



CITY OF DANBURY
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MEMORANDUM

TO: Hon. Mark D. Boughton via the Common Council

FROM: Dena R. Diorio, Director of Finance *Dena*

DATE: June 20, 2005

CERTIFICATION

SUBJECT: Appropriation to the Ambulance Fund

As you are aware, the City of Danbury has a contractual relationship with Business Systems Incorporated (BSI) for the delivery of ambulance services and with MedFinancial for billing and collection.

Over the last few fiscal years, BSI has seen a significant increase in call volume and ambulance transports. Ambulance transports have increased 10.8% for the first eleven months of the fiscal year compared to the same period in FY 02-03. Due to increased call volume, ambulance collections through MedFinancial have increased as well. Through May 31, 2005, collections totaled approximately \$1.7 million, a 20.6% increase over the same period last year. In addition to an increased number of transports, the increase is attributable to increased payment amounts from payers such as Medicare.

Since MedFinancial is paid a percentage on collections, expenditures in this area will exceed budget. The budget for the contract year assumed an average of \$14,500 per month or \$175,000 annually. Through May 31, 2005, payments to MedFinancial have totaled \$186,323 or an average of \$17,000 per month.

I am requesting that the Common Council approve an additional appropriation of \$20,000 to the Ambulance Fund budget, line item 50000.5349 – Billing Fees. I hereby certify the availability of funds from increased revenue generated from ambulance user fees.

Please feel free to contact me should you require any additional information. Thank you.