

Agenda Report

December 5, 2016

TO: Honorable Mayor and City Council

FROM: Finance Department

SUBJECT: SIX MONTH EXTENSION TO CONTRACT NO. 20852 WITH WITTMAN ENTERPRISES, LLC FOR PARAMEDIC BILLING SERVICES, AND DECREASE CONTRACT RATE FROM 5.25% TO 5.0% OF NET COLLECTIONS

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed action is not a project subject to the California Environmental Quality Act (CEQA) as defined in Section 21065 of CEQA and Sections 15060 (c)(2), 15060 (c)(3), and 15378 of the State CEQA Guidelines and, as such, no environmental document pursuant to CEQA is required for the project;
2. To the extent this could be considered a separate procurement, grant the proposed contract amendment an exemption from the competitive selection process pursuant Pasadena Municipal Code (PMC) Section 4.08.049B, contracts for which the City's best interests are served. Competitive Bidding is not required pursuant to City Charter Section 1002 (F) contracts for professional or unique services.
3. Authorize the City Manager to amend Contract No. 20852 by decreasing the contract rate from 5.25% to 5.0% of net collections for Paramedic Billing Services and extend the contract up to six months.

BACKGROUND:

In December of 2008, the Department of Finance in conjunction with the Fire Department, outsourced Paramedic Billing and electronic patient care reporting (ePCR) Services for the City. The vendor provided ruggedized laptops which automated the transfer of data to their billing operation. This vendor performed poorly and was terminated in December 2011.

In December 2011 staff requested revised pricing and updated offerings from the other top three proposers from the original solicitation and evaluation in 2009. Upon review of the revised pricing and proposals, staff recommended and the City Council approved a five year contract to Wittman Enterprises, LLC for paramedic billing services. Since then, Wittman Enterprises has successfully handled both the transition from the previous biller and current services. On November 9, 2016 the City issued a Request for Proposals (RFP) for Emergency Medical Services (EMS) Billing and Collections. As Wittman's contract term ends in December 2016, an extension of the contract is requested to allow time for evaluation of proposals received and, if needed, time for transition to a new vendor.

Wittman has voluntarily reduced the contract billing rate from 5.25% to 5.0% for several years. Making the change to the contract memorializes this change. This results in a savings of approximately \$14,000 over the six month period of the extended contract.

Wittman Enterprises, LLC is a full service billing agency. With over twenty five years of experience in California, they are able to navigate the complicated laws and regulations that govern billing. They currently provide billing services to the Cities of Burbank and Glendale and numerous other California cities.

COUNCIL POLICY CONSIDERATION:

The City Council's strategic planning goal of maintaining fiscal responsibility and stability will be advanced by the extension of the Services Contract with Wittman Enterprises, LLC.

ENVIRONMENTAL ANALYSIS:

The action proposed herein is not a project subject to the California Environmental Quality Act (CEQA) in accordance with Section 21065 of CEQA and State CEQA Guidelines Sections 15060 (c)(2), 15060 (c)(3), and 15378. The extension of Contract No. 20,852 for the continuation of Paramedic Billing Services is an organizational and administrative action that would not cause either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment. Therefore, the proposed action is not a "project" subject to CEQA, as defined in Section 21065 of CEQA and Section 15378 of the State CEQA Guidelines. Since the action is not a project subject to CEQA, no environmental document is required.

FISCAL IMPACT:

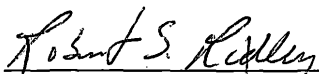
The cost of this action will be approximately \$140,000 for six months and is currently budgeted for in account 10120020-811400, General Fund Non-Departmental Contracted Services. Total revenues for EMS billing are approximately \$5.3 million per year.

Respectfully submitted,



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Approved by:



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