

FY 2019 Budget Questions & Answers Finance Committee

Dept. Number, Name + Account	Questioner's Name/Question	Response
#640 Ambulance	Galvin: What is the actual and percentage increase in the FY19 budget over FY 18 for the Ambulance account?	The budget for the ambulance enterprise account is increasing by 2.92%. This is all being driven by the 21% increase in wages. The Department is carrying the wage costs for the Fire Department in the Ambulance Enterprise Fund. Firefighter wages were increased but EMT wages are zeroed out. The EMT stipends are not counted; this has now become part of firefighter's base pay. The difference in FY18 and the TMR FY19 Budget is \$39,420. This amount will in reality be less as there will be a request for adjustment of the FY18 Salaries and Overtime at the March 2018 Annual Town Meeting. The CBA was ratified in June 2017 after the ATM and has not been adjusted.
#640 Ambulance	Galvin: Explain the issue of the ALS billing agreements with neighboring communities?	The Department checked its rates to ensure that they were commensurate with area towns. This proved to be the case. (see attachment) Currently Polling other communities.
#640 Ambulance	Galvin: What operating conditions are prompting the evaluation of the option of increasing overtime and staffing at Nabnasset station?	Additional Staffing of 2 per shift (8) requested along with a Day-time EMS Coordinator-See Staffing Presentation
#640 Ambulance	Galvin: What impact on the budget may occur as the result of not including new contract adjustments regarding the IAFF contract? What is the discrepancy?	The 21% salary increase reflects a combined firefighter wage rate with the EMT stipend now included as part of the contract. The contract was not settled in June of 2017. Therefore, this matter will have to go before town meeting. The money can only be transferred with Town Meeting approval.
#640 Ambulance	Galvin: Is the 21.24% increase noted under the Firefighters line item reflective of the anticipated settlement with IAFF?	See above
#640 Ambulance	Galvin: What is the reason for the 15% increase in overtime?	EMT/Paramedic stipend place into base pay.

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#640 Ambulance	Galvin; What is the reason for the 35% increase in training?	There will be a request to adjust overtime at 2019 ATM, Contract was ratified after 2017 ATM. This will reduce the 15% increase.
#640 Ambulance	Galvin: What is the reason for the 16% increase in uniform allowance?	This training includes both Paramedic and EMT training. All training is done on an overtime basis because members can only attend training on time off. They cannot be assigned to training on their regular shift because it leaves the shift shorthanded. CBA This was part of the contractual agreement
#649 Ambulance	Galvin: What is the reason for the 33% increase in natural gas?	This is an accounting preference. We billed the Fire Department costs to this side of the budget.
#649 Ambulance	Galvin: What is the reason for the 33% increase in equipment maintenance?	This cost reflects replacement of meters for the defibrillators. Equipment coming off warranty going on Maintenance agreements/reflects actual FY17. Currently 85.6% used with 48.2% of the year remaining.
#640 Ambulance	Galvin: What is the reason for the 291% increase in training?	Same as training wage. We cannot train people on straight time. CBA now covers cost for certifications.
#640 Ambulance	Galvin: Can you describe the educational incentive program for firefighters- what incentives are offered and for what qualifications?	This encompasses incentives to pay for Fire fighter 1 and 2 training when completed and Fire Investigator training. There is a 5% salary increase for an associate's degree, a 10% increase in salary for a bachelor's degree and a 12.5% increase for a master's degree. These Education Incentives have been in the Contract and have not changed. Firefighters are attaining these training milestones

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#640 Ambulance	Galvin: Can you describe the reason for the 31.4% increase in gasoline costs?	This is primarily due to ambulance calls. The increase reflects a hedge against potential fuel cost increases, which is based on Towns estimated cost per gallon of fuels.
#640 Ambulance	Galvin: What is a training wage?	Officers must be on overtime to attend training. Training required by the state and medical director for licensure.
#640 Ambulance	Galvin: What is the reason for the increase in the meeting and conferences account?	Related to maintaining certifications. And new CBA, Maintaining Certifications
#640 Ambulance	Galvin: Please provide a brief general overview of the pay for service collections issue?	There are difficulties with collections. Town residents are not directly charged for service. Their insurance companies are billed if they provide the name of the company. Blue Cross and Blue Shield have agreed to direct payments. The town ambulance has had to write off considerable debt. Medicaid and Medicare do not match the town dollar for dollar. Their reimbursements are much lower than town costs. About 30% of invoices are unpaid and are written off as bad debt. Coastal is our billing company and Joe Joyce spends considerable time as does Deputy Britko with trying to make collections through the billing company.
#640 Ambulance	Galvin: What is the impact on the operations budget created by the Medicare reimbursement issue?	Reimbursements do not match costs
#640 Ambulance	Galvin: How much money in total remains unpaid for services rendered? What percentage of the calls for service goes unpaid?	It is estimated that 30% of the invoices go unpaid and are written off as bad debt.

**Town of Westford Ambulance Enterprise
 Net Revenue Study FY2012 - FY2017**

<u>YEAR</u>	<u>ALS BILLED</u>	<u>NO. TRIPS</u>	<u>ALS TRIP AVG.</u>	<u>BLS BILLED</u>	<u>NO. TRIPS</u>	<u>BLS TRIP AVG.</u>	<u>OTHER BILLED</u>	<u>TOTAL BILLED</u>
2012	776,896	506	1,535	525,475	394	1,334	203,689	1,506,060
2013	962,518	550	1,750	618,867	423	1,463	66,479	1,647,864
2014	1,496,118	750	1,995	680,693	442	1,540	35,670	2,212,481
2015	1,499,287	691	2,170	833,427	481	1,733	40,226	2,372,940
2016	1,667,701	839	1,988	738,015	480	1,538	24,976	2,430,692
2017	1,757,394	677	2,596	755,155	372	2,030	16,857	2,529,406

Proc Code	Description	Bedford	Proposed:	Andover*	Belmont*	Billerica	Burlington	Concord	Lexington	North Reading	Reading*	Westford	Wilmington	Averages (Does not include Bedford or communities that change ancillaries)
A0429	BLS Transport	1,173.92	1,200.33	1,074.12	1,595.00	1,159.88	974.05	1,375.00	1,251.00	1,250.00	850.00	1,250.00	1,261.88	1,217.40
A0427	ALS 1	1,394.03	1,425.40	1,275.54	1,894.08	2,185.17	1,156.70	1,865.00	1,515.00	1,650.00	1,100.00	1,695.00	2,667.47	1,819.19
A0433	ALS 2	2,128.72	2,176.62	1,846.17	2,741.40	3,564.71	1,674.15	2,365.00	2,056.00	1,850.00	1,500.00	2,150.00	3,650.34	2,472.89
A0425	Mileage	25.74	26.32	22.00	19.33	40.18	17.73	31.00	28.00	38.00	35.00	28.00	44.63	32.51
A0422	Oxygen				71.36						125.00			
A0392	Defibrillator				155.00						275.00			
A0382	c-Spine/Supplies BLS													
A0398	c-Spine/Supplies -ALS													
A0394	IV Administration			193.00	152.88						200.00			
A0396	Airway/Intubation			220.00							250.00			
A0424	Extra Attendant										325.00			
J0170	Epinephrine										225.00			
93000	Cardiac Monitor			271.00	214.07						275.00			
	ALS Intercept									275.00				
	Specialty Care Transport			1,610.00										
	Treatment No Transport			120.00										
	Extrication													
	* Charge Ancillaries													

Comparison Rates - Applicable through June 6, 2017

TOWN OF WESTFORD AMBULANCE BILLING POLICY

The policy of the Westford Fire Department and the Town of Westford is to collect all receivables generated by the Westford Fire Department ambulance for non-Westford residents, with the exception of cases where payment would create severe financial hardship. It is with this intent that the following ambulance billing collection policy is established.

BILL COLLECTION PROCESS:

1. The Town of Westford shall contract with a private medical billing company for billing services. The standard method of pursuing collections begins with a medical run report generated by the Westford Fire Department ambulance attendants related to a patient's treatment. The billing company will review pertinent patient care information and initiate ambulance billing by requesting payment from a patient's health insurance carrier. In the event that there is no available health insurance information, and the patient is not a resident of Westford, the billing company will issue an invoice to the patient in an attempt to obtain any further pertinent information and signature(s). Without health insurance information, the patient is solely responsible for the ambulance bill.
2. Since the Fire Department provides emergency medical care, as necessary, as a municipal service to benefit Town residents, if a Westford resident does not have health insurance, or the insurance company only covers a portion of the amount billed, the remaining balance will be written off at the end of the month.
3. The Town will seek payment from a Westford resident if the following scenario occurs:
 - a) The patient is reimbursed directly from his or her health insurance company for the cost of the services provided by the Westford Fire Department. In this scenario, the Town of Westford will seek full reimbursement from the patient in the same manner as if the patient were a non-resident.
4. If there is no response to the first bill for payments outstanding after 30 days, the billing company will issue a second bill with the heading "Account Past Due." Additionally, the billing company will telephone the patient inquire as to the outstanding balance.
5. If there is no response to the second bill for payments outstanding after 60 days, the billing company will prepare a third bill with the heading "Account 60 Days Past Due." This bill will be on Fire Department letterhead signed by the Fire Chief.
6. If there is no response to the third bill for payments outstanding after 90 days, a fourth bill will be sent informing the patient that his or her account is "Seriously Past Due" and could be forwarded for collection.

7. After 135 days the contracted medical billing company stops billing for outstanding invoices. After 145 days the bill is sent out to a collection agency. At that point, the collection agency will work directly with the Town of Westford to recover outstanding amounts owed by non-residents.
8. When a account is six or more months overdue, determined to be inactive by the collection agency or abatement has been requested, the Fire Chief and Town Accountant shall review the account to determine whether a financial hardship abatement, or additional collection procedures, are warranted. If additional collection procedures are recommended (i.e. court action) such recommendation will be forwarded to the Town Manager and Board of Selectmen for approval.
9. In cases of financial hardship, ambulance bills may be abated by the Fire Chief in his sole discretion. To qualify for abatement, the following must apply:
 - a) If the patient has private health or accident insurance, medical assistance, Medicare, SSI or general assistance, he or she must apply for reimbursement under such programs prior to abatement consideration.
 - b) If the patient has been approved for free care by a recognized health care facility, a copy of said approval shall be included with the abatement request submitted to the Fire Chief.
 - c) If there is no insurance or governmental assistance available and the patient is the only responsible party for his or her medical care costs, the patient must complete a signed and dated abatement request to the Westford Fire Chief for consideration. Sufficient documentation, such as a notice of health insurance cancellation or paperwork showing that the patient is uninsured should, if available, be submitted with the request for abatement.