

THE SIREN

FALL 2004



MICHIGAN ASSOCIATION OF FIRE CHIEFS ENDORSES ACCUMED BILLING

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AccuMed Billing, Inc. is very pleased to announce that we have been awarded an official endorsement from the Michigan Association of Fire Chiefs. We have proudly supported the Association and its members for the past 15 years and look forward to lending additional resources and support for years to come. With our single focus of EMS transport billing and our long standing experience in meeting the special needs of Municipal Fire Departments, we pledge our continued commitment to compliance, education and excellence.

If you are interested in membership in The Michigan Association of Fire Chiefs (MAFC); you may contact Richard Powell at 989-213-6641 or e-mail rpowell@stfd.com.

Visit our New Website!

www.accumedbilling.com



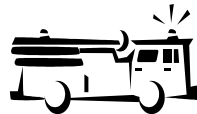
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COST RECOVERY BILLING

Many Fire Departments throughout the Country are experiencing declining revenues and need to look to alternative funding sources to maintain needed staff and adequate training. Many municipal leaders and fire department administrations are implementing cost recovery billing and including non-medical resources.

Many departments are finding that MVA response, HAZMAT responses, Fire Suppression Response, Specialty Rescue and Hazardous Stand-by are potential opportunities for reimbursement. AccuMed Billing, Inc. can assist in billing for these services. Call Mike Todd at 800.926.6985 ext. 220 for additional information.



Who's Watching the Store? Avoiding EMS Mismanagement

Part One of Two Part Series.

by Steve Wirth, Esquire &

Doug Wolfberg, Esquire

We have heard a lot about Medicare fraud. As when an ambulance service bills the federal government for ambulance service that never occurred, or inflated mileage readings, or provided services knowing that the services were not medically necessary. But what about the fraud that can occur from within the company, as in when the officers of the organization abscond with company assets? This type of mismanagement is gaining increasing attention, as headlines in the local paper like "Former EMS Treasurer Pleads Guilty to Theft" are far more common than they should be.

Root of the Problem

Greed is the root of all evil, as the saying goes. And greed comes in all shapes and sizes and is brought out by desperation and temptation. If the treasurer of an EMS organization just lost all his personal assets in a major financial debacle and there are no controls in the EMS organization over the assets he or she has unfettered access to, then personal temptation just might rise up and cause an otherwise honest person to become dishonest. Many times it is also the least obvious person in the organization that is the perpetrator.

Further compounding the problem is the general decline in volunteerism in fire and EMS organizations, all for a variety of reasons. The bottom line is that there are fewer people willing to "step up to the plate" to accept positions of responsibility, sometimes leaving lesser qualified people to run things. The jobs of secretary and treasurer are probably the most important on the business side of the organization, but the ones least likely to have any takers (for the job, that is!).

The key to most of these cases comes down to this: inadequate controls. The failure of the organization to put into place the safeguards necessary to prevent greed from taking control is a major organizational failure.

Laws Violated

There are numerous federal and state criminal laws that can

be implicated whenever there is a breach in the financial integrity of an organization. These laws include embezzlement, criminal conspiracy, fraud, intent to commit fraud, and numerous others.

There are also civil actions that can be brought in addition to the criminal sanctions, such as a claim of negligence against the organization by a third party who suffers a loss as a result of the failure of the company to establish reasonable safeguards to prevent fraud.

Ten Tips

Preventing Organizational Mismanagement

Review the "Organizational Fundamentals"

You should establish clear duties and responsibilities of the officers of the organization in the bylaws.

Make sure that there is a strong conflict of interest provision in your bylaws that prevents members from taking advantage of their role in the organization for personal gain. The bylaws should also include indemnification language that protects the officers and directors from a lawsuit in discharge of their official duties, but does not include indemnification when they step out of their lawful duties and commit a crime against the organization. This language in the bylaws usually sends a clear message to the board members that fraud is not tolerated.

Watch Out When People Wear Too Many Hats!

Watch out for the person who is doing more than one job. He or she may be inadvertently placed in a position where they can "cover up" illegal activity or have control of funds or assets without others' knowledge because of multiple roles they may assume.

If the person is doing too much for the organization and they seem to be too good to be true...they probably are!

A number of incidents of fraud and embezzlement involve officers who perform an internal stewardship role, like president, yet also serve as an outside financial agent or billing agent for the company, responsible for collecting as a contractor, the very money the person is entrusted

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to oversee for the organization.

Keep Your Bank Aware of Your Procedures

Procedures for establishing new bank accounts should require the presentation of a “corporate resolution” to the bank. That bank should be advised that no accounts can be opened in the company name without such a resolution. That prevents individual officers from opening “ghost” accounts that can be used as a depository for siphoned-off company funds.

The bank should also be promptly notified of change in officers, and other fundamental changes that could affect stewardship of the funds.

Get Proper Expertise on the Board

Board members who are active squad members control some EMS organizations. Often they don’t have business or financial expertise, and they may come to the boardroom focusing on the personal interests they may have as a volunteer staff member or paid employee. The best run organizations are those with a diverse community presence on the board of directors. People with the total community interest in mind are necessary to ensure that the organization fulfills its mission.

Board members also need to be properly educated as to their role as “stewards” of community assets and the heavy burden of responsibility they have both under most state laws to protect the integrity of those precious assets. Most EMS organizations in this country are either municipal services, or are non-profit organizations (which includes both separate EMS companies and fire company based EMS). Typically, there are special corporate laws that cover non-profits and municipal services that are designed to protect the company’s assets for the good of the public.

Board members should not generally be

directly involved in day to day activities if it can be avoided, as that sometimes clouds the focus that they need to have on the bigger picture, like long term funding.

Protect Yourself from Bad Apples

Make sure you check your people out before you entrust them with significant financial responsibility. Background and credit checks are important. You should also consider obtaining a bond on key officers who have access to funds so that you are also protected in the event of bad behavior.

It is also critical that you fully check your EMS organization’s insurance program. Make sure you are adequately protected, should there be illegal activity by a volunteer, employee, or officer. “Employee dishonesty” coverage or fidelity coverage should be an essential part of your general liability protection. Check to make sure that volunteer members and officers are included, as some insurance programs may require a special rider for protection from the dishonest acts of volunteers.

Establish Adequate Internal Controls

Simple things, like requiring two signatures on every check are surprisingly overlooked. Make sure the printed checks themselves have two signature lines, to alert a bank teller that there should be two signatures. Consider implementing a purchase order procedure so that all purchases are approved in advance, and establish clear purchasing authority limits for the different levels of purchases.

(Require detailed financial reporting from financial officers on a monthly basis. Board members should be actively involved in questioning those reports, and should not sit back complacently accepting the numbers without question.

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Also have policies in place prohibiting gifts from vendors or potential vendors to help avoid improper influence.

Establish Adequate External Controls

Make sure you work with your outside contractors, including your banks, accounting firms, and your billing companies to make sure they are clear on the reporting requirements and who in the organization has the authority to make decisions, like changing signature cards or accounts. This prevents rogue officers from gaining improper access.

Conduct Periodic Outside Audits

It is always a good idea to periodically (annually if possible) conduct an outside financial audit by a public accounting firm. This expense should be budgeted for in advance and is standard procedure in most businesses, why not in EMS? Also, if there are sudden changes in a key office, like the treasurer, in the middle of the term of office for unexplained or unusual reasons, an audit should be conducted. This helps establish a base line if it should be found later that funds were missing. It also may protect the former and new officer from unfounded accusations, and ensures there is a clean slate to start with.

Avoid Conflicts of Interest

Make it a policy that all members of the organization report potential conflicts of interest that could lead to trouble. A strong policy on this is essential to a good, solid business compliance program that is designed to detect and root out all types of illegal activity. Also have policies in place prohibiting gifts from vendors or potential vendors to help avoid improper influence.

Encourage Internal "Whistle blowing"

All staff--volunteer, paid or otherwise--should be made aware of the organizations strong commitment to ethical business practices. As such, the organization should adopt a philosophy that compliance with the law that permits the open questioning of practices that could lead to illegal activity. No one should be fearful of retaliation for good faith reporting questionable practices. It sure beats the alternative of the FBI, the District Attorney, or some other government agency cracking down on something that should have been prevented by the organization in the first place

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This article should not be construed as legal advice is provided for general information purposes only.

Steve Wirth and Doug Wolfberg are partners with Page, Wolfberg & Wirth, a national law firm representing the EMS and medical transportation industry. They had real jobs before law school and have years of experience as EMS providers, administrators, and managers! E-mail them at swirth@pwwemslaw.com or dwolfberg@pwwemslaw.com or sign up for their free EMS law bulletins and newsletter, "EMS LawLines" on the web site at www.pwwemslaw.com

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ACCUMED CLIENTS IMPORTANT REMINDERS FROM ACCUMED STAFF

- Send a copy of your renewed ambulance license as soon as it arrives.
- Forward all correspondence from insurance carriers to our office
- Please notify us of any changes in address, contact personnel, level of license or tax identification.

- Please promptly send vouchers , check copies and any other documentations for any walk-in payments or payments sent directly to the ambulance service. For clarity sake, please mail the above information (Attention: AR Department)

**Your assistance is greatly appreciated. As always, call us with any questions or concerns.
(800-926-6985 ext. 207)**



CREDIT CARD OPTION OFFERED TO CLIENTS

In our continuing effort to enhance revenue for our clients, we are adding another payment option for patients. Your patients may soon be able to pay by Master Card or Visa.

We have contracted with Merchant Solutions International, Inc. (MSII) to enable credit card processing for clients of AccuMed. In researching this program, we found MSII's cost to be very competitive. For AccuMed Clients, set up fees are waived and there is no monthly minimum requirement.

Recently, you received a mailing regarding this service and AccuMed has had a good response from many of you wishing to learn more. If you have not mailed in your form expressing interest; please fax it to AccuMed Billing, FAX 734-479-6319-Attention: Jan Tjernlund. You may also call Jan at 800.926.6985 ext. 207 and your organization will be added to the list.



THE SIREN IS A PUBLICATION OF ACCUMED BILLING, INC. IF THERE IS A SUBJECT YOU WOULD LIKE INCLUDED IN FUTURE EDITIONS, PLEASE CONTACT JAN TJERNLUND AT 800.986-6985 EXT. 207 OR E-MAIL jant@accumedbilling.com.

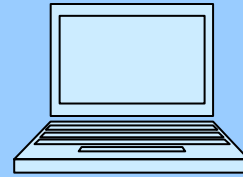
ACCUMED WEBSITE HAS NEW LOOK!!

In keeping with our tradition to improve our service to clients, we have re-vamped our website. Please visit us at:

www.accumedbilling.com

All suggestions for our Website or The Siren Newsletter are welcome and greatly appreciated!!

Call 800.926.6985 ext. 207



AMBULANCE TRANSPORT FROM SKILLED NURSING FACILITIES

The Centers for Medicare and Medicaid Services (CMS) has recently published Reminder Provider Education Articles regarding the transport of patients from Skilled Nursing Facilities. Medicare Beneficiaries who reside and are provided skilled care have the services paid by Part A Medicare benefit. The payments are a consolidated Billing Service (CBS) arrangement where the Skilled Nursing Facility is paid an amount that includes coverage for the majority of care for the patient. Services including ambulance transport is covered in this arrangement and the Skilled Nursing Facility is responsible for paying the Ambulance supplier for the transport.

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SNF (continued from page 5)

A written agreement is required between the SNF and the Ambulance Supplier. The SNF should inform the ambulance supplier if a patient is under Skilled Care so the ambulance provider does not bill the Medicare Carrier under Part B coverage. The rules and requirements are quite complex and there are exceptions to the CBS arrangements. The Exclusions include:

▶ Medically Necessary trip to a Medicare participating hospital or Critical Access Hospital for Emergency Services.

▶ A medically necessary ambulance trip after a formal discharge from the SNF (exception is if patient returns to SNF care before Midnight the same day).

▶ Trips for Dialysis or Dialysis related services.

▶ An ambulance trip for in-patient admission to a Medicare Participating Hospital or Critical Access Hospital.

▶ After discharge from a SNF, a medically necessary trip to the patient's home where he/she will receive services from a Medicare Participating Home Health Care agency under a plan of care.

▶ All Emergency transport for condition or diagnosis different from what the admitting diagnosis was for the SNF stay.

▶ Transport for the following are all considered beyond the scope of SNF care and are payable under Medicare Part B

- ▶ Cardiac Catheterization
- ▶ CAT Scans
- ▶ MRI Exams

▶ Radiation Therapy

▶ Ambulatory Surgery

▶ Angiography

▶ Lymphatic and Venous Procedures

This article is a brief overview. Additional Resources are available below.

Consolidated Billing Website

<http://www.cms.hhs.gov/medlearn/snfcode.asp>

<Http://www.cms.hhs.gov/manuals/transmittals/comm-date-dsc.asp>

CMS will begin October 1, 2004 to deny claims filed under Part B when the ambulance supplier should look to the SNF for reimbursement. A written agreement is Required. Call Jan 800-926-6985 ext.207 for additional information and assistance.



**ATTENTION
NON ACCUMED CLIENTS!!**

FREE FEE ANALYSIS

&

**COMPLIMENTARY
COMPLIANCE ASSESSMENT
OF YOUR CURRENT
DOCUMENTATION**

CALL MIKE AT 800-926-6985

EXT 220



ACCUMED COMPLIANCE PLAN SCORES HIGH MARKS!!

In keeping with our long-term commitment to compliance, AccuMed Billing, Inc. retained the services of Page, Wolfberg and Wirth to develop a formal compliance program for AccuMed. The Corporate Compliance Program is now complete. As part of the process, a Risk Assessment and Claim Review was conducted. The review included an audit of random claim samples, review of company procedures and practices, interviews with key personnel (including front-line billing staff) and a review of key documents associated with the billing practice and client relations. This review did not reveal any significant deficiencies in AccuMed Billing's practices and procedures related to fraud or abuse issues or in the AccuMed Policy and Procedures.

Steven R. Wirth, an attorney with Page, Wolfberg and Wirth, noted "*AccuMed has demonstrated significant attention to compliance issues, and we have been impressed with its operations as an ambulance billing company that strives to service its clients in a legal and ethical manner.*"

AccuMed Billing, Inc. is in its 15th year of operation and we have a record of Zero Percent (0%) of coding violations on behalf of our clients.

We, at AccuMed encourage our clients to develop Corporate Compliance Plans. The Office of Inspector General published OIG Compliance Program Guidance for Ambulance Suppliers in The Federal Register/Vol, 68, No. 56/Monday, March 24, 2003 /Notices.

The OIG recognizes that the ambulance industry is already familiar with compliance fundamentals and the Guidance focuses on risk issues relevant to the Ambulance Industry.

There is a review of fraudulent and abusive practices that includes:

Improper transport of individuals who can be transported by other means

Medically unnecessary trips

Trips billed but not rendered

Misrepresenting destination for purposes of coverage by a Federal Health Program

False Documentation

Billing for multiple patients in one vehicle to make it appear that each patient was transported separately

Inappropriate up coding from BLS to ALS

Payment of Kick-backs

The guide also addresses issues related to The Fee Schedule that will be fully implemented January 2006.

The EMS Law firm of Page, Wolfberg and Wirth have developed programs and multi media guides to assist ambulance suppliers in the area of compliance. For additional information about their services you can call 717-691-0100 or contact Steve Wirth on-line swith@pwwems.com.

The OIG Compliance Program Guidance for Ambulance Suppliers can be found in the *Federal Register/Vol.6/Monday, March 24th, 2003/Notices* or on the Office of Inspector General Website at <http://oig.hhs.gov/fraud/docs/complianceguidance/032403ambulancecpgr.pdf>

If you have difficulty accessing the guide on-line or do not have internet access; please call Jan Tjernlund at 800.926.6985 ext. 207 and a copy can be mailed to you.

ACCUMED BILLING STAFF DIRECTORY

800-926-6935

Michelle Leonard, President
Extension 203
michelle@accumedbilling.com

Ned Suddendorf, Vice President
Extension 215
ned@accumedbilling.com

Teri Smith, Operations Manager
Extension 222
teri@accumedbilling.com

Jan Tjernlund, Client Relations
Extension 207
jant@accumedbilling.com

Mike Todd, Client Development
Extension 220
mike@accumedbilling.com

Kate Melasi, Sales and Marketing
Ext. 226
kate@accumedbilling.com

Lisa Osorio, National Patient Accounts
Extension 213
lisao@accumedbilling.com

Jan Zmijewski, Accounts Receivable,
Reports
Extension 201
janz@accumedbilling.com

Lisa Walsh, Account Inquiries, Collections
Extension 212
lisaw@accumedbilling.com

Jason Zagresky,
Insurance Verification and Processing
Ext. 227
Jason@accumedbilling.com

Barbara Hill, Coding ,
Documentation
Extension 223
barbarah@accumedbilling.com

Anne Sheets Stating/Rejections
Extension 221
annes@accumedbilling.com

About AccuMed Billing, Inc.

AccuMed is in its 15th year of operation, providing emergency transport billing services to municipal fire departments and ambulance services nationwide. Compliance with local, State and Federal regulating authorities is one of our primary principles. Our record of zero (0%) in billing violations is a record that has served our clients well. In addition to billing for EMS Services, AccuMed can provide billing services for non-EMS related services relating to Motor Vehicle Accidents, Fire and Hazardous Materials.

Our state of the art software is specifically designed for the EMS industry and we are dedicated to keeping up with the technological advances and challenges of increased regulation.

If you would like to know more about AccuMed Billing, Inc. and how we can serve your organization; please contact Mike Todd at 800.926.6985 ext. 220 for further information and a free and confidential evaluative forecast.

