

**LRB-FISCAL REVIEW SECTION ANALYSIS**

**FINANCE AND PERSONNEL COMMITTEE**

**ITEM 5, FILE # 040747**

**OCTOBER 6, 2004**

**MARK A. RAMION**

File # 040747 is a resolution reserving a \$95,000 appropriation in the Common Council Contingent Fund to transfer to the City Attorney Damages and Claims Fund to pay for Medicare reimbursements erroneously paid to the city.

**Background**

1. This resolution reserves \$95,000 in the Common Council Contingent Fund and will be available for transfer to the Damages and Claims Fund to pay for Medicare reimbursement erroneously paid to the city.
2. This resolution further directs the Comptroller to review the Milwaukee Fire Department's financial records for the erroneous reimbursements to verify the amounts in question claimed by United Healthcare and Medicare.

**Discussion**

1. Billing errors resulted in the payment of approximately \$84,000 to the City of Milwaukee:
  - An approximate \$32,000 overpayment to the city by United Healthcare upon receiving duplicate billing by the Milwaukee Fire Department for emergency service rendered.
  - An approximate \$52,000 payment to the city for emergency medical services related to a mistaken billing to Medicare by a third party billing agency. This payment should have been directed to the City of Menomonie, Wisconsin for services rendered by their fire department.
2. The funds in question have been deposited in the City of Milwaukee's General Fund.
3. Checks for the exact amount of the overpayment will be issued to United Healthcare and Medicare upon verification of the amount.
4. This resolution will reserve an amount of \$95,000 from the Common Council Contingent Fund for transfer to the Damages and Claims SPA from which this claim would be paid. The extra amount reserved above the assumed overpayment of \$84,000 will provide a margin for the verification of the exact amount of the overpayment. Only the exact amount of the overpayment will eventually be transferred, up to \$95,000.

**Fiscal Impact**

1. The total amount of this resolution is \$95,000, to be reserved in the 2004 Common Council Contingent Fund..
2. On October 1, 2004, the 2004 Contingent Fund had a balance of \$4.45 million or 89% available.
3. This resolution will have no fiscal impact upon city funds as the overpayments have been deposited with the city and the return of these payments will be of an equal amount.

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LRB-Fiscal Review Section  
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