



# County of El Dorado

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## Legislation Details (With Text)

**File #:** 19-1673 **Version:** 1  
**Type:** Agenda Item **Status:** Approved  
**File created:** 11/1/2019 **In control:** Board of Supervisors  
**On agenda:** 12/10/2019 **Final action:** 12/10/2019  
**Title:** Chief Administrative Office recommending the Board:  
1) Approve and authorize the Chair to sign Agreement 4432 with Wittman Enterprises, LLC to provide ambulance billing services on behalf of El Dorado County;  
2) Approve the Treasurer/Tax Collector to establish a zero balance bank account to accept ambulance billing payments.

**FUNDING:** Ambulance Service Fees.

### Sponsors:

### Indexes:

### Code sections:

**Attachments:** 1. A - AGREEMENT 4432 FINAL 12.4.19, 2. B - COUNSEL APPROVAL AGREEMENT 4432, 3. Executed Agreement 4432 Wittman Enterprises LLC

| Date       | Ver. | Action By            | Action   | Result |
|------------|------|----------------------|----------|--------|
| 12/10/2019 | 1    | Board of Supervisors | Approved | Pass   |

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### DISCUSSION / BACKGROUND

Effective July 1, 2019, the Emergency Medical Services and Emergency Preparedness & Response (EMS-EP) programs were transferred from the Health and Human Services Agency (HHSA) to the Chief Administrative Office (CAO). At that time, the ambulance billing function remained with HHSA while staff evaluated the placement of this function. The staff evaluation determined that the aligning of the fiscal and programmatic needs and aspects of ambulance billings would create efficiencies. On August 27, 2019, the Board of Supervisors approved, in concept, the transfer of the ambulance billing function from HHSA to the CAO. On the same day, the Board of Supervisors authorized the Chief Administrative Officer, or designee, to negotiate a new contract for ambulance billing services with Wittman Enterprises.

Since that date, the Chief Administrative Office has worked with Wittman Enterprises to negotiate a contract for the County's Ambulance Billing Services to be effective January 1, 2020. The proposed Agreement reflects a five year term with Wittman compensated at 4.25% of net collections.

The Chief Administrative Office met with HHSA to evaluate the current ambulance billing process. The County contracts for ambulance billing services to collect fees for its CSA subcontractor entities

with whom the County contracts for the ambulance services. These CSA subcontractors submit electronic Pre-Hospital Care Reports (ePCR) which detail the services provided. The County reviews the ePCR and it is submitted to the ambulance billing provider for further review, billing and payment collection. When payments are received by the ambulance billing provider, they are deposited into a lockbox. A deposit permit is then prepared by HHSA staff into a main ambulance billing account. Then, after a reconciliation process journal entries are prepared to move the money out of the main account to the individual CSA accounts. If it is determined that an overpayment or duplicate payment has occurred and a refund is needed, HHSA staff reconcile and process the refund.

It was noted that there are two main issues in the current process. First, is the amount of time it takes from the County receiving the ambulance billing payments to distribution of those payments to the CSA's. The second is the refund process. This is a time intensive and complex process that HHSA staff currently undertakes.

The Chief Administrative Office evaluated the current process and worked with the vendor, Wittman Enterprises, and the County Treasurer-Tax Collector to create a process that will result in more timely payment distribution to our CSA's. Due to the large volume of transactions, immediate distribution to the CSA's is preferred. The County will work with Wittman and the County Treasurer-Tax Collector to establish a zero balance account ("ZBA") where all ambulance billing payments will be deposited. Upon notice of these deposits by the Treasurer-Tax Collector's Office, CAO staff, utilizing reports provided by Wittman and following the current contracts and MOUs in place with the CSA's, will identify the payments and via deposit permit, will deposit revenues into the appropriate accounts, eliminating the need for journal entries.

Wittman will provide change of address letters to insurance carriers making them aware of the change in accounts and process. The current lockbox will have a forward placed on it and Wittman will collect and deposit payments effective January 1, 2020. Wittman will work with the current ambulance billing contractor to ensure payments are identified and processed correctly.

The County's current contract with Intermedix Inc., does not include refund processing services. Currently HHSA staff process refunds when it is determined that an overbilling or duplicate payment has occurred. Due to the complexity and deadlines related to refund payments, it has been determined that it would better serve the County for Wittman to provide this service. In order to maintain the integrity of the ZBA account and the refund process, a separate Imprest Account will be established by Wittman for Wittman to process refunds. The County will fund fifty-thousand (\$50,000) from ambulance service fees to the account, an amount that was deemed sufficient to provide refunds for a thirty (30) day period. Wittman will issue refunds from that account and request replenishment from the County in the amount of the disbursements, with a minimum request of five thousand (\$5,000) dollars. The Chief Administrative Office will review the disbursements and the reconciling documentation provided by Wittman and recommend replenishment of the account from the appropriate CSA accounts via a wire transfer. This Imprest Account will not be used for any payments to Wittman and will be maintained at the fifty thousand (\$50,000) dollar level. There will be a savings of approximately twelve thousand dollars (\$12,000) annually for moving from the Lock Box to a ZBA.

## **ALTERNATIVES**

The Board could not approve the Contract and direct continuation of the current ambulance billing contractor. The Board could also direct the CAO's office to go back into negotiations with Wittman and propose a new contract. Each of these actions will delay the ambulance billing function being

transferred from HHSA to the CAO's office.

**PRIOR BOARD ACTION**

8/27/2019 Legistar Item 19-1241

10/22/2019 Legistar Item 19-1488

**OTHER DEPARTMENT / AGENCY INVOLVEMENT**

Health and Human Services Agency

El Dorado County Chief Administrative Office Emergency Medical Services and Emergency Preparedness Response

**CAO RECOMMENDATION / COMMENTS**

It is recommended that the Board approve this item.

**FINANCIAL IMPACT**

All costs are funded by ambulance service fees.

**CLERK OF THE BOARD FOLLOW UP ACTIONS**

Chair to sign two (2) copies of the attached Agreement

Board Clerk to forward one (1) signed copy to the Chief Administrative Office, attn.; Sue Hennike for the Department to distribute as appropriate

Direct Treasurer-Tax Collector to establish the Zero Balance Account

**STRATEGIC PLAN COMPONENT**

Good Governance

**CONTACT**

Sue Hennike