

EMS Settlements, Waivers, and Discounts Policy

I. Authority

The Fort Worth City Council is responsible for legislation, policy formulation, and setting the overall direction of government. This includes the approval of financial policies which establish and direct the operations of the City of Fort Worth (“City”). The City Manager is responsible for carrying out the policy directives of the City Council and managing the day-to-day operations of the executive departments, including the Financial Management Services Department (“FMS”). This policy shall be administered on behalf of the City Manager by the Chief Financial Officer/Director of FMS (“CFO”).

II. Purpose

This policy establishes the authority, criteria, and limitations for granting settlements, waivers, and discounts associated with Emergency Medical Services (EMS) accounts receivable balances managed by the City of Fort Worth. This policy ensures compliance with the State of Texas constitutional requirements related to the use of public funds and affirms that all settlements, waivers and discounts serve a legitimate public purpose.

III. Applicability and Scope

This policy applies to all EMS-related settlements, waivers and discounts for accounts managed directly by the City. Accounts governed by specific legal or contractual terms not addressed in this document are excluded.

IV. Glossary

See definitions related to this policy provided in the Glossary for Financial Management Policy Statements.

V. Policy

- A.** Third-Party Attorney Settlement: Authorizes up to 20% discount off the remaining balance of covered charges for third-party legal cases (e.g., personal injury), where EMS charges are part of a negotiated settlement between the patient and the at-fault party. This policy does not involve claims against the city.

EMS Settlements, Waivers, and Discounts Policy

Exception for §140.005 Settlements. Notwithstanding the 20% discount limit above, the City may approve a greater discount, in its sole discretion, when reasonably necessary to facilitate settlement of a claim subject to Tex. Civ. Prac. & Rem. Code § 140.005

All discounts must be documented in the billing system.

Public Purpose: Encourages timely settlement of EMS charges, reduces administrative and legal burden, supports claim resolution for patients, and improves collection efficiency.

- B. Insurance Discount – Contractual:** Bills are adjusted to the contracted rate established between the City and the payer (including Medicare, Medicaid, and commercial insurers).

Public Purpose: Supports standard healthcare billing practices by applying pre-negotiated contractual rates, ensuring fairness and consistency. This approach promotes efficient claim processing, encourages full and timely insurer payment, and provides a predictable revenue stream while maintaining compliance with all contractual obligations..

- C. Insurance Discount – Other:** Authorizes a discount of up to 20% off the remaining balance of covered charges for non-contracted insurance cases. The Negotiated agreement must be documented in the billing system.

Public Purpose: Accelerates settlement with non-contracted insurers and reduces administrative delays and costs, improving operational efficiency and ensuring timely revenue recovery.

- D. General Discount (Self-Pay):** Authorizes a discount of up to 20% for self-pay patients, who pay their full remaining balance in one payment. This policy encourages financial responsibility while providing relief to patients who can settle their balances promptly.

Public Purpose: Improves collections by incentivizing immediate, full payment and reducing the likelihood of bad debt

- E. Monthly Payment Plan:** Allows self-pay patients to divide remaining balances into 6, 12, or 18 monthly installments. This option may not be combined with any other discounts.

Public Purpose: Promotes manageable repayment and Improves accessibility to EMS services for those unable to pay upfront. This reduces uncollectible debt and supports public health equity goals.

EMS Settlements, Waivers, and Discounts Policy

- F. Aged Receivables Settlement:** The City may authorize the designated third-party billing vendor to offer a 50% discount on the remaining patient balance of the transport bill. This limited-duration program may be offered up to two times per fiscal year, must be pre-approved by the City, and must be documented in the billing system. The Aged Receivables Settlement is separate from Prompt Pay discount arrangements.

Discounts may only be applied to eligible accounts in which reasonable collection efforts have been exhausted, as defined by City criteria, and must comply with all applicable laws and billing standards.

Public Purpose: Supports accelerated collection of outstanding EMS balances, reduces long-term aged receivables, improves operational efficiency, and increases recovery of otherwise uncollectible balances. This reduces collection costs and bad debt write-offs, ultimately enhancing patient access to timely resolution of EMS charges.

- G. Prompt Pay Discount:** Allows 20% discount if paid in full when the final bill is issued before referral to a collection agency.

Public Purpose: Improves cash flow, encourages timely voluntary payment and reduces reliance on more costly collection methods benefiting both the city and patients.

- H. Unhoused/Shelter Write-Off:** Permits write-offs for uninsured individuals who are verified as shelter residents or who lack a valid billable address, subject to internal review and approval by designated City Staff.

Public Purpose: Supports vulnerable populations lacking ability to pay and aligned with public health and social welfare objectives.

- I. Deceased Patient:** Account may be written off when a deceased patient has no surviving spouse and no estate. Billing is determined by the patient's insurance status. Note: This determination may occur several months after the date of transport.

Acceptable supporting documentation includes:

1. Probate or estate search
2. Obituary or death verification

EMS Settlements, Waivers, and Discounts Policy

3. Returned mail or confirmation of no forwarding address
4. Documentation from next of kin, if available

Public Purpose: Ensures recovery where possible while protecting family members or survivors from undue financial burden.

VI. Authorization

Financial Management Services is required to document standard operating procedures and ensure that proper internal controls are in place to ensure the above policies are followed.

Discounts, settlements, and waivers may only be granted when supported by documentation and approval of designated City staff. Documentation must be maintained for audit purposes.

VII. Revision History

Responsible Party – Assistant Finance Director, Treasury

Standard Statement: Revisions are detailed in the table. The revision number reflects the sequential order of updates and is archived under the corresponding fiscal year. The “Revision Date” refers to the date the change was made, which may differ from the “Effective Date” which is the first day of the subsequent Fiscal Year, as formal enactment is determined by Mayor and Council (M&C) action. The “Revision Summary ” field specifies the nature of the change and may include a rationale.

Revision Number	Revision Date	Revision Summary	M&C
1	6/10/2025	Adopt FMPS EMS Settlements, Waivers, and Discounts	M&C 25-0500
2	9/16/2025	Adopt FMPS EMS Settlements, Waivers, and Discounts	M&C 25-0837
3	9/15/2026	Applied standardized FMPS template formatting and updated EMS Settlements, Waivers, and Discounts section for consistency, clarity, and alignment with citywide policy structure. Reference to Tex. Civ. Prac. & Rem. Code § 140.005 added	M&C 26-1055