



Memo

To: Dave Plyman, City Manager
From: Brian Johnson, Fire Chief
Dave Sawlsville, Lieutenant
Chris Frye, Finance Manager
Date: October 23, 2013
Re: Medical and Fire Service Billings

As a result of the Budget Committee meeting on August 9, 2013, staff sent out a Request for Qualifications for Medical and Fire Billing Services to three providers, including our current provider. The request included billing for Fire Service such as fire, extrication, and Haz-Mat for non-residents along with Ambulance billings for both residents and non-residents. The goal is to increase revenues by expanding billings to fire service and increasing collections while engaging the best customer service for the price. On October 16, 2013, staff interviewed each provider to discuss their firms, services they provide, and gave them the chance to offer suggestions for the City's current fee structure. Upon conclusion of the interviews, references were then contacted.

The current agreement with C.W. Services has been in existence since 1995 and amended to the current rate of 8% collected plus postage in 2003. A notice of 60 days is necessary to terminate the agreement.

A summary of the three providers is as follows:

C.W. Services

currently bills for ambulance service
1 client, the City of Rochelle
fee of 8% of what's collected plus postage of about \$275/m
has on occasion billed for fire service
1 staff member
office in Rochelle

Medical Reimbursement Services

currently bills for ambulance services
17 clients in the south suburbs of Chicago
fee of 6% of what's collected for the first year
could bill for fire service
6 staff members
office in Mokena
offer toll free phone number

Northern Illinois Ambulance Billing

currently bills for ambulance and fire services
36 clients in Northern Illinois
fee of 9% of what's collected
8 staff members
office in Mendota
offer toll free phone number

Please consider hiring Northern Illinois Ambulance Billing effective January 1, 2014 at a fee of 9% of what's collected for ambulance and fire service billing. During the interview, owners of the company gave us numerous examples of how to increase revenues by adjusting rates, creating a rate schedule for fire service, DUI, and DOA, and are willing to work with us closely during the transition period. For all calls billed prior to but collected after January 1, 2014, the City will continue to pay C.W. Services at the current rate.