



Legislation Text

File #: 0183-2012, **Version:** 1

To authorize the Director of Public Safety to modify and extend the current contract with MED3000, Inc. for EMS billing, collection, and reporting services for the Division of Fire; to authorize the expenditure of \$1,400,000 for billing and collection services and \$150,000.00 for refunds from the General Fund; and to declare an emergency. (\$1,550,000.00)

BACKGROUND: This legislation authorizes the Director of Public Safety to modify the existing contract with MED3000, Inc. for EMS billing, collection, and reporting services. The City entered into a contract with MED3000, Inc. via ordinance 1508-2007 in October 2007. The term of the original contract was for three years ending in October 2010. The contract contained options to renew by mutual written agreement of the parties for up to two additional one year terms after October 2010. Ordinance 1682-2010 passed Council on December 6, 2010, modified and extended the contract with MED3000 until October 31, 2012, and provided \$750,000 in funding through March 2011. This ordinance will provide \$1,400,000.00 to MED 3000 for EMS billing services and \$150,000.00 blanket for MED 3000 to give refunds to insurance companies or patients that are inadvertently billed for services.

The Division of Fire's third party EMS billing program was initiated via ordinance #1184-2002 passed in July 2002.

Public Safety contracts the services of MED 3000 for the billing, collection, and reporting of those who are transported to hospitals by EMS personnel for emergency medical care. These billing, collection, and reporting services have generated a multitude of patient care information used by the Fire Division to better prepare EMS response protocols and, in turn, respond to citizens in a more effective manner. The division also generates reports for various fire organizations that are catalogued nationwide. Revenue generated since inception of the program amounted to approximately \$90.2M at the end of December 2011. Occassional, MED 3000 has billed and received payments for services that are exempted under the contract or have received payments from both the patient and his/her insurance companies and need to refund such payments.

Contract Compliance: 251837785

Emergency Designation: Emergency action is requested so that EMS billing, collection and reporting services can continue without interruption.

FISCAL IMPACT: This legislation is to contract with MED 3000 for billing and collection services for \$1.4 million and to set up a blanket of \$150,000 to pay refunds for inadvertent billing. The Division of Fire budgeted \$1.9 million in the 2012 General Fund operating budget for billing and collection services and for computer upgrades. Approximately \$180,000.00 were budgeted for EMS refunds. Billing and collection services amounted to \$1,550,000.00. EMS billing revenues under this contract exceeded \$14.5M in 2011.

WHEREAS, the City contracts for EMS billing, collection and reporting services, as initiated via Ordinance #1184-2002, passed July 22, 2002; and

WHEREAS, the parties agree that certain modifications to the contract are required in order to extend the contract and modify the compensation as well as the obligations concerning computers.

WHEREAS, the term of the contract shall be extended and this modification and extension shall expire on October 31, 2012.; and

WHEREAS, an emergency exists in the usual daily operation of the Division of Fire, Department of Public Safety, in that

it is immediately necessary to modify and extend the current contract with MED3000, Inc. so that EMS billing, collection and reporting services can continue without interruption, thereby preserving the public health, peace, property, safety and welfare; Now, therefore

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS:

SECTION 1. That the Director of Public Safety is hereby authorized to modify and extend the existing contract between the City and MED3000, Inc. for the Division of Fire's EMS billing, collection and reporting services.

SECTION 2. That the expenditure of \$1,550,000.00, or so much thereof as may be necessary, is hereby authorized to be expended from the General Fund 010, Department of Public Safety 30, Division of Fire 30-04:

* OCA 301559, OL3 Code 3336 \$1,400,000.00

* OCA 301481, OL3 Code 5512 \$150,000.00

SECTION 3. That for the reasons stated in the preamble hereto, which is hereby made a part hereof, this ordinance is hereby declared to be an emergency measure and shall take effect and be in force from and after its passage and approval by the Mayor, or ten days after passage if the Mayor neither approves nor vetoes the same.