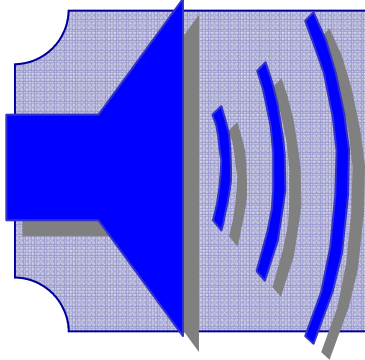


The Siren



Winter 2006



Since 1989

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We're on the Web!

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Prepared for upcoming State EMS Reporting Requirements?!? - Don't Panic!!

Presenting :

“AccuMedWeb.com”

AccuMed Billing, Inc. is pleased to introduce our newly developed, proprietary web based data capture, reporting and administrative software solution:

AccuMedWeb.com.....

AccuMedWeb.com was initially developed to deliver a turnkey solution to Michigan EMS providers and MFR's to meet the fast approaching State of Michigan electronic data reporting mandate (Michigan PA 375). Throughout the testing process, it soon became apparent that AccuMedWeb.com would also comprehensively satisfy Medical Control as well as internal Quality Assurance (QA) initiatives (NFIRS Reporting to follow!) and act as an invaluable administrative tool, sparing EMS providers, MFR's and Fire Departments from countless hours of shuffling paper, manipulating multiple data bases and conducting manual QA audits.

Unlike restrictive installation based software applications that require specific hardware, layers of software and technical support/know-how, **AccuMedWeb.com** simply requires a computer with an internet connection. Web based technology is the emerging future standard and will allow **AccuMedWeb.com** users to log on anytime, from anywhere and access all your data from a single database repository.

Continued on page 10, AccuMedWeb



AccuMed Billing, Inc. is endorsed by the Michigan Association of Fire Chiefs

The Cost of Quality

*A guide to choosing a billing service, before you **shop; stop!** and read this guide.*

We have all learned the lesson; “*you get what you pay for, right?*” “*Yes, of course!*” We all have dozens of personal experiences and stories to support this life lesson. The story has a beginning; “*It sounded great at the time because it cost less.*”; a middle, “*This is not what I wanted, this is not what I expected or what I need.*”; and an ending; “*What was I thinking, how did the cheaper cost end up costing me so much more in the long run?*”

The obvious lessons are easy to recall, the auto, boat or vacation purchase, or what about the new super low cost phone service or the dreaded blue plate special that was not so special at 4 A.M.? Lessons learned! The lessons learned are transferable to services as well. In general, cheap is to Quality of Service as Oil is to Water, they just do not mix.

In general, cheap is to Quality of Service as Oil is to Water, they just do not mix.

Now, the million dollar questions: What are the attributes / resources of a Quality EMS/Fire Billing Service and what is at risk if a cheaper solution is chosen?

Attributes / Resources of a Quality EMS/Fire Billing Service

- Quality Services specialize in and serve a single billing specialty. By doing so, every decision made or dollar spent ensures that EMS/Fire billing operations are benefited. When the budget gets chopped up to serve multiple specialties, resources are funneled away from the EMS/Fire budget.
- Quality Services maintain and employ highly experienced personnel who specialize in the EMS/Fire billing industry, including, Certified Coders, Corporate Compliance Officers, Corporate Integrity Officers and Privacy Officers. Quality Services provide comprehensive benefits to staff members (appreciated employees make satisfied clients).
- Quality Services are committed to full compliance with all regulatory entities and strictly comply with a comprehensive Corporate Compliance and Integrity Plan. Quality Services will have EMS attorneys /consultants such as Page, Wolfberg & Wirth, LLC. independently test their organization for compliance and conduct detailed annual audits.

The Siren

- Quality Services will invest in state of the art technology, including software that is developed and maintained specifically for the EMS/Fire industry and have detailed electronic remit and submit capabilities, including the ability to accept electronic incident reports.
- Quality Services invest in the EMS/Fire industry and provide substantial financial support to State Fire Chiefs Associations, charitable organizations and positively influence legislation that impact the EMS/Fire industry.
- Quality Services invest in educational initiatives to ensure their clients gain timely access to relevant industry related news and information, including EMS attorney seminars, newsletters, publications, faxes, and personal phone contact.
- Quality Services maintain Research and Development Departments to ensure clients receive cutting edge solutions such as HIPAA compliance resources, Fire Service billing guides, software to satisfy state reporting mandates/QA programs and services such as scanning of documents to assemble and manage a complete data set.
- Quality Services are financially sound and continually reinvest in their company to enhance EMS/Fire billing operations.
- Quality Services maintain high levels of insurance such as General Liability, Errors and Omissions, Employee Dishonesty, W/C and Employment Practices as an added layer of protection for their clients.
- Quality Services maintain efficient and effective operational processes to maximize and expedite reimbursement, consistent with full compliance, including timely and continuous follow-up on all billed accounts until worked to a logical conclusion.
- Quality Services maintain dedicated Customer Service Departments and provide immediate toll free access to ensure users of the EMS system receive unsurpassed customer service.
- Quality Services assign senior Customer Relations personnel to each client to ensure expectations are being diligently managed through personal contact and delivery of extensive reports engineered to provide detailed information through each step of the billing and collection process.
- Quality Services continually analyze charges, reimbursement and documentation trends to ensure every advantage is given their EMS/Fire clients and provide on-site incident report documentation training courses.

- Quality Services do not have hidden or extra charges such as postage, annual analysis of charges and reimbursement, directory changes, pre-collection fees, consulting.. ...etc.

What is at risk if I choose a cheaper solution?

Considering the worst-case scenario, at risk is the health and continued existence of your EMS/Fire agency. Fines from Medicare for non-compliance with Medicare Law include damages of up to \$10,000 per violation, imprisonment or both (Medicare requires municipal officials names and social security numbers for a reason!). In addition, a conviction of fraud will most likely ensure that your department is “dis-enrolled” from the Federal Health Care Program depriving your Department the opportunity to collect any Medicare reimbursement in the future.

Unlike private ambulance companies, when a municipality is sued or otherwise suffers from a catastrophic situation such as committing Medicare Fraud (yes, typically the provider, not the billing agent is held responsible), you pay the fine and suffer the consequences. Declaring bankruptcy and going out of business to avoid a fine is not an option exercised by municipalities.

Absent the worst-case scenario, choosing the cheaper solution time and time again historically yields diminished returns as the following example illustrates:

Quality Service charging 10% Contingency Fee

Annual Billings Submitted	\$1,000,000
Annual Recovery (65%)	\$ 650,000
10% Contingency Fee	<u>\$ 65,000</u>
Net Back to Client	\$ 585,000

Billing Company charging 6.5% Contingency Fee

Annual Billings Submitted	\$1,000,000
Annual Recovery (58%)	\$ 580,000
6.5% Contingency Fee	<u>\$ 37,700</u>
Net Back to Client	\$ 542,300

As you can see, in the final analysis, the Quality Service charging 10% put \$42,700 (annually) more in the bank than the cheaper 6.5% contingency fee (yes, that's \$427,000 after just 10 years).

The fact is, Quality Services such as AccuMed can afford to:

- Continually invest in and enhance operations,
- Attract and maintain quality staff to generate unsurpassed results,
- Ensure the highest compliance standards,
- Support the EMS/Fire industry at large,
- Supply our clients with cutting edge technology/solutions,
- Surpass your customer service expectations.

Cheaper solutions are simply forced to do without many of the resources inherent in a Quality Service, a terribly costly business decision!

In summary, **“Quality of service is all that is remembered after price is long forgotten.”**
To our valued AccuMed clients, **Thank You** for your continued trust, confidence and business. For all others, when it is decision time, avoid another costly lesson;
Quality does pay, AccuMed is Quality.



Boring but Important!!

Remember, to fax a copy of your renewed ambulance license to AccuMed at 734-479-6319.

Move into a new building? Change in Key Personnel? Get a new tax id?

Dog-Gone It, we need to know. Please remember to notify AccuMed with any changes that may affect your billing. If you raise your rates, we need the new rates and an effective date of service in writing. Ditto for upgrade in service i.e. changing from a BLS service to an ALS Service. We need a copy of the new license so we can prepare updates with insurance carriers. Any changes may be faxed 734-479-6319 –Attention Jan Tjernlund or you may e-mail changes to Jan at jant@accumedbilling.com.

CREDIT BUREAU REDUCES CONTINGENCY FEES

In our continuing effort to help our valued clients offset increasing operating expenses and dwindling funding, AccuMed is pleased to announce a negotiated contingency fee reduction from the Ann Arbor Credit Bureau (the "Credit Bureau") available to all AccuMed clients.

Effective January 1, 2006, the Credit Bureau has offered to reduce their standard contingency fee by 10 % (from 33.3% standard contingency fee and 50% legal contingency fee to 30% and 45% contingency fee's respectively). The new rate applies to accounts listed after January 1, 2006.

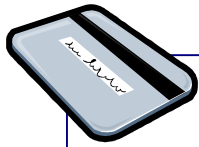
AccuMed maintains a strong working relationship with the Ann Arbor Credit Bureau. Similar to AccuMed, the Ann Arbor Credit Bureau specializes in EMS receivable management and processed in excess of 10,500 accounts for EMS providers in 2005. The Ann Arbor Credit Bureau has a detailed understanding of the processes, polices and procedures utilized by AccuMed. As a result, the Credit Bureau has the necessary information to efficiently collect on the accounts and manage each AccuMed/Credit Bureau client's expectations in a seamless manor.

The offered price reduction is possible in large due to a recent investment in programming by the Credit Bureau and AccuMed. The programming facilitates the transfer of data electronically to and from our corporate headquarters. This HIPPA compliant electronic data transfer has created operational efficiencies engineered to increase recovery and maintain compliance with all regulatory entities. The transfer also enables AccuMed to process all qualified insurance billing requests the Credit Bureau develops at no additional charge to the client. AccuMed provides this service as a courtesy to all AccuMed/Credit Bureau clients to ensure continual compliance with all medical billing regulatory entities from "cradle to grave".

It is important to note that AccuMed and the Credit Bureau have established this strategic, value added relationship to ensure all AccuMed clients have access to a seamless collection solution in situations where third party debt collection agency services are needed to secure payment. AccuMed does not have a financial interest in the Credit Bureau, nor does the Credit Bureau have a financial interest in AccuMed. In fact, no compensation is exchanged between the Credit Bureau and AccuMed whatsoever.

Please feel free to contact Tom Oldani at the Credit Bureau with any questions regarding their services and the fee reduction. Tom can be reached at 734-665-6173.

As always, thank you for your continued business and best wishes in the **New Year.**



Credit Card Option gains Popularity

AccuMed Billing, Inc. through Merchant Solution began offering the credit card option to our clients late in 2004. We now have 15% of our client base on board and more clients are signing up every week. This program offers your patients a convenient alternative to setting up payment plans. With employers supplying debit cards in replacement of health flex accounts, many patients are seeking to use their debit card to pay co-pays and balances.

AccuMed is working with Merchant Solution after comparing other plans. The cost to our clients is very competitive. Many patients request the option to pay by credit card because they are unable to pay by other means. By accommodating the credit card payment request, you get paid and the need to employ the services of a collection agency are eliminated.

In the final analysis, offering credit card payment options is good customer service that will generate more revenue for your community and reduce collection agency expense. With a credit card, AccuMed customer service representatives can process the required information and payments arrive in your bank account by the end of the next business day. For additional information and/or to start the process call Jan at 800.926.6985 ext. 207.

AccuMed and MAFC Continue Endorsement Agreement

MAFC President Doug Doefer and AccuMed President of Operations announced the Endorsement Agreement between the firm and MAFC has been renewed for 2006. The agreement is in recognition of AccuMed earning the MAFC's highest distinction as an endorsed vendor.

The MAFC receives an annual financial stipend from AccuMed for the support of the Association's educational initiatives. An example of this contribution was reflected in the MAFC Fall Leadership Conference when several speakers traveled to Michigan courtesy of AccuMed.

AccuMed provides research and analysis for MAFC members in areas of industry-related trends and issues. For MAFC members who enter an agreement for EMS Billing or/and Fire Service Cost Recovery, the start up fee is waived by AccuMed. AccuMed will also provide a cost-free analysis of local FD incident forms and HCFA claim forms to assist local agencies in optimum reimbursement and compliance.

The Endorsement Agreement benefits both AccuMed and MAFC in the shared commitment of providing outstanding service and education to the MAFC membership.



OFFICE OF INSPECTOR GENERAL (OIG)

RELEASES UNFAVORABLE REPORT ON AMBULANCE TRANSPORT BILLING- JANUARY 2006

Background

The Office of Inspector General is mandated by Public Law to protect the integrity of the United States Department of Health and Human Services (HHS) programs along with the health and welfare of recipients of HHS programs. The OIG carries out their responsibility by a network of audits, investigations and inspections. One component is through their Office of Evaluations and Inspections (OEI). Inspections evaluate programs and management of issues of concern to HHS, Congress and the Public. In a recent report (OEI-05-02-00590), OIG released their report MEDICARE PAYMENTS FOR AMBULANCE TRANSPORT. The report has some alarming findings and the OIG has concluded:

- **Twenty-five (25%) of ambulance transports did not meet Medicare's program requirements, resulting in an estimated \$402 million in Improper Payments!** The findings found in 2002, 13 percent of transports did not show medical necessity requirements showing that the patient could only travel by ambulance. This showed \$220 million dollars estimated in over payments. 9 percent of covered ambulance services did not meet the standards for level of service criteria (i.e. billed out at ALS when only BLS service was needed). OIG estimates that \$31 million dollars was paid improperly. 5% of transports found in error because the ambulance supplier was contacted but failed to respond and provide additional documentation. The OIG estimates that \$150 million in improper payments! OIG found further that a larger percentage of error was in either dialysis transports or non-emergency transports. Overall, emergency transports accounted for an estimated 7 percent in improper payments.
- **Contractor safeguards are insufficient to identify and prevent improper payments for ambulance transports.** Contractors are the carriers or intermediaries who administrate the Medicare program. The Medicare program has very few specific safeguards to detect and prevent payments for improper ambulance transports. Contractors may choose the prepayment and post payment activities they conduct. Lack of conformity was cited regarding the kind of documentation contractors review to determine appropriateness of ambulance transport. Non-emergency transports very often are generated by third-party providers (i.e. nursing home, assisted living center) and it is unlikely that the patient initiated the transport. Minimal effort has been made to educate third party providers with information regarding coverage and level of service criteria.
- **OIG Recommendations**

OIG has recommended that CMS (Medicare)

- 1) Consider instructing all Medicare contractors to implement pre-payment edits targeting dialysis and non-emergency transport.
- 2) Instruct Medicare Contractors, when conducting post-payment medical reviews, to obtain documentation from ambulance suppliers and third-party providers to determine that ambulance transports meet the requirements.

Continued on page 9

- 3) Direct Medicare contractors to educate third-party providers who initiate ambulance transports about the appropriateness of Medicare's non-emergency transport benefit. If the problems persist, the OIG suggested that CMS may want to determine if administrative action can be taken and refer potential fraudulent or abusive providers to the OIG.

What does this mean to you, the ambulance provider?

“With this report, the OIG is sending a clear message that ambulance services are on their radar screen,” said Steve Wirth, partner with Page, Wolfberg & Wirth, LLC, the national EMS industry law firm. “Ambulance services can expect increased audits and greater scrutiny as a result. It may take some months before we see any significant activity, but ambulance services need to prepare now,” he said.

“Ambulance services that are on top of their billing operations are the ones that will not have big problems with closer government scrutiny. Ambulance billing has become increasingly complex, especially in the last few years with the new fee schedule implementation. It is absolutely essential that you have a compliance program in place to prevent billing problems in the first place,” Wirth said. Wirth noted that many municipalities and other ambulance services simply don't have the in-house expertise or the resources to put the necessary compliance steps in place. Much of that responsibility and concern can be alleviated by contracting with a good, reputable ambulance billing company, Wirth said.

“In many cases, contracting with an ambulance billing company that has an active compliance program in place and that pays attention to these issues may be the best route,” he said. “We have worked with AccuMed for several years now and know that they have effective compliance programs in place. We often discuss specific compliance concerns with their staff and potential problem claims. This tells us they are clearly looking out for their customers. That attitude is so important, because, after all, in an audit or investigation, it's the ambulance service that will be responsible for any overpayments or other penalties if things aren't done right.”

In short, ambulance providers are now front and center in the “spot light”. OIG is recommending that Medicare carrier obtain additional information from ambulance suppliers upon review particularly from non-emergency transports ordered by third-party providers (nursing homes, adult foster homes etc.). Your ambulance service should have systems in place to demonstrate medical necessity, that the appropriate level of service is provided and most important of all: Have complete, detailed and accurate documentation to back up both medical necessity and proper level of service. **Oh, and the OIG also forwarded specific information on non-covered, miscoded, and undocumented service in their sample to CMS for appropriate action. “Appropriate action” can include sanctions, fines and even criminal punishment.**

To our AccuMed Clients, you already know of our commitment to compliance and strict adherence to the payment rules. At times, you may have thought that we were overly cautious and meticulous but we always believe in not only doing things right but more importantly in “doing the right things”. For a complete copy of “Medicare Payments for Ambulance Transports” call Jan at 800.926.6985 ext. 207.

Continued from Page 1

AccuMedWeb.com is fully encrypted, password protected, flexible and virtually eliminates the need for expensive computer support and expertise. In most cases, **AccuMedWeb.com** will look exactly like the incident report you are currently using, which makes data entry a breeze, no screen jumping, no cumbersome requirements, no “geek speak”!

And finally, for those departments / providers that do not have the time, resources or desire to enter the required State of Michigan mandated information or data required for Medical Control CQI and NFIRS, simply forward the incident reports to AccuMed for data entry and delivery of the required electronic data file to the State on your behalf. From that point on, all your data is available to you through our **AccuMedWeb.com, Report Writer-Plus** Utility.

The implementation date of the mandated state reporting program is just around the corner and the need for statistical analysis and CQI are already here. **AccuMedWeb.com** is the only web based application developed specifically for each user and will eliminate the “paper shuffling”, multiple software applications and computer headaches. **AccuMedWeb.com**, the right solution, right on time!

Call **AccuMed Billing, Inc.** at 800-926-6985 extension 215 for details and a demonstration.

Not a Michigan Provider?.....Stay Tuned!!

YOU MAY CHARGE FOR MEDICAL RECORD RELEASES

The Michigan Medical Records Act (MRAA) permits charging fees for preparation and duplication of Medical Records. The MRAA statute is more exacting than HIPAA in this requirement. Allowed Fee are:

- \$1.00 per page for the first 20 pages
- \$.50 per page for pages 21-50
- \$.20 per page for pages 51 and over

You are permitted to charge for cost of postage or shipping. You may also charge for retrieval of records not kept on-site, providing the records are at least 7 years old.

Also, if the request is made by someone other than the patient him/herself, i.e. authorized representative, attorney, etc. you may charge an initial fee equal \$20.

Remember, you must follow HIPAA requirements and your department procedures for release of Medical Records. Your department should have written policies and procedures for release of records. Careful documentation is essential.

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About AccuMed Billing, Inc.

AccuMed is in its 15th year of operation, providing emergency transport and fire service billing solutions 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/fire 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.

The Siren is a newsletter provided to AccuMed Billing Clients and Friends. If you would like to be added to the mailing list or have suggestions for future articles; please contact Jan Tjernlund, Editor at 800-926-6985 ext. 207 or e-mail jant@accumedbilling.com,

