



CITY OF PLANO COUNCIL AGENDA ITEM

CITY SECRETARY'S USE ONLY	
<input type="checkbox"/> Consent <input type="checkbox"/> Regular <input type="checkbox"/> Statutory	

Council Meeting Date:	July 25, 2016
Department:	Fire
Department Head	Sam Greif
Agenda Coordinator (include phone #): Teresa Shelstad Ext:7539	

CAPTION

To approve the purchase of EMS Billing and Collection Services for an initial term of four (4) months with one (1) one-year renewal for the Fire Department in the estimated amount of \$308,892 from Digitech Computer, Inc., through an existing City of Pearland contract and authorizing the City Manager, or his designee, to execute all necessary documents. (City of Pearland Contract No. RFP 0512-39).

FINANCIAL SUMMARY

<input type="checkbox"/> NOT APPLICABLE <input checked="" type="checkbox"/> OPERATING EXPENSE <input type="checkbox"/> REVENUE <input type="checkbox"/> CIP					
FISCAL YEAR:	FY 2015-16- thru 2017-18	Prior Year (CIP Only)	Current Year	Future Years	TOTALS
Budget		0	190,000	267,713	457,713
Encumbered/Expended Amount		0	-148,799	0	-148,799
This Item		0	-41,179	-267,713	-308,892
BALANCE		0	22	0	22

FUND(s): GENERAL FUND

COMMENTS: Expenditures will be made in the Fire Department based on ambulance services rendered, and the subsequent billing and collection services as needed for those services, within the approved budget appropriations for each year of the contract. This contract covers ambulance billings and collection services beginning September 1, 2016. The estimated annual amount to be spent in FY 2015-16 with Digitech under this contract is \$41,179. The estimated future annual expenditure is \$217,800 in FY 2016-17 and \$49,913 in FY 2017-18.

STRATEGIC PLAN GOAL: The contracting of ambulance billing and collection services relates to the City's goal of Financially Strong City with Service Excellence and Safe, Large City.

SUMMARY OF ITEM

The City is authorized to purchase from a cooperative purchasing program with another local government or a local cooperative organization pursuant to Chapter 271 Subchapter F of the Local Government Code and by doing so satisfies any State Law requiring local governments to seek competitive bids for items. (City of Plano Contract # 2016-0455-l)

See Recommendation Memo.

List of Supporting Documents: Recommendation Memo	Other Departments, Boards, Commissions or Agencies
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Memorandum

Date: July 13, 2016
To: Diane Palmer-Boeck, Director of Procurement and Project Management
From: Chris Biggerstaff, Assistant Chief Support Services Division
Subject: Award Recommendation Memo #2016-0455-I

The City of Plano currently uses Digitech Computer, Inc. for EMS billing services. Digitech Computer, Inc. is our current vendor for the billing and collection on all EMS transports that Plano Fire Rescue (PFR) performs. Digitech Computer, Inc. also audits compliance with CMS (Center for Medicare and Medicaid Services) rules and provides an independent 3rd party review to ensure it reflects current laws, regulations, and compliance issues.

The City of Pearland awarded a contract for EMS Billing Services to Digitech Computer, Inc. on September 10, 2012 pursuant to their RFP #0512-39. The contract included an initial term of 3 years with the options to renew for 2 additional 1 year periods. Pearland has exercised Renewal #1 which is in effect until December 15, 2016 and they have every intention of initiating Renewal # 2 for an additional year.

Utilizing this contract would extend the City of Plano's EMS billing contract for another 1-1/2 years at the same collection fee of 4.95%. Digitech Computer, Inc. has agreed to extend the City of Pearland contract to City of Plano at the same fee, terms and conditions of their RFP #0512-39.

Staff evaluated the City of McKinney contract with Digitech Computer, Inc.; however, the City of Pearland contract was more advantageous as the McKinney contract expired in May 2017. Plano Fire Rescue recommends utilizing the City of Pearland's contract with Digitech Computer, Inc. for the EMS Billing and Collection Services for the remainder of 2016 and through December 15, 2017.

Failure to award this contract would result in the loss or delay in billing and collection of ambulance transport revenues.