INTERMEDIX FOR AMBULANCE BILLING SERVICES

WHEREAS, on January 30, 2018, the City Council adopted Resolution No. 68310 to extend the ambulance billing contract with Intermedix from March 31, 2018 to June 30, 2018 and increased the total ambulance contract amount from \$1,200,000 to \$1,389,000; and

WHEREAS, on March 22, 2018, the City Manager extended the contract from June 30, 2018 to August 31, 2018; and

WHEREAS, the City uses an electronic patient care report (ePCR) and data collection system provided by the Alameda County to transmit patient data to receiving hospitals and its ambulance billing contractor; and

WHEREAS, the City's ambulance billing contract with Intermedix will expire on August 31, 2018. It is optimal to have a contract that integrates ambulance billing and ePCR data collection services; and

WHEREAS, extending the ambulance billing contract for five months to January 31, 2019 gives staff additional time to solicit a new contract that provides both services, minimizing interruptions to the billing process after the current contract ends; and

WHEREAS, the ambulance billing fees for four ambulances from September 1, 2018 to January 31, 2019 is estimated to be \$22,250 a month or \$111,250 for five months. \$83,333 is allocated in FY2019 in 010-6405-420-3038 based on three ambulances. An additional \$27,917 will be appropriated as part of the First Amendment to the FY 2019 Annual Appropriations Ordinance; CMS No. C863K.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager is authorized to execute an amendment to Contract No. 8949D with Intermedix for \$111,250 for a total amended amount not to exceed \$1,500,250 and to extend the contract to January 31, 2019.