



City Council Report

Date: October 17, 2016
To: City Council
Through: John Pombier, Assistant City Manager
From: Harry Beck, Fire Chief
Mary Cameli, Assistant Fire Chief
Subject: Amending Mesa City Code Title 7, Chapter 5, Sections 1, 2 and 3: For The Fire and Medical Departments Medical Services

Strategic Initiatives



The Mesa Fire and Medical Department recommends that the Council adopt amendments to Title 7, Chapter 5, Sections 1, 2, and 3 of the Mesa City Code, relating to cost recovery.

Background

In 2014, the Council passed amendments to Section 7-5 of the City Code to enable the Mesa Fire and Medical Department to recover costs related to its Community Medicine program. Since that time, the Department's Community Medicine program has expanded, and the Department is actively pursuing methods to sustain the program.

Discussion

The Mesa Fire and Medical Department has identified the need to cost recover for the variety of medical services it is now providing, or anticipates providing in the future, as part of its Community Medicine program, in order to sustain the program. The proposed amendments broaden the scope of what may be recovered as "billable costs" to account for all of the medical services MFMD provides or may provide.

The amendments also authorize the Department to make reasonable attempts to collect co-pays or deductibles from individual patients when billing Medicare, Medicaid, or a private insurance payer for the medical services provided. This is required to comply with federal laws and regulations governing billing practices under Medicare, Medicaid, and other insurance plans. The Department, however, is permitted to waive co-pays and deductibles in good faith in cases of financial hardship and intends to do so to the extent allowed under the law.

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Finally, the amendments address how the Department will set billing rates. The amendments authorize the Department to adopt rates set by a state agency (i.e. Arizona Department of Health Services) or a state or federal insurance program (i.e. Medicare/Medicaid), to set billing rates via contractual relationships with third-party payers, or to otherwise establish reasonable rates to recover authorized billable costs, so long as such rates do not violate state or federal laws and regulations. The rates adopted or established by the Department will be set forth in a Schedule of Fees and Charges for adoption by the Council.

Alternatives

The alternative is to decline to adopt the proposed amendments. The result will be that the Mesa Fire and Medical Department will not be able to cost recover in an effort to sustain the Community Medicine program.

Fiscal Impact

Amending Title 7 Chapter 5 will allow MFMD to recover costs for the full spectrum of medical services it provides or will provide under the Community Medicine program in an effort to sustain the program.