



# CITY COUNCIL STAFF REPORT



**June 11, 2024**

## **ITEM TITLE**

Agreement Amendment: Amend the EMS Billing and Collections Agreement with Wittman Enterprises, LLC to Increase the Annual and Overall Not-to-Exceed Amounts

**Report Number:** 24-0147

**Location:** No specific geographic location

**Department:** Fire

**G.C. § 84308:** Yes

**Environmental Notice:** The activity is not a "Project" as defined under Section 15378 of the California Environmental Quality Act State Guidelines. Therefore, pursuant to State Guidelines Section 15060(c)(3) no environmental review is required.

## **Recommended Action**

Adopt a resolution approving the First Amendment to the EMS Billing and Collections Agreement with Wittman Enterprises, LLC, increasing the annual not-to-exceed amount to \$1,000,000 and the overall not-to-exceed amount to \$3,250,000.

## **SUMMARY**

On May 12, 2020, the City Council approved Chula Vista Council Resolution No. 2020-102 approving a program for the Chula Vista Fire Department to provide exclusive ambulance transport services within the City of Chula Vista, the City of Imperial Beach and the Bonita Sunnyside Fire Protection District. In January of 2021, the City Council approved an agreement with Wittman Enterprises to provide EMS billing and collection services under Resolution No. 2021-006. The agreement included compensation at 3.25% of net receipts billed and collected with an anticipated amount not to exceed \$500,000 annually and \$2,500,000 through June 30, 2025. Due to an increase in net receipts billed and collected, the Fire Department is requesting an increase in the amounts not to exceed \$1,000,000 annually and \$3,250,000 through June 30, 2025.

## **ENVIRONMENTAL REVIEW**

The Director of Development Services has reviewed the proposed activity for compliance with the California Environmental Quality Act (CEQA) and has determined that the activity is not a “Project” as defined under Section 15378 of the State CEQA Guidelines because the proposed activity consists of a governmental fiscal/administrative activity which does not result in a physical change in the environment. Therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines, the activity is not subject to CEQA.

## **BOARD/COMMISSION/COMMITTEE RECOMMENDATION**

Not applicable.

## **DISCUSSION**

The City of Chula Vista solicited proposals from qualified companies to provide medical billing services for the City. On September 18, 2020, the City of Chula Vista released a Request for Proposals (RFP) for EMS Billing Collection Services (PO4-20/21) and conducted a competitive RFP process, pursuant to Chula Vista Municipal Code section 2.56.080, to identify the most qualified and cost-effective service provider. Upon review of the responses and subsequent presentations of the two finalists, staff recommending awarding the contract to Wittman Enterprises, LLC.

On January 5, 2021, the City Council approved an agreement with Wittman Enterprises to provide EMS billing and collection services via Resolution No. 2021-006. The compensation to Wittman Enterprises, LLC is 3.25% of net receipts billed and collected with a not-to-exceed amount of \$500,000 annually, upon completion of all Required Services to City' s satisfaction, and an overall not-to-exceed amount of \$2,500,000 for the agreement duration through June 30, 2025. Due to an increase in net receipts billed and collected, staff is requesting an increase to the not-to-exceed amounts to \$1,000,000 annually and \$3,250,000 through June 30, 2025.

The increase in annual contract revenue is required due to several factors. The primary factor is an increase in daily transports. The Ambulance Transport System originally anticipated 48 transports per day. Since inception, there has been an average of approximately 53 transports per day. In addition, the City participates in the Federal PP-GEMT-IGT reimbursement program, which has increased annual revenues by approximately \$4,000,000 annually. The increase in annual revenue received results in an increase in the amount paid to Wittman for billing and collection services. As of February 2024, the City has reached the not-to-exceed amount of \$500,000 for the current fiscal year. Based on estimated revenues and projections, staff is requesting an increase to the not-to-exceed amounts to \$1,000,000 annually and \$3,250,000 through June 30, 2025.

## **DECISION-MAKER CONFLICT**

Staff has reviewed the decision contemplated by this action and has determined that it is not site-specific and consequently, the real property holdings of the City Council members do not create a disqualifying real property-related financial conflict of interest under the Political Reform Act (Cal. Gov't Code § 87100, et seq.).

Staff is not independently aware and has not been informed by any City Council member, of any other fact that may constitute a basis for a decision-maker conflict of interest in this matter.

## **CURRENT-YEAR FISCAL IMPACT**

The increase in the not-to-exceed amount of this agreement will be offset by the increase in transport revenue. The increased costs for the current year will be absorbed within the current year budget of the Transport Enterprise Fund.

## **ONGOING FISCAL IMPACT**

The increase to this contract will be addressed in future operating budgets of the Transport Enterprise Fund.

## **ATTACHMENTS**

1. Agreement Amendment

*Staff Contact: Emily Folker, Principal Management Analyst  
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