



**Town of Mansfield
Agenda Item Summary**

To: Town Council
From: Matt Hart, Town Manager *Matt*
CC: Maria Capriola, Assistant to Town Manager;
Date: January 12, 2009
Re: Rescue Services Billing Proposal

Subject Matter/Background

The fire department is proposing a program of revenue recovery for certain fire and emergency services; specifically the department is proposing a program of billing for rescue services. The proposal is being made in order to defray the cost of operating expenses, including administrative support, annual testing of hydraulic tools and equipment, specialized training, and for the replacement of materials that are used to provide these types of services.

Chief Dagon has met with CAG (Certified Ambulance Group), the company that provides ambulance billing services for the department, to discuss the feasibility of charging for rescue services; CAG has the capability to administer billing for these types of services. A number of fire departments statewide have recently begun to charge for this type of service in order to offset costs.

A description of the type of rescue services that the department is proposing to be included in a rescue services revenue recovery program and the proposed rates (based on CAG's recommended fee schedule) follows:

<u>Description</u>	<u>Low Rate</u>	<u>High Rate</u>
<u>Light Duty Rescue</u> Any rescue utilizing personnel and equipment in securing and protecting the scene. Services provided include the use of hand tools, absorbent material, Reflective or Combustible Warning devices.	\$300	\$400
<u>Heavy Duty Rescue</u> Any rescue utilizing personnel and equipment in securing and protecting the scene. Services provided include the use of hand tools, absorbent material, Reflective or Combustible Warning devices as well as Hydraulic, Pneumatic or Gas powered tools to free a victim from an entrapped space.	\$500	\$700

Technical Rescue

\$800

\$1,000

Technical rescue includes but is not limited to Confined Space, Vertical, Trench, or Search and Rescue situations.

The billing for services at either the Low Rate or the High Rate is determined by a number of different factors including, for example, the complexity of the operation, time on scene, number of personnel required, type of equipment used to effect a rescue and secure the area.

Financial Impact

Cost/Impact on operations

Billing for rescue services will entail obtaining insurance information from the owner/operator of a motor vehicle by responders at the scene of a MVA (Motor Vehicle Accident). It is not likely that this added requirement will have an adverse effect on department operations. Insurance information received from responders by the chief's office will require processing in order to be forwarded to the department's billing services company.

Revenue

It is possible that the department could recover revenue for these types of services in the amount of \$15,000 – \$30,000. The amount of revenue that may be recovered is difficult to determine due to the following factors:

- The number of rescue calls that would qualify for billing is determined by the services provided by responders.
- The individual insurance companies billed for rescue services may or may not authorize payments depending on the type of rescue services (light, medium, or heavy) provided by responders.
- Policy concerning uncollectable fees.
- The amount of an insurance company's deductible.

Recommendation

Staff believes that it is important to look at new sources of revenue to defray operating expenses, particularly in this fiscal environment. Implementing a fee for rescue services appears to present such an opportunity.

As this fee would be an addition to the Town's fee schedule, staff recommends that the Town Council schedule a public hearing to solicit input from the public regarding the proposal.

If the Town Council supports this request, the following motion would be in order:

Move, to schedule a public hearing for 7:45 PM on January 26, 2009, to solicit public comment regarding a proposed fee schedule for rescue services.

LEGAL NOTICE
TOWN OF MANSFIELD
PUBLIC HEARING January 26, 2009

The Mansfield Town Council will hold a public hearing at 7:45 PM at their regular meeting on January 26, 2009 to solicit public comment regarding a proposed fee schedule for rescue services.

At this hearing persons may address the Town Council and written communications may be received. Copies of said proposals are on file and available at the Town Clerk's office: 4 South Eagleville Road, Mansfield, CT 06268

Dated at Mansfield Connecticut this 16th day of January 2009

Mary Stanton
Town Clerk

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Item #4

**Town of Mansfield
Agenda Item Summary**

To: Town Council
From: Matt Hart, Town Manager *MH*
CC: Maria Capriola, Assistant to Town Manager; David Dagon, Fire Chief
Date: January 26, 2009
Re: Fee Schedule for Rescue Services

Subject Matter/Background

At Monday's meeting, the Town Council will conduct a public hearing regarding the proposed program of revenue recovery for certain fire and emergency services. As you may recall, the fire department is proposing a program of revenue recovery for certain fire and emergency services; specifically the department is proposing a program of billing for rescue services. The proposal is being made to assist in the funding of expenditures related to rescue and departmental operations, such as administrative support, annual testing of hydraulic tools and equipment, specialized training, and for the replacement of equipment and materials that are used to provide these types of services.

Chief Dagon has met with CAG (Certified Ambulance Group), the company that provides ambulance billing services for the department, to discuss the feasibility of charging for rescue services; CAG has the capability to administer billing for these types of services. Following are some fire departments that recover revenue for rescue related services:

- Bridgeport
- Crystal Lake
- Hartford
- Danbury (proposed)
- Eastford
- Enfield Fire District
- North Thompsonville Fire District
- New London
- Thompsonville Fire District #2
- Waterbury
- Willington

Collection rates have been reported as averaging fifty percent (~50%).

A description of the type of rescue services that the department is proposing to be included in a rescue services revenue recovery program and the proposed rates (based on CAG's recommended fee schedule) follows:

<u>Description</u>	<u>Low Rate</u>	<u>High Rate</u>
<u>Light Duty Rescue</u> Any rescue utilizing personnel and equipment in securing and protecting the scene. Services provided include the use of hand tools, absorbent material, Reflective or Combustible Warning devices.	\$300	\$400
<u>Heavy Duty Rescue</u> Any rescue utilizing personnel and equipment in securing and protecting the scene. Services provided include the use of hand tools, absorbent material, Reflective or Combustible Warning devices as well as Hydraulic, Pneumatic or Gas powered tools to free a victim from an entrapped space.	\$500	\$700
<u>Technical Rescue</u> Technical rescue includes but is not limited to Confined Space, Vertical, Trench, or Search and Rescue situations.	\$800	\$1,000

The billing for services at either the Low Rate or the High Rate is determined by a number of different factors including, for example, the complexity of the operation, time on scene, number of personnel required, type of equipment used to effect a rescue and secure the area.

Financial Impact

Cost/Impact on operations

Billing for rescue services would entail obtaining insurance information from the owner/operator of a motor vehicle by responders at the scene of a MVA (Motor Vehicle Accident). The department currently obtains this type of information now for EMS billing purposes. Collecting similar insurance information for rescue billing is estimated to take approximately five to ten minutes during the call for service. Insurance information received from responders by the chief's office is estimated to require two (2) hours each week to process to be forwarded to the department's billing services company.

Revenue

It is possible that the department could recover revenue for these types of services in the amount of \$15,000 – \$30,000. The amount of revenue that may be recovered is difficult to determine due to the following factors:

- The number of rescue calls that would qualify for billing is determined by the services provided by responders.
- The individual insurance companies billed for rescue services may or may not authorize payments depending on the type of rescue services (light, medium, or heavy) provided by responders.
- Policy concerning uncollectable fees.
- The amount of an insurance company's deductible.

Recommendation

Staff believes that it is important to look at new sources of revenue to defray operating expenses, particularly in this fiscal environment. Implementing a fee for rescue services appears to present such an opportunity.

Unless the public hearing raises any additional issues that we have not considered, or if the Town Council wishes to make further revisions, staff recommends that the Council adopt the proposed fee schedule for rescue services.

If the Town Council supports this request, the following motion would be in order:

Move, to accept the proposed fee schedule for rescue services, which schedule shall be effective March 1, 2009.