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February 26, 2016

VIA MESSENGER

Alderman Terry Witkowski, Chairman
City of Milwaukee Public Safety Committee
City Hall
200 East Wells Street, Room 205
Milwaukee, WI 53202

Re: TRIP Program for 3rd Party Ambulance Providers
File # 151498

Dear Alderman Witkowski:

On February 25, 2016, your committee and members of the Common Council received a memorandum from Martin Matson, City Comptroller, regarding the TRIP program for 3rd party ambulance providers. This office represents Bell Ambulance. We have reviewed Mr. Matson's correspondence to your committee and the Common Council and we would like you to consider this letter as a response thereto.

The TRIP program for 3rd party ambulance providers was a legislative enactment from the State of Wisconsin. The statute provides that private ambulance provider for a municipality may utilize a tax-intercept remedy for services provided to individuals who fail to reimburse the private provider for the services provided.

For ease of review, we have taken the Comptroller's correspondence and have added our comments in bold and italic print below.

- This program may negatively impact impoverished neighborhoods as they are most likely to not have the means to pay their bills. This was a known quantity as part of existing ambulance contracts. An examination of rate setting would need to occur, as the city-imposed rates may now be out of sync with the proposed change.

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If his concern is that impoverished citizens should not have to pay their ambulance billings, then the Milwaukee Fire Department should not utilize this program either. They do. The State has determined 3rd party ambulance providers should be able to as well.

- As a result of Wisconsin 2015 Act 59, the City may ultimately be held responsible for the outstanding debt of the residents owed to the 3rd party ambulance providers once it has been certified as municipal debt as part of the TRIP program.

The Act says a debt owed to an ambulance provider contracted with the City is considered a municipal debt. It does not say that the City owes the ambulance provider for a patient's debt. It would appear that Mr. Matson should have raised this issue when Act 59 was being considered.

- This action may allow the ambulance providers a higher priority with the City's tax refund account. Should any other City receivable be certified in the future, ambulance companies may have first priority.

The ambulance providers will have an account with the State of Wisconsin DOR set up as a "Sub-Unit" of the City's account. It is not directly a part of the City's account, nor is it comingled with the City's account. The State of Wisconsin TRIP operates on a first-certified, first-paid method. If the Ambulance provider certifies a debt BEFORE the City certifies a debt, the ambulance provider's debt will be paid out prior to the City's. Just like if the City of Greenfield certified a debt before Milwaukee certified a debt, Greenfield would be paid out first. Again, Mr. Matson's concern should have been raised at the State level.

- It is indeterminate if Medicare-required write-downs will now be considered collectible by the service providers.

We understand that it is illegal for ambulance providers to accept or request payment in excess of the Medicare or Medicaid allowable amounts. None of the ambulance providers do this, nor will they.

- There are no documented contract requirements with the service providers of the process of certifying with the City as pass-through to the State. All ambulance contracts may have to be re-negotiated to enforce adherence to policies and procedures not yet created.

This is not a contract issue. The State has determined this is another method for 3rd party ambulance providers in their collection efforts for services rendered under a municipal contract. This has already been decided by the State.

- Audit/review requirements would most likely have to be instituted. There is currently no capacity to perform this activity either at the MFD or Comptroller's office. An outside service provider may need to audit on the City's behalf.

This collection method is no different than any other current collection methods in the sense that the private provider bills to the patient or their insurance company the City determined rates and collects payments for such charges. There have not been any audit activities required, nor will there be. Again, any debt certified to the State is in a separate sub-unit of the City's TRIP account. There is no comingling of funds or debts at the State level. If there is ever any amount incorrectly offset and therefore needed to be recouped by the State, it would be taken back from this sub-unit and therefore not affect the City.

- The Comptroller's Office will require both the City Attorney and the City's financial auditor to opine on potential legal and financial/accounting impacts.

The City Attorney's office has investigated this and determined that the existing contract with Harris and Harris is not an issue. The City Attorney's office recognizes this is a State law and indicated they are prepared to move ahead with this.

- This program will have to be adequately administered both from verifying the ambulance companies are following the correct protocol for receivables, certification of those receivables to the State and review/processing of monies collected and distributed to accurately reflect the intent of the statute.

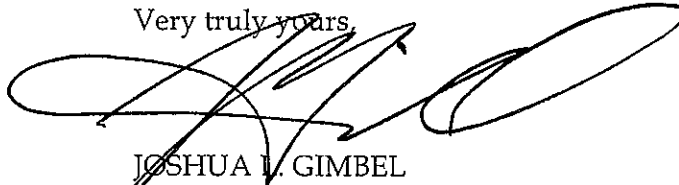
The Wisconsin Consumer Act already has in place, at the State level, oversight of the ambulance provider's receivable processes, just like any other agency doing any type of collection activities within the State.

Please consider these items as noted, so that upon passage, a robust program has been identified, annotated, and contracted, to mitigate any risks posed to the City. This is NOT cost neutral to the City.

At the end of the day, this Council file is not needed for the City to give the providers "permission" to utilize TRIP; this file appears more to be simply to determine who at the City should sign the form that the State DOR requires to establish the providers' access to TRIP.

As mentioned at the committee meeting last week, tax refund season is upon us and our client would like to utilize the State authorized collection method as soon as possible. The Milwaukee Common Council does not have the authority to block and/or impede the application of State legislature in regards to the matter addressed herein.

Very truly yours,



JOSHUA V. GIMBEL

JLG/ddc

cc: Alderwoman Milele Coggs (via Messenger)
Alderman Joe Davis Sr. (via Messenger)
Alderman Robert Donovan (via Messenger)
Alderman Robert Puente (via Messenger)
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Bus/bell/c/twitkowski 2016-02-26