

Agenda Report

August 8, 2022

TO: Honorable Mayor and City Council
FROM: Department of Finance
SUBJECT: **CONTRACT AWARD TO WITTMAN ENTERPRISES, LLC FOR
EMERGENCY MEDICAL SERVICES (EMS) BILLING AND
COLLECTION SERVICES**

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)(3), and 15378 (b)(5) of the State CEQA Guidelines and, as such, no environmental document pursuant to CEQA is required for the action; and
2. Authorize the City Manager to enter into a contract as a result of a competitive selection process, as specified by Section 4.08.047 of the Pasadena Municipal Code with Wittman Enterprises, LLC for 3.75 percent of net collections for EMS billing and collection services for a five-year term. Services will include a membership program processing and administration fee upon implementation of \$13.50 for each application and annual renewal received. The fee will transition to 15 percent of net collections once the annual membership program fee reaches \$90.00 due to Consumer Price Index (CPI) adjustments. Competitive bidding is not required pursuant to City Charter section 1002 (F) (contracts for professional or unique services).

BACKGROUND:

In June of 2017, the City Council authorized a five-year contract with Wittman Enterprises, LLC for EMS billing and collection (paramedic billing) services. The City of Pasadena issued a request for proposals (RFP) on May 11, 2022. Notification of the RFP was sent to 542 vendors, with 17 vendors downloading the RFP document. Forty-nine Pasadena companies were among those notified of the RFP; however, none of the companies downloaded the RFP. The Finance Department is not aware of any

Pasadena firm that can provide the required service. The City received two proposals by June 8, 2022 in response to the RFP. The selection committee, comprised of staff from the Finance, Public Health and Fire Departments, independently evaluated the proposals in accordance with the evaluation criteria set forth in the RFP and selected the two proposals received for interviews. Interviews were held by the selection committee on July 7th in order for the proposers to clarify information in their proposals, the final evaluation scores were as follows:

Wittman Enterprises, LLC	85 points
Change Healthcare	70 points

Wittman Enterprises, LLC received the highest overall score. Their score was based on Wittman Enterprises' RFP response, their significant California presence, experience with the City's existing ePatient Care Report (ePCR) provider, and current track record with the City. Attachment A contains a summary of the proposal scoring.

Wittman Enterprises, LLC is a full service billing agency. With approximately thirty years of experience in California, they are able to navigate the complicated laws and regulations that govern billing. In addition to Pasadena, they are currently providing billing services to the cities of Burbank, Glendale and numerous other California cities. They will also be instrumental in administering the subscription program which was previously discussed by the Public Safety Committee during the Fire Department's budget presentation and is anticipated to be implemented during this fiscal year.

While the services offered by Wittman Enterprises, LLC are not the lowest cost between the two firms, they did retain the same contract rate of 3.75 percent of net collections that has been in place since the previous contract award in 2017. The pricing reflects the additional staff the company employs to increase their overall collection rate. Upon implementation, services will include a membership program for which there will be a processing and administration fee of \$13.50 for each initial application and annual renewal received. The fee will transition to 15 percent of net collections when the annual membership program fee reaches \$90.00 due to consumer price index adjustments. Services are comprised of mailing renewal notices, processing those received and maintaining the membership database. Wittman Enterprises, LLC has provided excellent service for the City of Pasadena for the past ten and a half years.

COUNCIL POLICY CONSIDERATION:

This action supports the City Council's strategic goal to maintain fiscal responsibility and stability.

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)(3) and 15378 (b)(5). The authorization of a contract for

paramedic billing services is an organizational and administrative action that would not result in direct or indirect physical changes in the environment. Since the action is not a "project" subject to CEQA, no environmental document is required.

FISCAL IMPACT:

Sufficient funds have been appropriated for these services in the adopted Fiscal Year 2023 Operating Budget, Non-Departmental Citywide account under line item 10120016-811400 (General fund-Non-Departmental-Citywide Obligations-Other Contract Services).

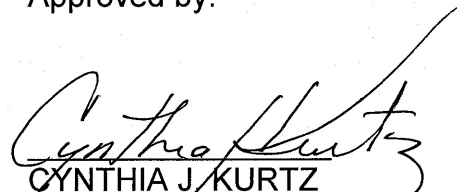
Respectfully submitted,


MATTHEW E. HAWKESWORTH
Director of Finance

Prepared by:


Maria Torres
Management Analyst IV
Department of Finance

Approved by:


CYNTHIA J. KURTZ
Interim City Manager

Attachment(s): 1
Attachment A – Proposal Evaluation Summary