



BRIAN L. CUMMINGS
FIRE CHIEF

July 2, 2012

BOARD OF FIRE COMMISSIONERS
FILE NO. 12-110

TO: Board of Fire Commissioners

FROM: Brian L. Cummings, Fire Chief

SUBJECT: EMERGENCY MEDICAL SERVICE REVENUE COLLECTION FOR
FISCAL YEAR 2011 - 12

FINAL ACTION:	<input type="checkbox"/> Approved	<input type="checkbox"/> Approved w/Corrections	<input type="checkbox"/> Withdrawn
	<input type="checkbox"/> Denied	<input type="checkbox"/> Received & Filed	<input type="checkbox"/> Other

Recommendations: That the Board:

1. Receive and file the Department's report on Emergency Medical Services (EMS) revenue collection for Fiscal Year 2011-12.

Summary: The Department, over the past few years, has pursued efforts to improve the overall EMS billing process. On August 3, 2010, the City Council and Mayor approved the new EMS Field Data Capture and Billing Systems. The Field Data Capture System was designed to enable EMS field personnel to capture and record patient data electronically through handheld devices. The system reconciles every incident record with Computer Aided Design dispatch information to ensure that each call is recorded and an electronic patient card record is generated for each patient. This will ensure that each patient care record is transferred into the new Billing System, thereby maximizing revenue. The new Billing System was designed to reduce the billing cycle, improve efficiency in accounts receivable, increase operational efficiency, and increase revenue.

The Billing System was implemented November 2010, with both systems fully implemented by June 30, 2011. Fiscal Year 2011-12 was the first full year of implementation. The Adopted Budget Revenue for FY 2011-12 is \$67.3 million. The Department is expected to exceed this amount by \$500,000. Based on the revenue receipts for July 2011 to May 2012, the anticipated gross revenue for FY 2011-12 is \$71.5 million. The vendor will be paid an anticipated \$3.6 million from the revenue receipts netting \$67.8 million.

Also, the Department is expected to receive \$13.6 million for patient transports from January 31, 2010 to June 30, 2011, and \$10 million annually through Assembly Bill (AB) 678. AB678 is a federal pass-through State program designed to reimburse fire departments that provide ambulance transportation to Medi-Cal patients. It is anticipated that the Department will receive a total of \$23.6 million in FY 2012-13, which represents reimbursements for the period January 31, 2010 to June 30, 2011, and FY 2011-12.

Fiscal Impact: The implementation of the Field Data Capture and New Billing Systems has resulted in a net revenue increase of approximately \$12.8 million (see the table below) in the first full year.

	FY 2009 - 2010	FY 2010 – FY 2011	FY 2011 – FY 2012
Gross Revenue	\$58,000,000	\$67,902,809	\$71,540,842
Less:			
LAFD Costs	\$3,000,000		
Vendor Costs - ADPI		\$1,744,998	\$3,669,964
Net Revenue	\$55,000,000	\$66,157,811	\$67,870,878

Conclusion: The Department will continue to work with the new Systems with the goal of maximizing revenue. Quarterly updates will be provided to the Fire Commission to keep them informed of the progress in meeting this goal.

Board report prepared by Ngozi Mbamalu, Senior Management Analyst I, Administrative Services Bureau.