



# Administrative Report

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H.19., File # 25-0963

Meeting Date: 7/15/2025

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

## **TITLE**

APPROVE AN AGREEMENT WITH WITTMAN ENTERPRISES, LLC FOR BILLING SERVICES ASSOCIATED WITH COLLECTION OF THE PRE-HOSPITAL PARAMEDIC ASSESSMENT FEE FOR A CHARGE NOT TO EXCEED \$15 PER INCIDENT FOR AN INITIAL TERM OF JULY 16, 2025 THROUGH JULY 15, 2026

## **EXECUTIVE SUMMARY**

On June 20, 2023, the City Council approved an amendment to the Master Fee Schedule to update the Fire Department's 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. The 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 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. On June 17, 2025, the City Council directed staff to finalize an agreement with Wittman. Approval of the proposed Agreement would allow the City to begin fee collection, which is projected to produce a minimum of \$250,000 of revenue in FY 2025-26. Once the billing program is fully established, there is the potential to collect as much as \$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 a high volume of calls per year that can, at times, burden Department resources.

If the proposed billing process and contract are 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 predominant billing company in the state of California. Staff surveyed other billing companies, but none provide EMS billing. Wittman charges a one-time, flat rate per patient incident starting at \$15 and increasing by \$1 for each subsequent year of the Agreement. Unless terminated by the City, the agreement includes two one-year renewals. The City may terminate the agreement at any time, under its sole and absolute discretion.

The administrative flat rate covers follow-up billing, patient phone support, and any other related work by Whittman staff. Wittman provides a flexible service that would allow the City to refine or adjust the billing process while still maintaining the set flat rate per patient. If implemented for all EMS calls, the City's 7,000 annual patient calls for service would cost the City between \$105,000 and \$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 would 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, 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, which 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 item with the City Manager's Office, the Financial Services Department, and the City Attorney's Office.

### **FISCAL IMPACT**

The fee 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 incident fee. Of the \$313 fee, Wittman will retain \$15 during the first year of the agreement, \$16 during the second year, and \$17 during the third year. The remaining \$298, \$297, and then \$296 is remitted to the City. Total net annual EMS fee collection revenue could be \$1M or greater in future years.

### **APPROVED BY:**

*Mike Witzansky, City Manager*

**ATTACHMENTS**

- Agmt - Wittman Enterprises, LLC
- Certificate of Insurance