

City of Culver City, California
City Council Agenda Item Report

Meeting Date: 6/11/2007		Item Number: <u>A-3</u>	
AGENDA ITEM: Approval of Amendment to an Existing Professional Services Agreement with Wittman Enterprises, LLC for Ambulance Billing Services.			
Contact Person/Dept.: Capt. Darryl Wells		Phone Number: (310) 253-5917	
Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☒ No ☐	
Public Hearing: ☐		Action Item: ☒ Attachments: ☒	
Public Notification: Master Notification List on June 6, 2007. Wittman Enterprises, LLC, via e-mail on June 4, 2007.			
Department Approval: Jeff Eastman, (05/22/07)		City Attorney Approval: Carol Schwab (by H. Iker) (06/06/07)	
City Controller Approval: Marlee Chang (06/01/07)		City Manager Approval: Jerry B. Fulwood (06/06/07)	

RECOMMENDATION:

Staff recommends the City Council approve an amendment to the existing professional services agreement with Wittman Enterprises, LLC, extending the contract period three years for the management of ambulance billing.

BACKGROUND/DISCUSSION:

Prior to August 1996 ambulance billing was conducted by the City of Culver City's Accounting Department. The goal of contracting for ambulance billing services was to increase collection rates, lower the cost of billing, and effectively bill Medicare and Medi-Cal.

Wittman Enterprises, LLC is in its seventeenth year of business. They bill for 95 Cities, Counties, and Fire Districts across four states processing approximately 324,000 runs per year. They bill for twenty cities in Los Angeles County, including Beverly Hills, Culver City, Burbank, El Segundo, Hermosa Beach, Manhattan Beach, Long Beach, Alhambra, Arcadia, Avalon, Glendale, La Verne, Monterey Park, Montclair, San Gabriel, San Marino, Sierra Madre, South Pasadena, UCLA, and West Covina. The City of San Gabriel recently switched to Wittman Enterprises due to dissatisfaction with a previous vendor caused by multiple customer service complaints and a decrease in collection rates.

The Company's founder, Donna Wittman, is the Chairman of the Reimbursement Committee for the California Ambulance Association. She meets regularly with the State of California (Medi-Cal) and Medicare to discuss reimbursement issues. The successful billing of Medicare and Medi-Cal has become a complex process which requires the monitoring of the constantly changing requirements and procedures.

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The City of Culver City began contracting out ambulance billing services to Wittman Enterprises, LLC in August 1996. The contract was renewed for a period of three years in July 2001, and again in July 2004.

Wittman Enterprises continues to excel in customer service. Their excellent service is recognized by City staff and patients as well as competitors. The personnel at Wittman Enterprises are courteous, accommodating and prompt. They provide the Fire Department with personalized statistical reports upon request. The task of bill collecting can be very challenging, yet we receive no complaints from our patients regarding billing issues. We recently received a letter from a patient praising Wittman Enterprises for their efforts. Patients and City staff have found them to be personable and professional, which is very important to our Emergency Medical Service (EMS) program and patient satisfaction.

Contracting for ambulance billing continues to be successful and prudent. The City's net collection rate remains near 75% while billing charges remain at approximately 4%. Other ambulance billing companies are charging 6-9% of collections.

In summary, the Culver City Fire Department has identified the following accomplishments as a result of contracting with Wittman Enterprises:

- Maintained our billing collection fees below the industry norm
- Increased collection rates
- Acquired back monies owed
- Kept Culver City current with the complexities of Medicare, Medi-Cal, HMO, and managed care billing procedures
- Provided statistics and personalized reports
- Provided electronic billing
- Delivered patient satisfaction

The Department is extremely pleased with the exceptional service Wittman Enterprises, LLC provides to both the patient (based on customer satisfaction), and the City of Culver City (based on collection rate and cost). As a result of Wittman's history with the Department during the past eleven years and their willingness to extend the current low-priced billing charge, we are not seeking competitive bids.

FISCAL ANALYSIS:

Wittman Enterprises, LLC currently charges the City of Culver City \$18.00 per run. This fee has been in place for the past three years. They agree to a three-year

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extension amendment of the contract with no increase in fees. Sufficient funds are included in the proposed budget for 2007-08 and 2008-09.

ATTACHMENTS:

A Letter of appreciation for customer service provided by Wittman Enterprises, LLC from a patient transported by the Culver City Fire Department has been provided.

MOTION:

That the City Council:

1. Approve an amendment to the existing professional services agreement with Wittman Enterprises, LLC extending the contract period for the management of ambulance billing three years; and
2. Authorize the City Attorney to prepare the necessary amendment and authorize the City Manager to execute such amendment on behalf of the City.