



Legislation Text

File #: 19-0844, **Version:** 1

Health and Human Services Agency recommending the Board:

- 1) Approve and authorize the Chair to sign Amendment 1 to Agreement for Services 55 (also known as 024-S1711) with Advanced Data Processing, Inc., for the provision of ambulance billing services, for an estimated annual amount of \$640,000, to extend the term by one year for a new term of July 1, 2016 through June 30, 2020; and
- 2) Make findings in accordance with County Ordinance 3.13.030 that it continues to be more economical and feasible to contract with Advanced Data Processing, Inc., for services provided under Agreement 55 because the County has neither the staff nor facilities to perform said services; and
- 3) Authorize the Purchasing Agent or their designee to execute further documents relating to Agreement for Services 55, including amendments which do not increase the maximum dollar amount or term of the Agreement, and contingent upon approval by County Counsel and Risk Management.

FUNDING: Fixed percentage of ambulance billing net receivables.

DISCUSSION / BACKGROUND:

As the provider of ambulance services, El Dorado County operates under the Public Utility Model, through which the County provides exclusive and non-exclusive prehospital Advanced Life Support (ALS) ambulance services. The provision of ambulance services for El Dorado County Service Area (CSA) 3 and 7 is vested with the County through its Local Emergency Medical Services Agency established in accordance with Health and Safety Code Division 2.5, Section 1797.200 et seq. The County is the sole provider of 911 emergency medical services as set forth in the County's ambulance ordinance.

On March 22, 2016 (File ID 16-0192), the Board awarded Request for Proposal (RFP) 16-918-009 to Advanced Data Processing, Inc., a subsidiary of Intermedix Corporation (Contractor), as the successful proposer for the provision of ambulance billing services. Contractor bills patients and users of ambulance services in CSA 3 and CSA 7 and the revenue collected is deposited into the Ambulance Billing account. For the billing and collections services provided to County, Contractor receives a percentage of net collections. The net collections are distributed to CSA 3 and CSA 7 to help offset some of their operating costs. Contracting with Advanced Data Processing, Inc., continues to provide greater efficiency and cost savings to the public.

Health and Human Services Agency (HHS) entered into Agreement for Services 55 (also known as 027-S1711) with Contractor on June 3, 2016. The term of Agreement 55 began on July 1, 2016 and will terminate on June 30, 2019. Amendment 1 extends the existing term to June 30, 2020 with up to two (2) additional one (1) year periods at the discretion of County following annual review and determination by County that services rendered are in accordance with requirements.

ALTERNATIVES:

Should the Board decline to approve Amendment 1 to Agreement for Services 55, the agreement will expire June 30, 2019 and there would be no mechanism for ambulance billing services to be

performed which would impact revenue generated for CSA 3 and CSA 7.

PRIOR BOARD ACTION:

1) 03-22-2016, 16-0192, 03/22/16 HHSA RFP 16-918-009 Ambulance Billing Services

OTHER DEPARTMENT / AGENCY INVOLVEMENT:

Approved by County Counsel, Human Resources, and Risk Management.

CAO RECOMMENDATION:

It is recommended that the Board approve this item.

FINANCIAL IMPACT:

Contractor provides ambulance billing and collection services of which the net revenues generated help offset some of the costs for the provision of advance life support and basic life support services provided by the County through contracts with CSA 3 and with CSA 7.

Contractor receives 4.25% of net collections. That rate remains the same in the Amendment. The estimated cost of this Agreement is approximately \$640,000 in FY 2019-2020 and sufficient appropriations have been included in HHSA's FY 2019-2020 Budget. There is no General Fund component or Net County Cost associated with this Agenda item, and no new costs have been identified for the upcoming fiscal year.

CLERK OF THE BOARD FOLLOW UP ACTIONS

- 1) Clerk of the Board to obtain signature of Chair on two (2) originals of Amendment 1 to Agreement for Services 55.
- 2) Clerk of the Board to return one (1) fully executed Amendment 1 to Health and Human Services, Contracts Unit.

STRATEGIC PLAN COMPONENT:

N/A

CONTACT

Don Semon, Director