

ORDINANCE NO: 19-484

AN ORDINANCE ESTABLISHING AND IMPLEMENTING A PROGRAM TO CHARGE MITIGATION RATES FOR THE DEPLOYMENT OF EMERGENCY AND NON-EMERGENCY SERVICES BY THE FIRE DEPARTMENT FOR SERVICES PROVIDED/RENDERED FOR THE TOWN OF MOUNT CARMEL.

WHEREAS, the emergency and non-emergency services response activity to incidents continues to increase each year; Environmental Protection requirements involving equipment and training, and Homeland Security regulations involving equipment and training, creating additional demands on all operational aspects of the fire department services; and

WHEREAS, the fire department has investigated different methods to maintain a high level of quality of emergency and non-emergency service capability throughout times of constantly increasing service demands, where maintaining an effective response by the fire department decreases the costs of incidents to insurance carriers, businesses, and individuals through timely and effective management of emergency situations, saving lives and reducing property and environmental damage; and

WHEREAS, raising real property tax to meet the increase in service demands would not be fair when the responsible party(s) should be held accountable for their actions; and

WHEREAS, the Board of Mayor and Aldermen of the Mount Carmel Fire Department desires to implement a fair and equitable procedure by which to collect said mitigation rates and shall establish a billing system in accordance with applicable laws, regulations and guidelines; Now, Therefore

BE IT ORDAINED BY THE BOARD OF MAYOR AND ALDERMEN OF THE MOUNT CARMEL FIRE DEPARTMENT:

SECTION 1: The Mount Carmel Fire Department shall initiate mitigation rates for the delivery of emergency and non-emergency services by the fire department for personnel, supplies and equipment to the scene of emergency and non-emergency incidents as listed in "EXHIBIT A". The mitigation rates shall be based on actual costs of the services and that which is usual, customary and reasonable (UCR) as shown in "EXHIBIT A", which may include any services, personnel, supplies, and equipment and with baselines established by addendum to this document.

SECTION 2: A claim shall be filed to the responsible party(s) through their insurance carrier. In some circumstances, the responsible party(s) will be billed directly.

SECTION 3: The fire department's Governing Body may make rules or regulations and from time to time may amend, revoke, or add rules and regulations, not consistent with this Section, as they may deem necessary or expedient in respect to billing for these mitigation rates or the collection thereof.

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SECTION 4: It is found and determined that all formal actions of this governing body concerning and relating to the adoption of this Ordinance were adopted in open meetings of this governing body, and that all deliberations of this body and any of its committees that resulted in such formal actions were in accordance with all legal requirements, and the Codified Ordinances of the Board of Mayor and Aldermen.

SECTION 5: This Ordinance shall take effect thirty days (30) from the date of adoption as permitted by law.

SECTION 6: The Mitigation Rates lists in Exhibit A will increase by 1.5% annually or based on the annual percentage increase in the Consumer Price Index (CPI), as developed by the Bureau of Labor Statistics of the U.S. Department of Labor, whichever is more. Rate adjustments will occur on the anniversary date of this ordinance/resolution to keep the fire department's cost recovery program in conformity with increasing operating expenses.

Chris Jones, Mayor

ATTEST:

Mike Housewright, City Recorder

APPROVED AS TO FORM:

John Pevy, City Attorney

MOTION:	MAYOR JONES (To move to fire Com.)		
SECOND:	VICE-MAYOR WILLIAMS		
FIRST READING	AYES	NAYS	OTHER
ALDERMAN PAT STILWELL	X		
ALDERMAN WANDA DAVIDSON	X		
ALDERMAN CARL WOLFE	X		
ALDERMAN JIM GILLAM	X		
ALDERMAN STEVE MCCLAIN	X		
VICE-MAYOR JENNIFER WILLIAMS	X		
MAYOR CHRIS JONES	X		
TOTALS			

PASSED FIRST READING: SENT TO FIRE
Comm. HEE

MOTION:			
SECOND:			
SECOND READING	AYES	NAYS	OTHER
ALDERMAN PAT STILWELL			
ALDERMAN WANDA DAVIDSON			
ALDERMAN CARL WOLFE			
ALDERMAN JIM GILLAM			
ALDERMAN STEVE MCCLAIN			
VICE-MAYOR JENNIFER WILLIAMS			
MAYOR CHRIS JONES			
TOTALS			

PASSED SECOND READING: _____

NEWSPAPER: Kingsport Times-News Published: _____

EXHIBIT A

MITIGATION RATES BASED ON PER HOUR

The mitigation rates below are average "billing levels", and are typical for the incident responses listed, however, when a claim is submitted, it will be itemized and based on the actual services provided.

MOTOR VEHICLE INCIDENTS

Level 1 - \$487.00

Provide hazardous materials assessment and scene stabilization. This will be the most common "billing level". This occurs almost every time the fire department responds to an accident/incident.

Level 2 - \$554.00

Includes Level 1 services as well as clean up and material used (sorbents) for hazardous fluid clean up and disposal. We will bill at this level if the fire department has to clean up any gasoline or other automotive fluids that are spilled as a result of the accident/incident.

Level 3 - CAR FIRE - \$677.00

Provide scene safety, fire suppression, breathing air, rescue tools, hand tools, hose, tip use, foam, structure protection, and clean up gasoline or other automotive fluids that are spilled as a result of the accident/incident.

ADD-ON SERVICES:

Extrication - \$1,461.00

Includes heavy rescue tools, ropes, airbags, cribbing etc. This charge will be added if the fire department has to free/remove anyone from the vehicle(s) using any equipment. We will not bill at this level if the patient is simply unconscious and fire department is able to open the door to access the patient. This level is to be billed only if equipment is deployed.

Creating a Landing Zone - \$448.00

Includes Air Care (multi-engine company response, mutual aid, helicopter). We will bill at this level any time a helicopter landing zone is created and/or is utilized to transport the patient(s).

Itemized Response: You have the option to bill each incident as an independent event with custom mitigation rates, for each incident using, itemized rates deemed usual, customary and reasonable (UCR). These incidents will be billed, itemized per apparatus, per personnel, plus products and equipment used.

ADDITIONAL TIME ON-SCENE

Engine billed at \$448 per hour.

Truck billed at \$560 per hour.

Miscellaneous equipment billed at \$336.

HAZMAT

Level 1 - \$784.00

Basic Response: Claim will include engine response, first responder assignment, perimeter establishment, evacuations, set-up and command.

Level 2 - \$2,800.00

Intermediate Response: Claim will include engine response, first responder assignment, hazmat certified team and appropriate equipment, perimeter establishment, evacuations, set-up and command, Level A or B suit donning, breathing air and detection equipment. Set-up and removal of decon center.

Level 3 - \$6,608.00

Advanced Response: Claim will include engine response, first responder assignment, hazmat certified team and appropriate equipment, perimeter establishment, evacuations, first responder set-up and command, Level A or B suit donning, breathing air and detection equipment and robot deployment. Set-up and removal of decon center, detection equipment, recovery and identification of material. Disposal and environment clean up. Includes above in addition to any disposal rates of material and contaminated equipment and material used at scene. Includes 3 hours of on scene time - **each additional hour @ \$336.00 per HAZMAT team.**

ADDITIONAL TIME ON-SCENE (for all levels of service)

Engine billed at \$448 per hour.

Truck billed at \$560 per hour.

Miscellaneous equipment billed at \$336.

FIRE INVESTIGATION

Fire Investigation Team - \$308.00 per hour.

Includes:

- Scene Safety
- Investigation
- Source Identification
- K-9/Arson Dog Unit
- Identification Equipment
- Mobile Detection Unit
- Fire Report

The claim begins when the Fire Investigator responds to the incident and is billed for logged time only.

FIRES

Assignment - \$448.00 per hour, per engine / \$560.00 per hour, per truck

Includes:

- Scene Safety
- Investigation
- Fire / Hazard Control

This will be the most common "billing level". This occurs almost every time the fire department responds to an incident.

OPTIONAL: A fire department has the option to bill each fire as an independent event with custom mitigation rates.

Itemized, per person, at various pay levels and for itemized products use.

ILLEGAL FIRES

Assignment - \$448.00 per hour, per engine / \$560.00 per hour, per truck

When a fire is started by any person or persons that requires a fire department response during a time or season when fires are regulated or controlled by local or state rules, provisions or ordinances because of pollution or fire danger concerns, such person or persons will be liable for the fire department response at a cost not to exceed the actual expenses incurred by the fire department to respond and contain the fire. Similarly, if a fire is started where permits are required for such a fire and the permit was not obtained and the fire department is required to respond to contain the fire the responsible party will be liable for the response at a cost not to exceed the actual expenses incurred by the fire department. The actual expenses will include direct labor, equipment costs and any other costs that can be reasonably allocated to the cost of the response.

WATER INCIDENTS

Level 1

Basic Response: Claim will include engine response, first responder assignment, perimeter establishment, evacuations, first responder set-up and command, scene safety and investigation (including possible patient contact, hazard control). This will be the most common "billing level". This occurs almost every time the fire department responds to a water incident.

Billed at \$448 plus \$56 per hour, per rescue person.

Level 2

Intermediate Response: Includes Level 1 services as well as clean up and material used (sorbents), minor hazardous clean up and disposal. We will bill at this level if the fire department has to clean up small amounts of gasoline or other fluids that are spilled as a result of the incident.

Billed at \$896 plus \$56 per hour, per rescue person.

Level 3

Advanced Response: Includes Level 1 and Level 2 services as well as D.A.R.T. activation, donning breathing apparatus and detection equipment. Set up and removal of decon center, detection equipment, recovery and identification of material. Disposal and environment clean up. Includes above in addition to any disposal rates of material and contaminated equipment and material used at scene.

Billed at \$2,240 plus \$56 per hour per rescue person, plus \$112 per hour per HAZMAT team member.

Level 4

Itemized Response: You have the option to bill each incident as an independent event with custom mitigation rates for each incident using itemized rates deemed usual, customary and reasonable (UCR). These incidents will be billed, itemized, per trained rescue person, plus rescue products used.

BACK COUNTRY OR SPECIAL RESCUE

Itemized Response: Each incident will be billed with custom mitigation rates deemed usual, customary and reasonable (UCR). These incidents will be billed, itemized per apparatus per hour, per trained rescue person per hour, plus rescue products used.

Minimum billed \$448 for the first response vehicle plus \$56 per rescue person. Additional rates of \$448 per hour per response vehicle and \$56 per hour per rescue person.

CHIEF RESPONSE

This includes the set-up of Command and providing direction of the incident. This could include operations, safety, and administration of the incident.

Billed at \$280 per hour.

MISCELLANEOUS / ADDITIONAL TIME ON-SCENE

Engine billed at \$448 per hour.

Truck billed at \$560 per hour.

Miscellaneous equipment billed at \$336.

MITIGATION RATE NOTES

The mitigation rates above are average "billing levels", and are typical for the incident responses listed, however, when a claim is submitted, it will be itemized and based on the actual services provided.

These average mitigation rates were determined by itemizing costs for a typical run (from the time a fire apparatus leaves the station until it returns to the station) and are based on the actual costs, using amortized schedules for apparatus (including useful life, equipment, repairs, and maintenance) and labor rates (an average department's "actual personnel expense" and not just a firefighter's basic wage). The actual personnel expense includes costs such as wages, retirement, benefits, workers comp, insurance, etc.



Cost Recovery Programs

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We Offer Seven Main Cost Recovery Programs

- ▣ **Emergency Response Cost Recovery Program**
- ▣ **Full Inspection Program**
- ▣ **Self Inspection Program**
- ▣ **False Alarm Billing Program**
- ▣ **EMS Billing Program**
- ▣ **First Responder Support Program**
- ▣ **First Responder Subscription Program**

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Emergency Response Cost Recovery

Basis for Cost Recovery

Billing for cost recovery of emergency services has been in use for decades and is allowed in all states. Most insurance policies contain language specifying coverage for vehicle accident and emergency incident services. If you don't bill them, the insurance company retains the money.

By not billing, the individual is essentially paying for the service twice; once in their taxes, fees, or dues, and again in their insurance premiums.

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Emergency Response Cost Recovery

▣ Filing claims for the services provided during:

- **Motor Vehicle Incidents**
- **Vehicle Fires**
- **Structure Fires**
- **Marine and Water Incidents**
- **Hazmat calls**
- **Special Rescue services**

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Emergency Response Cost Recovery

- ❑ Significant costs are incurred responding to incidents. Appropriately recovering the costs has become the new standard.
- ❑ Municipalities are searching for new ways to avoid increasing taxes and/or decreasing levels of service. One such measure being adopted to defray emergency response costs is the filing of claims against the at-fault responsible party in emergency incidents.

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Revenue Forecast

Town of Mount Carmel Fire Department

<i>Items</i>	<i>Incidents per Year</i>	<i>Percent Collected</i>	<i>Amt. Billed</i>	<i>Totals</i>
MVA (with fluids on ground)	75	90%	@ \$550 =	\$37,125
MVA (no fluids on ground)	75	30%	@ \$550 =	\$12,375
Vehicle Fires	10	20%	@ \$605 =	\$1,210
False Alarms	10	10%	@ \$100 =	\$100
Landing Zones	0	60%	@ \$2,100 =	\$0
Fires	15	60%	@ \$500 =	\$4,500
Hazardous Conditions	5	60%	@ \$700 =	\$2,100
Special Rescue	5	60%	@ \$400 =	\$1,200
SUBTOTAL COLLECTED				\$58,610

TOTAL RETURNED TO THE FIRE DEPARTMENT (per year)	\$46,888
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Emergency Incident Recovery

How it Works

- ▣ **At The Scene of the Incident:** Your personnel will either log the data from the incidents you will bill for using your existing system protocol, or via our paper-based "Incident Reports".
- ▣ **Upon Return to the Station:** Your designated personnel will submit the run using our secure RecoveryHub on-line system. When they log-on, RecoveryHub will recognize the client and bring them right to their submission page. This typically take 4 to 5 minutes.

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Emergency Incident Recovery

How it Works

- ▣ **After receiving the run:** We assign it to one of our claim representatives. We work with the insurance companies involved and/or the police to determine who is responsible.
- ▣ **Our Processing Department** sends the initial claim to the responsible party(s) insurance, tracks the response(s) and works towards an approval of the claim.
- ▣ **Payments:** The first week of each month, our escrow accounts are emptied and sent to our clients for the runs collected during the prior month's billing cycle.
- ▣ **Reporting: Viewing or Printing Reports is Available 24/7:** The status of each run (Current or Archived) is available 24/7, online, on our website. This will both provide immediate account information, but also allow you to forecast incoming funds and plan for their use.

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