

**FREQUENTLY ASKED QUESTIONS  
REGARDING THE MURRIETA EMS SUBSCRIPTION PROGRAM AND NEW SERVICE PROVIDER**

November 20, 2012 - Council Meeting

**OVERVIEW OF EMS PROGRAM –**

**WHY DOES FIRE PERSONNEL SHOW UP FIRST WHEN I CALL 9-1-1?**

Fire departments throughout California are considered the first responders to most emergency calls. Instead of fighting fires, most 9-1-1 calls that are received are now for medical emergencies. Meanwhile, cities receive no additional financial support from ambulance providers or other sources. The current ambulance contract is managed by Riverside County, and the City has no oversight over performance. This contract requires that an ambulance arrive on scene within ten minutes of dispatch at least ninety percent of the time. The Murrieta Fire Department's (MFD) stated response goal for fires, Emergency Medical Services (EMS), vehicle extrication and rescue emergencies is within five minutes. Typically, by the time an ambulance is on scene, MFD has expended medical supplies and stabilized the patient. This has become a drain on local services, as departments such as the MFD routinely hire dual paramedic/firefighters. Murrieta keeps a minimum staffing level of at least one paramedic on each of the five engines in the city. We feel this is a standard of service that our community demands and deserves. However, due to the economic downturn and diminishing revenues, it is not possible to continue providing the same level of service without some type of cost recovery offset.

**WHAT IS THE VOLUNTARY MURRIETA EMS SUBSCRIPTION PROGRAM?**

To help offset the costs of providing emergency medical service, the MFD has proposed a program modeled from other cities that would help compensate for emergency calls in order to allow the same level of service that Murrieta residents are accustomed. The MFD EMS Subscription Program is an annual voluntary membership fee designed to protect Murrieta residents and businesses from out-of-pocket expenses related to emergency care provided by the MFD. The MFD is implementing a cost recovery program that charges \$350 per response, per person for each medical aid response that is performed by the MFD. As an alternative to paying this response charge, the Murrieta EMS Subscription Program allows residents and business owners the option of paying a low annual fee rather than being charged the \$350 response fee for emergency medical response. The subscription program assures residents and businesses that the same high level of service will be provided without additional out-of-pocket cost if you should have the misfortune of a medical emergency.

**WHO IS COVERED BY THE MURRIETA EMS SUBSCRIPTION PROGRAM AND HOW MUCH DOES IT COST?**

For a residential membership, the program covers response and medical care provided by the MFD for all who reside in the home. This extends to a subscriber that needs medical emergency service while away from the home, but still within Murrieta. The cost of this membership is \$48 per year (equivalent to \$4 per month) per home or per unit for multi-family dwellings.

For businesses, the program covers response and medical care for all employees. The cost of this membership depends on the size of the business measured by the number of employees as followed:

- Businesses with 1 to 10 employees: \$75
- Businesses with 11 to 25 employees: \$125
- Businesses with 26 to 75 employees: \$200
- Businesses with 76+ employees: \$300

All outpatient medical care facilities: \$300

**WHY IS OUTPATIENT MEDICAL CARE FACILITIES CHARGED MORE?**

The MFD receives a disproportionately greater number of emergency calls from outpatient medical care facilities as compared to other businesses.

**WHY DON'T I RECEIVE A BILL FOR SERVICES FOR A FIRE AT MY HOUSE?**

The Murrieta Fire District already receives funding as a special district. This funding, which is paid on annual property tax bills, funds the cost of fighting fires. The funding provided through property taxes is designed to fund fire-fighting services. However, the MFD cannot continue to absorb the costs mandated by the state, for an inconsistent Riverside County EMS system.

**I PAY PROPERTY TAXES. WHY ARE MY TAX DOLLARS NOT PAYING FOR EMERGENCY MEDICAL SERVICES?**

The MFD is primarily funded through taxes to provide fire protection and fire related services. As EMS services have increased, there has never been a revenue source established to cover the costs of these vital services.

**WHAT DOES THE SUBSCRIPTION FEE COVER?**

The Murrieta EMS Subscription Program fee covers a patient from paying the \$350 response fee for medical services rendered. It does not pay for transportation in an ambulance or other care given by an ambulance company.

**DO OTHER CITIES HAVE SIMILAR COST RECOVERY PROGRAMS?**

Yes, subscription programs for cost recovery are fairly common in Southern California, especially within cities that provide their own fire services rather than contracting with a county. The City of Corona implemented a similar program in 2003. Many cities in Orange County also have subscription programs such as: Orange County, Alhambra, Buena Park, Westminster, Fullerton, Sierra Madre, and Huntington Beach. Each program varies in design, but does offset the costs to cities for providing EMS services.

**DO I HAVE TO BECOME A SUBSCRIBER?**

No, the program is strictly voluntary. Residents and business owners who do not subscribe will continue to receive the same high quality EMS care from the MFD that subscribers receive. Residents and non-residents who do not subscribe will be billed for emergency medical responses at a fee of \$350 per call. This fee is less than the cost of the service based on the cost of responding personnel, vehicle, supplies and support related to a response.

**WILL CARE BE WITHHELD TO THOSE NOT ENROLLED IN THE VOLUNTARY SUBSCRIPTION PROGRAM?**

Under no circumstances will emergency medical treatment be denied to anyone, regardless of ability to pay, enrollment in the voluntary subscription program or legal status. Whether or not you are an EMS subscriber, you will always receive the highest level of emergency treatment. However, if you are a non-EMS subscriber of the program, you will be billed for these services at a rate of \$350 per person per emergency.

**WILL EVERYONE IN MY HOUSEHOLD BE COVERED BY THE PROGRAM?**

Yes, everyone living in the household will be covered. Coverage also extends to subscribers that are outside the home, but still within Murrieta.

**DOES THE SUBSCRIPTION FEE PAY FOR SERVICE PROVIDED BY AN AMBULANCE COMPANY?**

No. Riverside County's franchise ambulance provider will bill for ambulance service as a result of their response to a medical emergency.

**WHAT IS THE COST OF AN AMBULANCE BILL?**

The MFD does not provide this service and has no control over the fees charged by the private company providing transportation.

**DOES MEDICARE COVER THE COST OF THE SUBSCRIPTION FEE OR ANY EMS RELATED SERVICES PROVIDED BY MFD?**

No, Medicare does not cover EMS related services provided by the MFD. Insurance coverage varies with each carrier.

**IS THERE A PROGRAM DISCOUNT FOR LOW INCOME RESIDENTS?**

Yes, residents meeting the income hardship criteria may receive a 50% reduction, at \$24 per year (equivalent to \$2 per month), towards enrollment in the EMS Subscription Program. The Income Hardship Application is posted on the Fire Department's website. An application can also be picked-up at the Fire Administration Building located at 41825 Juniper Street. All enrollees in Medicare and Medicaid (to include MediCal) will also receive a 50% reduction. There are no reductions for the cost of the \$350 EMS response Fee for non-subscribers, however.

**WILL THE IMPLEMENTATION OF THE SUBSCRIPTION PROGRAM CAUSE RESIDENTS NOT TO CALL 9-1-1?**

Based on responses from other cities that have a similar program, there has not been a reduction in the number of emergency calls as a result of the implementation of the program. Many times, residents do not have insurance to pay for ambulance service, but the City is not aware of an incident that caused a patient not to call 9-1-1.

**WILL I BE CHARGED EVEN IF NO CARE IS RENDERED AFTER A 9-1-1 RESPONSE?**

No. If the MFD arrives on scene and determines that no emergency medical care is necessary, the \$350 response fee is waived. The response fee is only billed when emergency medical service is given in order to recoup medical service costs. Calls determined to be "Public Assist " in nature will continue to be responded to. These calls tend to be for the elderly and handicapped that need immediate help, but may not be medial in nature. The MFD takes great pride in helping these residents, and will continue to provide this service at no cost.

**AT WHAT RATE WILL THE SUBSCRIPTION FEE BE APPLIED FOR GROUP-TYPE HOMES?**

Group homes, sober home facilities, assisted care facilities and other homes where multiple unrelated people dwell in a group setting will be billed at the business rate of \$300 annually.

**HOW WILL MFD BILL THOSE PATIENTS THAT DO NOT PROVIDE IDENTIFICATION?**

Fire personnel are required to complete a Pre-hospital Care Report for every patient. Part of the information obtained and documented is the patient's name, gender, age and address. All reasonable efforts will be made to ascertain patient identification to seek appropriate payment.

**HOW WILL I PROVE ENROLLMENT DURING AN EMERGENCY?**

Payment is not due at the time care is rendered. At no time will a MFD personnel question whether a patient can afford services. Payment will be sent to the address on the Pre-hospital Care Report. If a person is not a subscriber, they will be sent a bill. If a person is a subscriber, MFD will have that information on file, and copy of an invoice will be provided for records. If a medical emergency happens at a business, the individual receiving medical care is responsible for payment. However, a business that subscribes covers all employees, and no bill will be sent to the individual. The City feels this is a service that businesses would like to provide to their employees. If a person subscribes under the residential program, and needs emergency medical services while shopping at a Murrieta business, the response fee will be waived.

**HOW IS THE SUBSCRIPTION FEE GOING TO BE BILLED?**

Murrieta residents and business owners may enroll anytime during the year by mailing an application with payment by check or credit card paid directly to the Service Provider (Fire Recovery) or through Fire Recovery’s online enrollment. Annual and bi-annual options for payment will be provided. Subscription becomes effective upon receipt of the application and confirmation of payment. Renewal subscriptions will be mailed to subscribers who chose this option.

**IS THE ANNUAL SUBSCRIPTION FEE REIMBURSABLE BY INSURANCE?**

That would depend on the individual’s insurance company policy. Every insurance company is different. The MFD encourages everyone to check with their insurance carrier to determine levels of coverage and to see if fire department emergency medical services are a covered benefit. Many times the ambulance charge is covered, but not the fire department charges. Also, if your insurance carrier does cover fire department medical services, there may be a deductible that is higher than the annual fee you would pay for the MFD program.

**IF I JOIN THE PROGRAM AND MOVE TO ANOTHER AREA IN MURRIETA, AM I STILL COVERED?**

Yes. Simply notify the MFD Service Provider, Fire Recovery of your new address.

**OVERVIEW OF THE EMS PROGRAM SERVICE PROVIDER –**

**WHAT EXPERIENCE DOES THE NEW SERVICE PROVIDER, FIRE RECOVERY USA, HAVE IN HANDLING EMS FEE PROGRAMS AND WHY ARE WE OUTSOURCING THE ADMINISTRATION OF THE PROGRAM?**

The company we recommend is Fire Recovery USA. Because of their technology and experience, they can actually run the program less expensively than we can in-house, even with their service fee and initial start-up costs.

- They have specialized in Cost Recovery Programs for the past seven years
- They have more than 60 California Fire Departments as clients servicing cost recovery programs
- They provide cost recovery services in 33 states throughout the U.S. to cities
- They offer seamless integration with the Fire Department’s Firehouse software and database
- They can offer all-inclusive services for other Fire Department fees
- They can provide the Fire Department’s fiscal staff with analytical performance data by incident
- Once the Program revenues have stabilized during year two and three, the 22% ongoing service fee can be decreased based on the success of the Program.

We received only one other EMS Subscription Program RFP. Although the other party also has extensive experience, they only serve 100 clients through-out the U.S. and focus mainly on EMS cost recovery. They do not have experience handling the MFD software data called FireHouse or direct connection to this software program. Fire Recovery is an all-inclusive, fee service provider and has direct connect and experience handling the FireHouse software.

#### **HOW DOES IT WORK?**

Fire Recovery USA will create a database of subscribers that will be compared to the incident runs and several key identifiers to assure proper registration confirmation. If confirmed as a subscriber, they will be mailed a paid receipt. Non-subscribers will receive a bill for \$350. Fire Recovery USA will then track and collect payments on the account as necessary. Their systems allow them to monitor, remind, contact, and collect the highest recovery percentages in the industry.

#### **WHAT SERVICES WILL FIRE RECOVERY OFFER TO THE MFD?**

- Pre-Implementation services that will advertise the Program, generate notification mailers, and also handle citizen calls regarding the Program and subscription payments.
- Occupancy database set-up that will updated each quarter for new and relocated residents and businesses.
- Enrollment and Account set-up for all subscribers
- MFD EMS data set-up into the system for all incident reports. This will include EMS incidents and non-emergency responses to track total performance of the MFD.
- Invoicing and account receivables
- Revenue tracking
- Past due accounts, handling delinquencies and payment plans
- Handling collections for serious delinquent accounts
- Quarterly mailings to new occupancies for residents and businesses

#### **WHAT IS INCLUDED WITH THE START-UP COSTS OF THE EMS PROGRAM?**

As with all program implementation of this size, being a city-wide program servicing more than 42,000 clients, start-up costs are a necessary factor of doing business. The initial start-up costs of this program are estimated to be approximately \$48,000. This estimate is a not-to-exceed cost. The majority of cost is dependent on how many HOA's within a planned residential community elect to cover the annual subscription fee for its residents through the monthly HOA bills. If so, this would only require one mailer to the HOA reducing printing and postage costs. In addition, the MFD and Fire Recovery are working with Pitney Bowes (the MFD postage vendor) to help reduce bulk mailing costs which can further reduce the start-up program costs. Initial implementation costs will include:

- Household resident notification mailer with follow-up postcard mailer
- EMS Program brochures at City facilities
- Business mailers
- Occupancy database
- Program enrollment and account set-ups
- Verifiable-touch with the Murrieta Patch and Press Enterprise set-up
- TV broadcast with audio set-up on MFD website explaining Program