

**MINUTES
THE TOWN OF INDIAN RIVER SHORES
6001 North Highway A1A, Indian River Shores, FL 32963**

**AMBULANCE TRANSPORT BILLING AND PSD VEHICLES
WORKSHOP MEETING
Thursday, October 28, 2010
3:00 p.m.**

PRESENT: E. William Kenyon, Mayor
William H. Ahrens Vice Mayor
Frances F. Atchison, Councilmember
Michael B. Ochsner, Councilman
Gerard A. Weick, Councilman

STAFF PRESENT: Richard Jefferson, Town Manager
Laura Aldrich, Town Clerk
Chester Clem, Town Attorney
Bill Schauman, Public Safety Director
Robbie Stabe, PSD Captain

OTHERS PRESENT: Guest - Mauricio Chavez from McKesson Corporation
1 Resident

1. **Call to Order**

- a. Pledge of Allegiance
- b. Invocation (Councilman Ochsner)
- c. Roll Call

Mayor Kenyon called the meeting to order at 3 p.m., stating that the Pledge and Invocation would be performed at this meeting and foregone at the following Regular Town Council meeting. All agreed, with the Roll Call being called as reflected above.

2. **Ambulance Transport Billing**

- a. Public Safety Presentation

Mayor Kenyon said that the Council had already approved how ambulance transport would be handled, and that we are now at the procedural implementation stage. He then turned to the Town Manager for a report. Mr. Jefferson stated that there were questions at the time it was passed about billing, and Mr. Chavez from McKesson is here to respond.

- b. Council Discussion

Councilmember Atchison said that she understood the \$1,800 initial fee would not be repeated, and that the client would not be billed, only Medicare or Medicaid. Mr. Chavez affirmed, adding that non-residents would have to be billed one statement with a “soft approach.” The residents will not be contacted even for any co-pay. Chief Schauman added that other insurances will be billed if the patient is not covered under Medicare. He clarified that information will be collected on the ambulance run if possible as is the current

Please Note: The Town of Indian River Shores does not routinely keep verbatim minutes. Any party interested in such an appeal relating to any decision made by the Council with respect to any matter considered at this meeting is responsible to record the meeting and include the testimony and evidence upon which the appeal is to be based.

procedure. About 80% of the patients are able to reply as they are transported. A “soft letter” will be sent if necessary to the patient asking for insurance information. The letter will be approved by the Town Manager before it is sent.

Mayor Kenyon said that we are not changing the service at all, just implementing a process that is used in the rest of the County to receive payment from Medicare. Chief Schauman affirmed. Councilman Weick asked the status of the Medicare license, and Mr. Chavez said the process had not yet begun. It takes a minimum of three (3) months, and could be up to nine (9) months.

Councilman Ochsner asked what the average charge is for this service. Mr. Chavez replied that it is about \$550 - \$600, depending on the level of service, but the charge is up to the Town. The Councilman asked how much Medicare allows, and \$250 – \$300 was the reply. Chief Schauman said that they are calculating approximately \$80,000 in revenue on an annual basis. The Medicare license is required prior to any billing, so we may be most of the way through our fiscal year before any revenue is realized. Chief Schauman said that this is just a one year contract. The Mayor asked if we can increase the contract length easily, and Chief Schauman replied that we could. This contract would start January 1st (2011), Mr. Chavez added, so it allows some grace period for the Medicare number to be assigned.

Whether revenue could be set aside for equipment or whatever the Town desired was discussed by the Council, and Councilman Ochsner said that the Council was contemplating this in order to supplement the General Fund.

Mr. Clem asked if the contract would be redrafted to insert the provisions that were in the letter, and Mr. Chavez said it was already done.

Vice Mayor Ahrens received assurance that there would be no impact to our residents, with no change in current service. Councilman Weick asked if it would meet all Medicare laws and regulations, such as insisting on a co-pay. Mr. Chavez said that for all other specialties, such as radiologist, pathologist, they have to charge a co-pay. But since the patients are all residents, the OIG office (Inspector General) has stated since they pay taxes in that city, it could be deemed as the co-pay. Chief Schauman said that they will ask each patient if they are a resident. Mayor Kenyon said all he hears are compliments, so whatever they are doing, keep on doing it.

Chief Schauman said he and the Town Manager had already reviewed the contract, and the Council had approved the action. Councilmember Atchison said she is delighted, as she thought this should have been done four years ago.

c. Public Comment

(Received at 3:20, following the PSD Vehicle discussion below)

Jack Mitchell, 220 Sandpiper Point, John’s Island, said that this issue had come up before, and he wonders why we need this as our system isn’t broken. He questioned Mr. Chavez about McKesson Technology’s credentials, and found that they were formerly known as McKesson and Robbins and are providers of this nationwide service in Indian River County, Flagler County, City of Miami, and the City of Coral Gables to name a few. The Town has to apply for a Medicare number in order to be able to bill the Medicare program for those who are able to receive this benefit, and for those who use other insurance(s) their company will receive a bill. No individual residents will be billed for ambulance transport, Mr. Chavez emphasized, which is the Town’s choice. The Mayor assured Mr. Mitchell that nothing will change in how the patients are transported, it is a bookkeeping service. Mr. Mitchell thanked the Council for their time.

3. **Additional Public Safety Vehicle Purchase**

a. Public Safety Presentation

Mr. Jefferson said that Capt. Stabe has prepared prices for four vehicles that they would like to purchase to supplement the Public Safety fleet. These are in addition to the patrol cars that have already been approved. They are an ambulance, a vehicle used by the Fire Inspector, the truck that is used for transporting training information and moving the boat, and the 4-wheeler that is used for beach patrol. Councilman Ochsner attested to the need to replace the latter which is problematic, as he is a beach patrol volunteer. There really needs to be two vehicles for this purpose. Using a Honda versus a Kawasaki was discussed between Councilman Ochsner and Capt. Stabe. They concluded that regardless of the manufacturer, they all rust in two or three years.

b. Council Discussion

Councilmember Atchison voiced her disappointment that these were not included in the budget, with the exception of the ATV which is understandable. It was so difficult for the Council to agree on the millage rate, even though the need is apparent for these vehicles. The timing is bad, she added. Councilman Ochsner said that the funds that pay for these vehicles are from the same fund that is used to pay for the building, so the amount to transfer from the other funds will not be affected. An estimated \$300,000 will be available to cover this \$285,000, he concluded. She said it is sending a really bad message, and is not supportive given the difficulty there was in setting the millage rate.

Mayor Kenyon said he was disappointed that these vehicles were requested also, as he was only aware of the Public Safety patrol vehicles that were in need of replacement. Chief Schauman reminded him that the Department had not purchased any patrol vehicles the past two years, when they normally would budget for two a year. These vehicles have a very long lifespan and are used for ancillary tasks. They are old and in need of replacement, even though the miles are fairly low. Councilmember Atchison asked if maintaining them would not be substantially less than replacing them. Chief Schauman said that they fully intend to get eight or ten years out of the new vehicles.

Mayor Kenyon said this would not be voted on until the next Council meeting, but the workshop was intended to air the concerns and opinions on this item. Chief discussed his original plan to buy the desperately needed fire truck. Since it is a big expense item, if the vehicles are taken care of now they can begin working on the \$600,000 to \$900,000 fire truck within the next couple of years. Typically, he added, about \$300,000 - \$400,000 per year in infrastructure funds is for this purpose, but the past couple of years the building renovation has required these funds. Selling surplus vehicles and the older ambulance will provide funds to offset these.

c. Public Comment

There was no comment on this topic. The PSD ambulance service was discussed at this time as written above.

4. **Adjournment.** Mayor Kenyon, hearing no further discussion, announced that this meeting was adjourned at 3:27 p.m.

Respectfully submitted,

/s _____
Laura Aldrich, Town Clerk

(Approved by the Town Council at the 11-17-10 meeting)