STAFF REPORT

DATE: November 17, 2026

FROM: Nathan Cooke, Executive Director
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TO: CONFIRE Administrative Committee

SUBJECT: Approval of One-Year Agreement with Life Line Billing Systems, LLC for Ambulance Billing Collection Services

Recommendation

Approve a one-year Master Services Agreement and accompanying Statement of Work with Life Line Billing Systems, LLC, doing business as LifeQuest Services, for third-party ambulance billing collections services at a contingency fee of 20% of amounts collected.

Background Information

On October 1, 2026, CONFIRE began providing ground ambulance services within its designated Exclusive Operating Area in San Bernardino County. As part of the implementation of the ambulance program, CONFIRE contracted with a third-party billing company to manage ambulance billing and related revenue cycle activities.

An additional component of the revenue cycle is the collection of outstanding patient account balances that remain unpaid after the standard billing process has been completed. These accounts require specialized collection services to maximize revenue recovery while ensuring compliance with applicable federal and California laws governing medical debt collection.

Due to the compressed timeline associated with implementing the ambulance program, CONFIRE has not had sufficient time to develop and conduct a competitive Request for Proposals (RFP) for these services.

To avoid further delaying the implementation of collections services, staff recommends entering into a one-year agreement with Life Line Billing Systems, LLC. This approach will allow CONFIRE to establish the necessary collections process while providing sufficient time to develop and issue an RFP for a longer-term agreement.

Financial Impact

Life Line has provided preliminary collection projections based on an annual ambulance billing volume of approximately 197,000 accounts. The projections assume that 20% of accounts will ultimately be referred to collections, resulting in approximately 39,400 accounts annually.

Using an estimated average outstanding balance of $1,200 per account and a collection recovery rate of 2.5%, Life Line projects the following annual financial results:

Description	Annual Projection
Ambulance billing accounts	197,000
Accounts referred to collections	39,400
Average balance per account	$1,200
Estimate recovery rate	2.5%
Gross collections recovered	$1,182,000
Collection fees (20%)	$236,400
Net revenue to CONFIRE	$945,600

These estimates represent a full year of collection activity and are provided for planning purposes only. Actual results will depend on the number of eligible accounts referred, outstanding balances, and collection performance.

Additionally, Life Line has advised that California medical debt collection requirements may result in an approximately 180-day period before accounts become eligible for referral. Accordingly, collection activity is not expected to begin until spring 2027, and the projected annual recoveries may not be fully realized during the initial contract term.

The agreement does not establish a fixed annual payment obligation. Compensation is based on actual amounts collected, with the 20% contingency fee paid from collection recoveries.

Based on the expected annual scenario, the estimated cost of services is $236,400, offset by approximately $1,182,000 in gross collections, resulting in estimated net recoveries of $945,600.