



AGENDA REPORT

Meeting Date: April 21, 2015

Item Number: D-15

To: Honorable Mayor & City Council

From: Gregory Barton, Deputy Fire Chief
Sean Stokes, EMS Programs Administrator

Subject: APPROVAL OF AN AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND WITTMAN ENTERPRISES LLC FOR AMBULANCE BILLING AND COLLECTION SERVICES; AND

THE AWARD OF A CONTRACT TO WITTMAN ENTERPRISES, LLC. ASSOCIATED WITH THE FIRE DEPARTMENT'S AMBULANCE BILLING AND COLLECTION SERVICES, BID NO. 15-07 IN THE AMOUNT OF \$64,800 ON THE FIRST THREE YEARS AND \$64,800 (+CONSUMER PRICE INDEX) ON THE 4TH AND 5TH YEARS

Attachments:

1. Agreement
2. Bid Proposal

RECOMMENDATION

Staff recommends that the City Council move to approve the award of a contract to Wittman Enterprises LLC, associated with Bid No. 15-07 for the Ambulance Billing and Collection Services and for their approval of an Agreement between the City of Beverly Hills and Wittman Enterprises, LLC for the Fire Department's ambulance billing and collection services.

INTRODUCTION

On 16 October 2014, the City released formal Bid No. 15-07 for the Fire Department's Ambulance Billing and Collection Services, which was posted to

the City’s website, emailed to thirteen potential bidders and also forwarded to interested vendors upon their request. From October 16, 2014-October 30, 2014, the City encouraged interested vendors to submit their proposals and responded to all the questions that were either emailed by the vendors or posted in the City’s website. City staff also worked very closely with the City Attorney Office, to ensure accurate bid documentation and compliance with bid procedures.

DISCUSSION

The City received a total of 4 responses from all potential bidders. A group of bid evaluators was established for this purpose and a score sheet was utilized to assess each bid. Said scoring was based on the following measures:

- Invoicing
- System Integration and Compliance
- Reporting
- Training
- Customer Service
- Experience
- Pricing
- Other (such as Ground Emergency Medical Transportation [GEMT] reporting capability)

Based on these key categories, which is also detailed in the Scope of Work, Wittman scored the highest among the bidders with a total score of 52:

Bidders	Evaluator-1	Evaluator-2	Evaluator-3	TOTAL SCORE
Critical Care Specialty Billing LTD	15	14	11	40
Intermedix	15	15	14	44
LifeQuest Services	15	15	14	44
Wittman Enterprises	18	17	17	52

After a stringent and careful fee evaluation, the cost of doing business with Wittman also proves to be more competitive when compared to the field of bidders. Wittman Enterprises, LLC’s cost proposal is based on a fixed dollar amount of billable EMS (Emergency Medical Service) calls compared to a percentage of net revenue collected, as illustrated below:

BIDDERS' PROPOSED FEES COMPARISON				
Sample Year: FY 13/14				
Actual Revenue Collected		\$ 2,617,535.00	Number of Billable Calls 3,207	
Percentage-Based from Revenue Collected			Fixed-Fee Based on Billable Calls	
Critical Care @ 5.95%	Intermedix @ 5.25%	LifeQuest Services @ 4.50%	*Wittman Enterprises, LLC @ \$20.25	
\$ 155,743.33	\$ 137,420.59	\$ 117,789.08	\$ 64,941.75	
			*Year 1-3: \$20.25 per ticket Year 4: \$20.25 + CPI Year 5: Year 4's rate + CPI	

BILLING PROCESS

Accordingly, the City has a cost recovery structure that the Fire Department institutes. EMS, including ambulance transports, is charged according to the fees approved by the City Council and the County of Los Angeles. Upon rendering service to a patient, the billing agency utilizes a multi-faceted process to ensure said patient receives ample opportunity to respond to the correlating bill. Only after a myriad of account reviews, patient information queries, and attempts to contact the patient is a bill then forwarded from the billing agency to the collection agency (Fidelity Creditor Service). At any time, should a patient recognize that a bill is outstanding for reasons other than acquiescence, said patient is encouraged to work with the billing and collection agency to rectify the account as well as any consequential postings that might affect the patient's financial standing. Should a patient contest their account, said patient is referred by the billing company to the Fire Department for exemption or reduction consideration. The Fire Chief (or a designee) shall make a determination and charges may be waived on a case-by-case basis.

FISCAL IMPACT

Under the terms of the agreement, the City will pay Wittman Enterprises, LLC, \$20.25 per ticket fee. The average number of tickets ran by the Fire Department is 3,200 EMS (Emergency Medical Service) calls per fiscal year which translates to approximately \$64,800 on the first 3 years of the contract and \$64,800 (+ Consumer Price Index or CPI) on the 4th and 5th years. Staff projects a continued and consistent net gain in our EMS program revenues.

Don Rhoads 
Finance Approval

Ralph E. Mundell

Approved By 