



City of Rialto

Legislation Text

File #: CC-19-662, **Version:** 1

For City Council Meeting [July 23, 2019]

TO: Honorable Mayor and City Council

APPROVAL: Rod Foster, City Administrator

FROM: Brian Park, Acting Fire Chief

Request City Council to Award a one-year contract with four optional one-year extensions based on continued satisfactory performance to Wittman Enterprises, LLC, for ambulance billing and related professional services not to exceed \$156,000 annually and Issue a Purchase Order in the amount not to exceed \$156,000 for Fiscal Year 2019/20.

(ACTION)

BACKGROUND

The Rialto Fire Department (RFD) currently contracts with Wittman Enterprises, LLC under a bridge agreement to provide billing and collection services for the City's emergency medical response and ambulance transport program. The RFD has been working under this Bridge agreement since May 1, 2018. Due to the current contract with WE being a bridge agreement (which was instituted upon Navajo Fire's departure from the ambulance billing market), staff released a Request for Proposals (RFP) #19-052 on January 9, 2019 to vendors that provide pre-hospital medical billing services.

Five (5) qualified responses were received and evaluated by staff. Emphasis was placed on the respondent's billing and collection history and methodologies, ability to support electronic data collection and reporting, timeliness of collections, familiarity with Federal, State, and private insurance policies, Medi-Cal/Medi-Cal HMO collections, Ground Emergency Medical Transport (GEMT) and Intergovernmental Transfer (IGT) reporting, and customer service.

Upon approval by City Council, the selected vendor will be awarded a one-year contract with four optional one-year extensions based on continued satisfactory performance and providing that there are no significant changes in pricing.

ANALYSIS/DISCUSSION

The City's Purchasing Division solicited Requests for Proposal from qualified companies that provide pre-hospital medical response and ambulance transport billing services. The proposal period closed on February 14, 2019 with a total of five vendors responding (see attachment 1). After evaluating each proposal, the top five respondents, Digitech, Change Healthcare, Comstar, Life Line Billing, and Wittman Enterprises, were invited to make oral presentations on May 29, 2019. Each vendor was given equal time to present their proposal and to answer questions from the panel. The panel members individually scored each presentation. One respondent did not attend the presentation and two other respondents did not achieve a passing score based on the quality of their response, depth of experience and to their lack of experience with California insurance programs such as Medi-Cal

and Medi-Cal HMO. Experience in this area is extremely important as recent changes in laws governing the state's Medi-Cal program will necessitate a solid understanding of the current processes in order to maximize collections from Medi-Cal, GEMT and IGT in the future.

The remaining two vendors were Comstar and Wittman Enterprises, LLC. Wittman Enterprises, LLC. Scored the most points on the interview and on the evaluations of the RFP. Wittman has significant experience in State of California public ambulance service billing and Comstar does not. While Wittman Enterprises, LLC percent of net collections (6.0%) is higher than Comstar's (5.0%) staff recommends the selection and continuation of Wittman Enterprises, LLC. Wittman Enterprises, LLC gross collections, customer service, follow through, California experience and past history with the RFD make them a clear choice to provide ambulance billing services to the City of Rialto.

Therefore, Staff recommends that Council approve a one-year contract with the option to extend the term of the agreement four times for a period of one year each based on continued satisfactory performance and providing that there are no significant changes in pricing to Wittman Enterprises, LLC. Staff also recommends that Wittman Enterprises, LLC begin providing ambulance billing services under this new contract to the City on July 1, 2019.

ENVIRONMENTAL IMPACT

The request is not a Project as defined by Section 15378 of the California Environmental Quality Act. (CEQA). A "Project" means the whole of an action, which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. By definition, a Project does not include: The creation of government funding mechanisms or other government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment according to Section 15378 (b)(4) of CEQA.

GENERAL PLAN CONSISTENCY

5-7.3: Increase the City's ability to coordinate and control its resources in emergency situations by identifying local resources available, and by developing contracts and agreements for utilizing these resources in an emergency.

LEGAL REVIEW

The City Attorney has reviewed and approved this staff report.

FINANCIAL IMPACT

Operating Budget Impact

Fees for this service are based on a percentage of the revenue collected each year. \$2,300,000.00 is budgeted to be received in Revenue Account No. 010-400-5175-7632 in FY2019/20, which will result in expenditures not to exceed \$156,000. Monies for expenditures are budgeted in Expenditure Account No. 010-500-5175-2011 for 2019/20.

Capital Improvement Budget Impact

No impact to the Capital Improvement Budget.

Licensing

Prior to execution of the Purchase Order, the vendor shall submit a business license application and pay a Business License tax at the rate of \$179 as well as Administration and State fees.

RECOMMENDATION

Staff recommends that the City Council:

- Award Wittman Enterprises, LLC the Ambulance Billing Contract as outlined in RFP #19-052, and establish a start date of July 1, 2019.
- Issue a Purchase Order in the amount not to exceed \$156,000 for FY2019/20.