



ITEM # 88-21 COMSTAR

To: Peter Joseph
From: Jessica Maloy
Date: May 18, 2021

The communities of Biddeford, Durham, and Freeport/Pownal decided to issue a joint RFP for outsourcing emergency medical billing and collection services.

Given the specialty of an emergency medical billing and collection service, an RFP was mailed out to six vendors selected to be in the best interest of each community. These RFP's were sent April 12, 2021 with a response date of April 29, 2021.

For Freeport, with the loss of the revenue from previous clients Rockland and Saco, we've been trying to keep the billing services program viable for the past twelve months; however, we have been operating at a loss. Coupled with the need to retain an outside consultant to secure billing operations it is my recommendation that we outsource our Rescue Billing function to Comstar operating out of Rowley, MA, effective June 1, 2021 at a rate of 3.8% of collections.

It is costing the Town approximately \$156,000 annually to provide emergency medical billing and collection services for Freeport, Biddeford, Pownal, and Durham. This was offset by approximately \$75,000 in billing revenue in FY21, down from approximately \$150,000 in previous years. The Town currently receives approximately \$300,000 in Freeport Rescue/Net Transport revenue and anticipates an expenditure of \$13,000 to outsource this service. This \$13,000 expense would replace our current net expense of approximately \$80,000, resulting in an expense reduction of approximately \$65,000.

Sincerely,

Jessica Maloy
Finance Director/Treasurer
Town of Freeport

