



Administrative Report

N.1., File # 25-0896

Meeting Date: 6/17/2025

To: MAYOR AND CITY COUNCIL
From: PATRICK BUTLER, FIRE CHIEF

TITLE

DISCUSSION AND POSSIBLE ACTION REGARDING THE IMPLEMENTATION OF A FIRE DEPARTMENT EMERGENCY MEDICAL SERVICES FIRST RESPONDER FEE

DIRECT STAFF TO COMPLETE THE DRAFT AGREEMENT WITH WITTMAN ENTERPRISES, LLC. TO ADMINISTER THE NECESSARY BILLING SERVICES ASSOCIATED WITH COLLECTION OF THE EMERGENCY MEDICAL SERVICES FEE AND RETURN IN JULY WITH AN ITEM FOR CONSIDERATION OF AGREEMENT APPROVAL

EXECUTIVE SUMMARY

On June 20, 2023, the City Council approved an amendment to the Master Fee Schedule to update the Fire Department Pre-Hospital Paramedic service fee from \$100 to \$313. The Pre-Hospital Paramedic service fee, commonly referred to as the Emergency Medical Service (EMS) First Responder Fee, is designed to recuperate the costs associated with the provision of emergency medical services, supplies, equipment, and personnel. The fee was first approved in 2010, but was never implemented. Collection of the \$313 fee requires the development and execution of a billing program. Accordingly, the Fire Department has developed a fee collection policy that fairly balances the costs associated with EMS provision for all users and includes a hardship clause for those users who cannot afford, or are unable to pay the fee. The policy also accounts for State legislation addressing "surprise" ambulance bills, including Assembly Bill (AB) 716, which is primarily directed to ambulance transport providers.

To implement the policy and to collect the fee, staff has identified Wittman Enterprises, LLC (Wittman), an EMS billing company that provides services to a large number of EMS providers, as the most qualified firm to assist in administering the fee collection program. A draft contract with Wittman (see attached) has been prepared to provide the billing and collection services. Based on Wittman's experience and the City's annual calls for service, staff is projecting that a minimum of \$250,000 of EMS fee revenue would be collected in Fiscal Year 2025-26 following contract approval in July. Once the billing program is fully established, there is the potential to collect \$1M or more per year.

BACKGROUND

The Redondo Beach Fire Department responds to a wide range of calls and provides EMS care to over 7,000 patients per year. State law allows Fire/EMS Agencies to charge user fees for emergency medical services provided to residents. A recent fee survey conducted of other cities, found that First

Responder fees vary from \$250 to \$400 per occurrence, and are common in many regional cities including Long Beach, Huntington Beach, Anaheim, Burbank, and Pasadena, among a number of other cities throughout the state. Many cities also adopted a subscription service for residents of \$60-\$80 per year per household, or business, to effectively pre-pay for EMS Treatment and preclude them from receiving a bill. The Redondo Beach Fire Department provides platinum-level EMS care to its community and responds to nearly 8,000 calls per year with approximately 90% of the calls requiring EMS Paramedic services. Some properties generate multiple calls per year and can, at times, burden Department resources.

If the proposed billing process/contract is approved, Wittman would first send the patient a bill requesting the patient's insurance information so that Wittman can directly bill the insurance company. If the insurance company does not pay the bill, or the patient does not have health insurance, Wittman would then re-issue the bill directly to the patient for the balance, with the option to establish a payment plan. In situations where patients are unable to pay the fee due to a hardship, the city could waive the fee, as desired, on a case-by-case basis.

Wittman specializes in EMS first responder billing and is the predominate billing company in the state of California. Staff surveyed other billing companies, but none provide EMS billing. Wittman charges a, one-time, flat rate of \$17 per patient, which includes follow-up billing, patient phone support, and any other related staff work. Wittman provides a flexible service that would allow the City to refine or adjust the billing process while still maintaining the flat rate of \$17 per patient. If implemented for all EMS calls, the City's 7,000 annual patient calls for service would cost the City approximately \$119,000 in administrative fees. Staff did consider an in-house billing process, but it would require hiring additional administrative personnel to manage the program and likely be more expensive and less effective.

Requests to waive fees stemming from hardships would be delegated to the City's Financial Services Department for review and approval, in line with the City's existing fee collection policies.

Fire Department staff evaluated the potential impact of AB 716 on the City's ability to collect EMS fees. The law establishes maximum rates that can be charged for ground ambulance service. The City's EMS fee does not fall under the purview of the Bill, and its adoption will not hamper the City's efforts to collect the EMS fee included in the Master Fee Schedule.

COORDINATION

The Fire Department coordinated this report with the City Manager's Office and the Financial Services Department.

FISCAL IMPACT

The fee, once implemented, is estimated to generate approximately \$250,000 in net revenue in FY 2025-26 and then increase annually. Wittman's services are paid through collection of the fee. Of the \$313 fee, Wittman retains \$17, the remaining \$296 is remitted to the City. Total net annual EMS fee collection revenue could be \$1M or greater in future fiscal years.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Draft Agreement with Wittman Enterprises, LLC