



Legislation Details (With Text)

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Title: Resolution calling upon the appropriate Committee of the Council of the City of New York to conduct an investigation into the billing practices of the New York City Fire Department, in relation to its inability to collect money owed to the City for patient transportation provided by the City's Emergency Medical Services.

Sponsors: Tony Avella, Yvette D. Clarke, Leroy G. Comrie, Jr., Lewis A. Fidler, Helen D. Foster, Robert Jackson, Miguel Martinez, Domenic M. Recchia, Jr., Christine C. Quinn, Philip Reed, James Sanders, Jr., Kendall Stewart, David I. Weprin, James S. Oddo, Joseph P. Addabbo, Jr., Joel Rivera

Indexes:

Attachments: 1. Committee Report, 2. Hearing Transcript

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Res. No. 132

Resolution calling upon the appropriate Committee of the Council of the City of New York to conduct an investigation into the billing practices of the New York City Fire Department, in relation to its inability to collect money owed to the City for patient transportation provided by the City's Emergency Medical Services.

By Council Members Avella, Clarke, Comrie, Fidler, Foster, Jackson, Martinez, Recchia, Quinn, Reed, Sanders, Stewart, Weprin and Oddo; also Council Members Addabbo and Rivera

Whereas, The Fire Department of the City of New York ("FDNY") receives more than one million calls for medical assistance annually, resulting in almost 600,000 transports to hospitals by FDNY ambulances and over 3,000 emergency medical personnel responding to these calls received through the 911 system; and

Whereas, Prior to the merger of FDNY and Emergency Medical Services ("EMS") in 1996, EMS operated under the New York City Health and Hospital Corporation ("HHC"), and

Whereas, Following the merger of FDNY and EMS, the FDNY Revenue Management Unit took over responsibility for the billing and collection of revenues for ambulance transportation services, except those for Medicaid patients who are admitted to HHC hospitals; and

Whereas, HHC used the services and computer system of Shared Medical Systems ("SMS") to support its billing activities, and following the merger, FDNY continued to use SMS; and

Whereas, According to an audit conducted in 2000 by the New York State Comptroller's Office, FDNY's Revenue Management Unit did not have an adequate system of control over billing and collection of fees; and

Whereas, The State Comptroller found significant weaknesses in the utilization and capability of the SMS computer system, as well as in the controls, policies and procedures for the billing and collection activities for EMS transports; and

Whereas, The audit further found that the FDNY Revenue Management Unit's billing system lacked essential data processing and reporting capabilities and was not being properly utilized; officials could not readily obtain reports from the SMS system essential to the proper monitoring and control of the billing and collection function; FDNY had not established written policies and procedures with respect to the billing process; and significant times lags existed in the billing process; and

Whereas, According to the audit, many bills were returned due to undeliverable addresses and not followed up, resulting in a loss of \$3.8 million in transport services annually; and

Whereas, The Comptroller concluded that these problems in billing and collection created a risk of revenue shortfalls; and

Whereas, FDNY has reportedly restructured its billing and collection practices; in the November 2001 Financial Plan Update, FDNY projected increased EMS collection revenues as a result of "efficiencies incorporated into the ambulance billing and collection operation;" and

Whereas, FDNY has proposed the elimination of 75 daily ambulance tours, a move that would potentially have a severe impact on the health and well-being of all the citizens of the City; and

Whereas, Before taking this drastic move, the City should make every effort to collect all monies owed to it for EMS ambulance transports; and

Whereas, Since the City Council is responsible for adopting the City's annual budget and for oversight of the FDNY, it is important that the appropriate Council Committee is informed of FDNY's progress in revamping its billing and collection of revenues for ambulance transportation; now, therefore, be it

Resolved, That this resolution calls upon the appropriate Committee of the Council of the City of New York to conduct an oversight hearing on the billing practices of the New York City Fire Department, in relation to its inability to collect money owed to the City for patient transportation provided by the City's Emergency Medical Services.