



Legislation Text

File #: 23-2098, **Version:** 1

Resolution to Enter into a Professional Services Agreement with Medicount Management, Inc for Ambulance Billing Services

In February 2023, the City of Ann Arbor Fire Department became a licensed basic life support transport agency. The City has been transporting but not billing for services. Based on current projections, the City of Ann Arbor is expecting a minimum 150 transports annually with transports likely to exceed 200. The City of Ann Arbor anticipates expansion of transport units within the next three years. This agreement allows a contractor to bill for ambulance transports.

RFP 23-60 was posted this fall with three vendors bidding. Medicount was graded the highest by the review panel. Of the submitted proposals, Medicount provided a fee structure that offered the highest value to the City of Ann Arbor.

A proposed fee schedule for ambulance transports will occur with a separate resolution for review and approval at a later council meeting with a public hearing in conjunction with the Ann Arbor Fire Department's budget preparation.

We recommend your approval of the attached professional services agreement with Medicount, who can perform the billing process.

Budget/Fiscal Impact: The total amount of compensation paid to Medicount under this agreement is 3.95% of net collections. Net collections is defined as the total cash collections minus refunds and insurance provider takebacks. A conservative estimate of 150 billable transports per year is anticipated. It is anticipated that the City would recover a minimum of \$244.29 per transport. The \$244.29 represents the current amount payable by Medicaid and as such would be the minimum amount received by the City when billing for ambulance services. Anticipated revenue to be received by the City net of fees is estimated to be \$35,196.

Prepared by: Chantel Jackson, Office Administrator - Fire

Reviewed by: Mike Kennedy, Fire Chief

Approved by: Milton Dohoney Jr., City Administrator

Whereas, In February 2023, the City of Ann Arbor Fire Department became a licensed basic life support transport agency;

Whereas, The Fire Department and has been transporting but not billing for such services since February 2023;

Whereas, Based on current projections, the City of Ann Arbor is expecting a minimum 150 transports annually with transports likely to exceed 200; and

Whereas, It is standard practice for transporting ambulances to bill for services and a professional services agreement is recommended with Medicount Management, Inc. to provide these services;

RESOLVED, That City Council approves the professional services agreement with Medicount Management, Inc. to provide for ambulance billing services;

RESOLVED, That the Mayor and City Clerk be authorized and directed to execute the Agreement after approval as to substance by the City Administrator and approval as to form by the City Attorney; and

RESOLVED, That the City Administrator be authorized to take the necessary administrative actions to implement this resolution and administratively approve the renewal contemplated by the agreement.