

## Meeting Agendas/Info

**CITY COUNCIL  
COMMUNICATION:**

**ITEM \_\_\_\_\_**

**01-055**

**OFFICE OF THE CITY MANAGER  
CITY OF DES MOINES, IOWA**

**AGENDA:**

FEBRUARY 12, 2001

**SYNOPSIS -**

Approval and award of contract to Team Two, Inc. (Josh Engman, President, P. O. Box 71069, Des Moines, IA 50325) to provide for City ambulance billing and collection services.

**SUBJECT:**

CONTRACT AWARD  
FOR AMBULANCE  
BILLING SERVICE

**FISCAL IMPACT -**

The estimated annual cost of the contract is \$150,000. The City anticipates billing \$2.4 million annually for ambulance service and anticipates collecting 78 percent of this total.

**TYPE:**

**RESOLUTION**  
ORDINANCE  
RECEIVE/FILE

**RECOMMENDATION -**

**APPROVAL.**

**SUBMITTED BY:**

RON WAKEHAM  
FIRE CHIEF

ALLEN MCKINLEY  
ACTING FINANCE  
DIRECTOR

**BACKGROUND -**

On July 13, 1998, Team Two, Inc. was awarded a contract for ambulance service billing for the Fire Department. The conditions of that contract provided payment to Team Two, Inc. of 10 percent of funds collected in the performance of billing services. Team Two's services include expertise and knowledge regarding Medicare/Medicaid and third-party payers which the Finance Department no longer has the resources or expertise to provide.

As outlined in the contract, Team Two, Inc. will be required to:

- Bill for ambulance services.
- Collect monies received for City ambulance services and deposit them directly into a City-owned bank account.
- Provide a performance bond in the amount of \$50,000.

- Have and maintain, at Team Two's expense, billing extract software compatible to the Fire Department's medical care software.

- Perform an annual independent audit at Team Two's expense.

As outlined in the current contract, Team Two will be compensated at 8 percent of collected funds, down from 10 percent in the previous contract for ambulance services.

Also, 5 percent of funds received by the City from the City's own independent collection agency will be paid to Team Two, Inc. to continue to compensate that firm for additional account tracking and monitoring.