



## Legislation Text

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**File #:** 20-0702, **Version:** 1

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Chief Administrative Office, Emergency Medical Services and Emergency Preparedness and Response Division, recommending the Board approve and authorize the Chair to sign Amendment I to Agreement 4432 with Wittman Enterprises, LLC to provide additional ambulance billing services on behalf of El Dorado County for the transfer of existing billings from former billing provider Advanced Data Processing.

**FUNDING:** Ambulance Service Fees.

### **DISCUSSION / BACKGROUND**

The County contracted with Advanced Data Processing (“Intermedix”) to provide ambulance billing services on behalf of the County from July 1, 2016, to June 30, 2020. On December 10, 2019, the Board approved Agreement #4432 between Wittman Enterprises, LLC (“Wittman”) and the County to provide ambulance billing services effective January 1, 2020. As a result, Intermedix no longer billed for ambulance calls after December 31, 2019. However, they remained eligible to collect payments for calls prior to January 1, 2020, through June 30, 2020, the termination date of their Agreement with the County. After June 30, 2020, payments for those calls prior to January 1, 2020, will need to be collected, reviewed, and posted to the correct accounts. In addition, any Intermedix accounts that have been identified through the County’s review process as needing corrections, adjustments, etc., may still need to be worked if the requested adjustments or corrections have not been made by Intermedix.

County CAO and Emergency Management Services Agency (“EMSA”) staff have worked and continue to work diligently with the former ambulance billing services provider, Intermedix, to review all accounts with outstanding balances, credit balances, and other miscellaneous errors to correct and, in some cases, rebill accounts. Their review and audits have gone back to the start date of Intermedix’s contract with the County in 2016. All corrected billings were required to be issued by Intermedix prior to June 30, 2020, the date at which the Agreement with Intermedix officially terminates. As a result of this work and the natural delay that occurs between billings and when payments are received, there are still amounts to be collected after June 30, 2020 when Intermedix is no longer eligible to receive those payments. In addition, any corrections or billings not completed by Intermedix by June 30th are being transferred to Wittman.

Agreement #4432 with Wittman referenced the transfer of existing billings but did not outline this additional work specifically in the Scope of Service. It also did not document compensation for this additional work because at that time it would have been impossible to predict an outstanding accounts receivable amount for Wittman on which to base a proposed fee and collection rate. The collection rate and per-account research fee proposed by Wittman and incorporated in Amendment I is based on the estimated amount and status of outstanding collectable accounts towards the end of May 2020. This rate was not established at the time of the execution of Agreement #4432 since Intermedix collected payments through June 30, 2020.

In order to continue to collect and post payments against the correct accounts, the County has negotiated an Amendment with Wittman to transfer any existing billings and accounts not currently on payment plans. In order to complete this transition, Intermedix will provide all account information as of June 30, 2020 to the County via discs. County staff requested a "test" version of the data from Intermedix and have been working closely with the County's Information Technologies Department to develop a database that will work for a successful transition of the account information. Wittman will update their current billing system to incorporate these accounts and during their posting process will identify these payments as former Intermedix Accounts. This will ensure that when invoiced, the County is paying Wittman at the correct contracted rates for both current and transferred accounts. Those eligible accounts currently on payment plans will be transferred to Access Capital who will continue collecting payments on behalf of the County. These accounts will not be reported to any credit agency and no interest will be charged on the outstanding amounts.

### **ALTERNATIVES**

The Board could direct that a position be added to EMSA to absorb this workload. However, due to the natural delay between when billings are issued and payments are received, it is difficult to determine how long a position will be needed. While the County would keep 100% of the payments collected, the County would have to set up a billing system, pay salaries and benefits for the added position, incur additional costs such as office expenses, and assume the liability for all billings, etc.

The Board could also direct that current staff absorb this workload. Due to already saturated workloads, the complexities surrounding ambulance billings and medical payments, and legal ramifications of incorrect billing practices, this is not recommended as a long-term solution.

### **PRIOR BOARD ACTION**

12/10/2019 Legistar Item 19-1673 - Approval of Agreement 4432

10/22/2019 Legistar Item 19-1488 - Addition of Medical Billing Staff to Chief Administrative Office

8/27/2019 Legistar Item 19-1241 - Conceptual Approval of transfer of ambulance billing to Chief Administrative Office

### **OTHER DEPARTMENT / AGENCY INVOLVEMENT**

N/A

### **CAO RECOMMENDATION / COMMENTS**

Approve as recommended.

### **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 Amendment

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

### **STRATEGIC PLAN COMPONENT**

Good Governance

**CONTACT**

Sue Hennike, Deputy CAO