



**Internal Audit Committee
of
Brevard County, Florida**

Internal Audit Review of

Ambulance Billing

**Prepared By:
Internal Auditors of Brevard County
May 30, 2003**

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May 30, 2003

The Audit Committee of
Brevard County, Florida
Viera, Florida 32940-6699

Pursuant to the provisions of Section 125.01(1)(s), Florida Statutes, and the approved 2002/2003 internal audit plan, we hereby submit our internal audit report covering Ambulance Billing. We will be presenting this report to the Audit Committee at the next scheduled meeting on August 20, 2003.

Our report is organized in the following sections:

Background	This provides an overview of Ambulance Billing.
Objectives and Approach	The internal audit objectives and focus are expanded upon in this section as well as a review of the various phases of our approach.
Issues and Recommended Actions	This section gives a description of the issues, the impact and recommended action. Management's response has been incorporated into this section as well.

We would like to thank the Public Safety Department and all those involved in assisting the Internal Auditors regarding this report on Ambulance Billing. We found the Ambulance Billing staff to be receptive to the recommendations and, as noted in our report, they have already begun making the recommended improvements.

Respectfully Submitted,

INTERNAL AUDITORS

Background

Background

Authorization for Emergency Services (Ambulance Billing)

The provisions of Florida Statutes Sections 125.01(1)(e) grants boards of county commissioners the power to provide ambulance services. Chapter 71-556, Laws of Florida, grants the board of county commissioners the power to operate and maintain exclusive county emergency ambulance services and to establish a schedule of fees for furnishing the ambulance services. Chapter 42 of Brevard County, Florida, Code of Ordinances specifies the requirements for and responsibilities of Emergency Services.

Organization and Overview of Ambulance Billing Process

As part of the Ambulance Billing process, Public Safety Finance works in conjunction with several other agencies as follows:

Dispatch

Dispatch receives 911 calls and forwards them to the appropriate station with initial incident information.

Fire Rescue Operations

Medics arrive at the scene of the incident, assess the situation, treat patients and transport them to the nearest hospital, if necessary. The medics also obtain further incident and patient information at the scene and en route to the medical facility, if possible.

Following completion of a transport, the medics return to their assigned station and enter the incident and patient information into the station computer as a patient care report. Each incident is assigned a separate number.

Public Safety Finance

The EMS Records Specialist uploads all patient care reports from the stations. The reports are reviewed for accuracy and corrections are made for missing or incorrect information. Patient care reports are then electronically submitted to the third party billing company.

Third Party Billing Company

The third party billing company receives the reports and obtains any omitted insurance or patient billing information from the hospitals or patients. Bills are then sent to the responsible party: insurance, Medicare, Medicaid, or the patient.

Payments are received by a bank through a lock box system and are deposited into the County's account. The bank logs the payments and forwards the information to the third party billing company who applies the payment to the appropriate patient's account.

The third party billing company sends reports to Public Safety Finance on a monthly basis. Public Safety Finance checks the reports, tracks trends, and forwards appropriate reports to County Finance.

Background - continued

Staffing

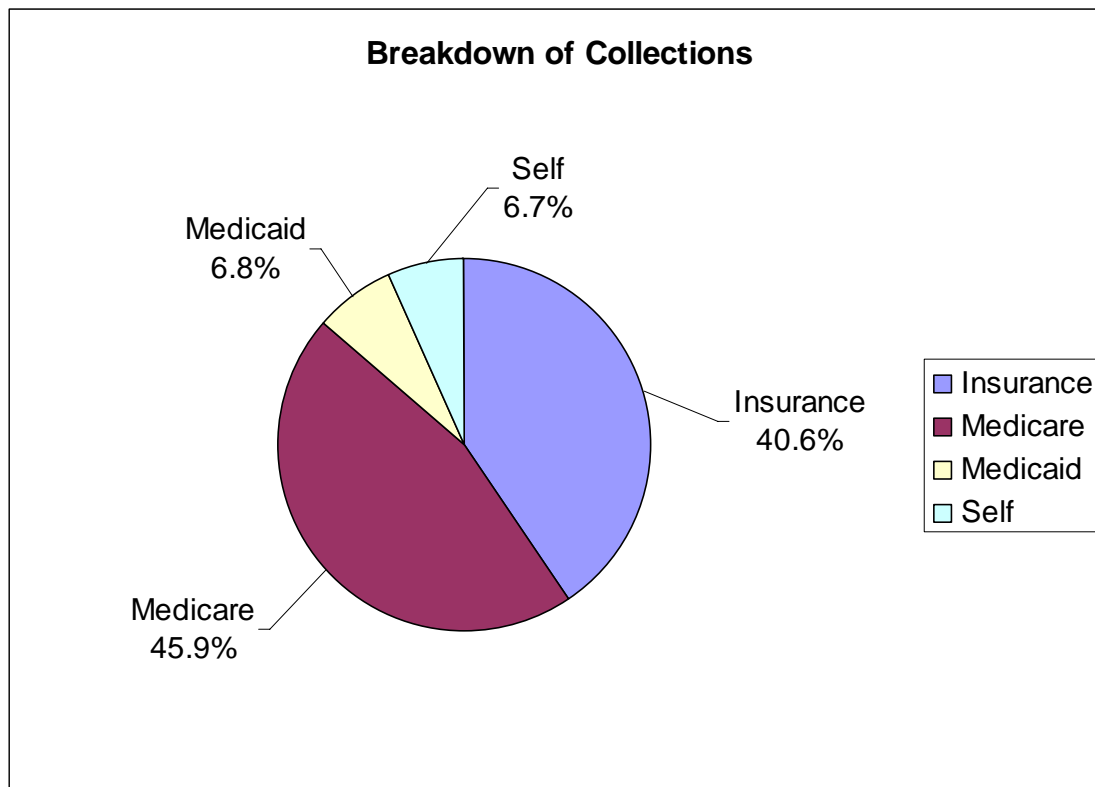
Key personnel from Public Safety that are involved in the Ambulance Billing function are as follows:

Name	Title
Jack Parker	Director of Public Safety
Craig Simmons	Support Services Manager
Ann Fosburr	Public Safety Finance Manager
Rebecca Burnett	EMS Records Specialist

Additional key personnel involved in the Ambulance Billing functions are: Bill Farmer, Fire Chief; Nancy Fazio, EMS Captain; John Doty, EMS Coordinator; Steve Bloch, Public Safety Information Systems; County Finance and the third party billing company.

Selected Statistics*

For the fiscal year ended September 30, 2002, the Ambulance Billing function collected revenues in excess of \$7 million (unaudited). The breakdown of the collections is as follows:

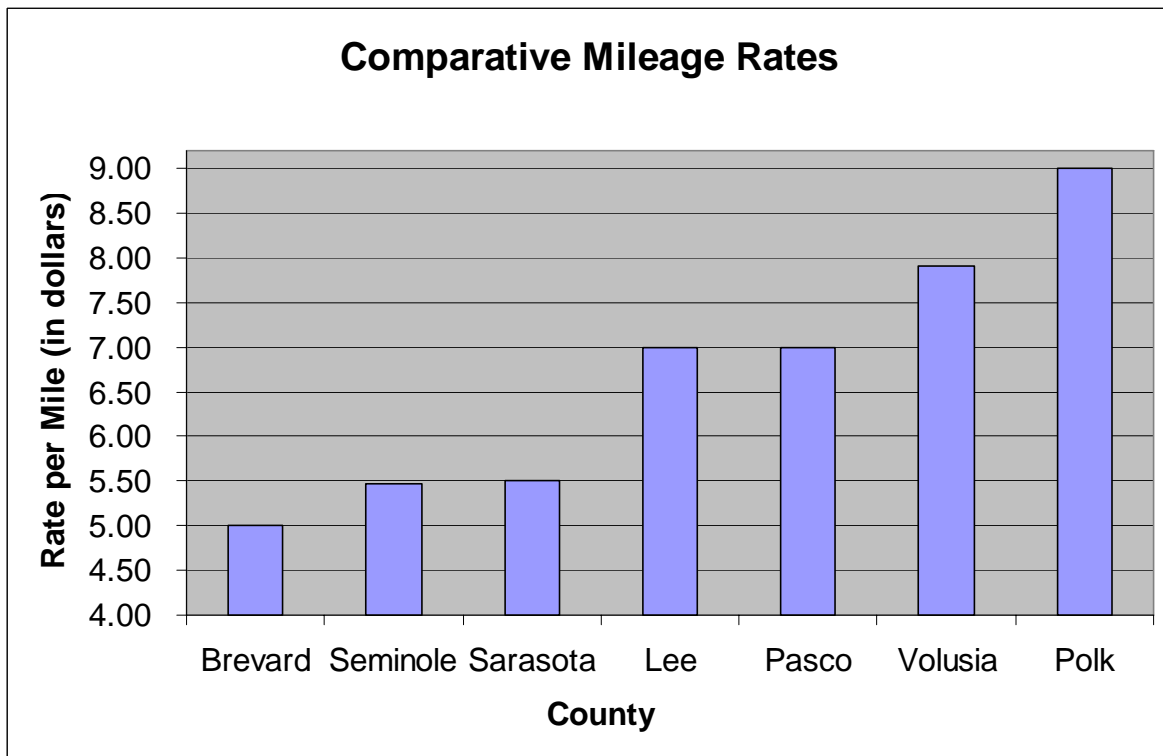
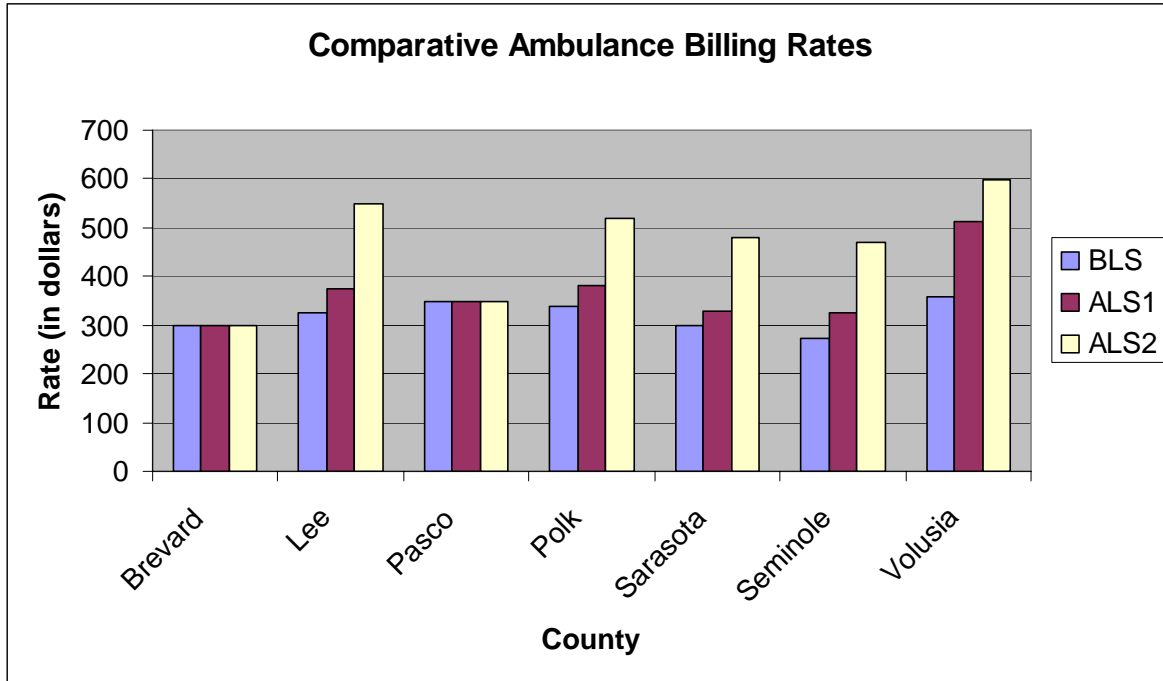


* Amounts estimated from Public Safety records (unaudited)

Background - continued

Selected Statistics* - continued

As noted in Issue #4, fees for Ambulance Billing have not been increased since October 1998 and it appears that the current fee structure for ambulance billing is lower than other area counties with a similar population and median income.



* Amounts estimated from Public Safety records (unaudited)

Objectives and Approach

Objectives and Approach

Objectives

The internal audit objectives in the Ambulance Billing function include the following:

<input type="checkbox"/> Determine that policies and procedures are in place to assure ambulance fees are calculated, billed, and collected in accordance with County policies and regulations, as well as guidance per the Federal Register.
<input type="checkbox"/> Determine if computer controls exist and are operating as intended to control and limit access to the appropriate personnel.
<input type="checkbox"/> Verify the accuracy of individual billings.
<input type="checkbox"/> Verify that complete and accurate patient and incident information is obtained and forwarded to the third party billing company in a secure manner.
<input type="checkbox"/> Verify procedures are in place to ensure reports received from the third party billing company are complete and accurate.
<input type="checkbox"/> Determine that procedures are in place to follow-up on past due billings in a timely manner.
<input type="checkbox"/> Determine that commission paid to the third party billing company is calculated accurately.
<input type="checkbox"/> Verify that refunds were calculated correctly and given for an appropriate reason.
<input type="checkbox"/> Verify that appropriate revenue is charged and collected.

Approach

Our audit approach consisted of four phases:

Understanding and Documentation of Process

During phase one, we held an entrance conference with the Director of Public Safety and other personnel to discuss the scope and objectives of the audit work, obtain preliminary data, and establish working arrangements. We then conducted interviews with responsible Public Safety managers and personnel and documented their role in the process.

Population and Sample Determination

We selected a random sample of incidents initiated by 911 calls to dispatch. In addition, we selected samples of commissions, refunds, and transmissions to the third party billing company. The time period covered by the sample selections was January 1, 2001 through May 19, 2003.

Objectives and Approach - continued

Detailed Testing

The purpose of this phase was performance of testing procedures based on our understanding of the ambulance billing process, applicable county ordinances, and federal and state statutes. Our procedures included observation and inquiry, walk-throughs, and testing of individual transactions.

Our procedures included, but were not limited to, testing:

- | | |
|--|--|
| <input type="checkbox"/> Incident reports | <input type="checkbox"/> Refunds |
| <input type="checkbox"/> Bills | <input type="checkbox"/> Documentation |
| <input type="checkbox"/> Collections | <input type="checkbox"/> Computer controls |
| <input type="checkbox"/> Electronic transmission of data | <input type="checkbox"/> Commissions |

Reporting

During this phase, we summarized our findings, based on our detailed testing, into a report format and conducted an exit conference with management and incorporated their response into our report.

Issues and Recommended Actions

<i>Issue # 1</i>	<i>Documentation</i>
	<p>During our review of the ambulance billing function we were advised that the Public Safety Finance Manager reviews a random sample of incidents billed per the third party billing company's monthly reports. However, no indication of such review was evident on the reports.</p> <p>In addition, a log sheet which tracks the data transmitted to the third party billing company is maintained, yet no documentation of who performed the transmission is recorded.</p> <p><i>Impact</i></p> <p>Additional documentation will reduce the likelihood of errors occurring and not being detected in a timely period. Also, accountability for transmissions is not established. If there were a problem with a transmission, there would be no method of determining responsibility.</p> <p><i>Recommended Action</i></p> <p>We recommend that the monthly reports be signed and dated as an indication they have been reviewed. In addition, a marking should be placed by the items tested in order to identify them and leave an appropriate audit trail. Doing so would take little additional time and might even prevent time from being wasted by inadvertent review of reports that have already been reviewed.</p> <p>We also recommend that the integrity of each employee's activities be maintained by requiring the individual who makes a transmission to sign off on the log sheet.</p>
	<i>Management Response and Action Plan</i>
Response	<ul style="list-style-type: none"> <input type="checkbox"/> A column has been added to the transmission log spreadsheet to document initials. <input type="checkbox"/> The transmission of data is made by the Public Safety Finance Manager. An exception log will be made for transmissions completed by somebody other than the Finance Manager. <p>Documentation is crucial to all aspects of Fire Rescue. Public Safety is proactive with a review of all ambulance patient care reports. Current measures include reviews by the EMS Captain, EMS Coordinator, the Quality Assurance Committee, Fire and Operations Chiefs, the EMS Records Specialist and the Public Safety Finance Manager. Initials and dates will be added to the monthly reports to indicate completion of the review.</p>
Time frame	Immediate, implemented June 5, 2003
Person Responsible	Ann Fosburr , Public Safety Finance Manager

Issue # 2	Computer Controls
	<p>We noted several control weaknesses related to the computer security and safeguarding of information:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Public Safety personnel are not required to change their computer passwords on a regular basis. <input type="checkbox"/> Some computer terminals at the third party billing company do not require passwords to logon. <p>Impact</p> <p>Additional system controls reduce the likelihood of errors and/or fraud occurring and not being detected in a timely period by employees in the normal course of their assigned duties.</p> <p>Recommended Action</p> <ul style="list-style-type: none"> <input type="checkbox"/> We recommend that Public Safety institute a policy that requires passwords to be changed on a regular basis. <input type="checkbox"/> We also recommend that Public Safety build into its software an automatic expiration of passwords to ensure they are changed periodically. <input type="checkbox"/> Furthermore, we recommend that Public Safety insist that the third party billing company replace or upgrade their old terminals so that they will be able to comply with Public Safety's password policies noted above.
	Management Response and Action Plan
Response	<ul style="list-style-type: none"> <input type="checkbox"/> Frequency of password changes will be increased. Current action plans include upgrading workstations to Windows 2000 to provide additional automation and increasing the frequency of password changes. A written policy will be created and instituted with the installation of the Windows 2000 upgrade. <input type="checkbox"/> The third party billing company is now in compliance with audit recommendations. They had a few "dumb" terminals in their facility, which have been removed from the ambulance billing process. Public Safety works closely with the third party billing company and is confident of their security measures and HIPAA compliance. <p>Public Safety is alert to the risks of electronic information systems and continually investigates such handling. Public Safety is currently in compliance with all aspects of information security and does change passwords. Staff was aware of the HIPAA deadline prior to the audit finding and fully expected to be in compliance with the new regulations on or before the deadline of October 14, 2003.</p>
Time frame	October 14, 2003
Person Responsible	Steve Bloch, Public Safety Information Systems Manager

Issue # 3	<i>Accurate & Timely Patient Information</i>
	<p>Most incidents are an emergency situation and we understand that the medics' primary responsibility is patient care. However, the medics should make every effort to obtain all patient information possible without jeopardizing patient care.</p> <p>During our testing we noted that several incident reports contained inaccurate or incomplete patient information. In most instances the third party billing company was able to track down the missing information. However, we noted several that were still missing information and hence, never billed. One incident report contained an inaccurate address, phone number and Social Security Number. In addition, the patient's insurance information was missing.</p> <p><i>Impact</i></p> <p>Inaccurate or missing patient information may cause delays in the billing and collection process. As a mitigating control, the EMS Records Specialist checks the medics' reports prior to submission to the third party billing company. However, improvements should be made to ensure the medics are aware that if imperative information is missing or inaccurate (name, address, phone number, insurance information, Social Security Number), the third party billing company may not be able to locate and bill the patient, causing a loss of revenues to the County.</p> <p><i>Recommended Action</i></p> <p>We recommend the County investigate several new products and technology including:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Personal voice recorders issued to all medics <input type="checkbox"/> Pen pads or PDA devices as a replacement for the manual Abbreviated Patient Report forms <input type="checkbox"/> Laptop computers installed in each rescue unit <input type="checkbox"/> Install scanning devices in the rescue units to enable medics to scan patient insurance cards or drivers licenses <input type="checkbox"/> Integrate a patient database into the medics' computer software so that patient insurance information, address, etc. will automatically be displayed when a key identifier is entered <p>The addition of one or more of these technologies or products will help the medics obtain and retain accurate information and enter it in a more timely fashion.</p> <p>During the investigation, the medics should be surveyed to determine if the new technologies or products will be functional. In addition, an analysis should be done to determine whether the benefits of the new technologies or products outweigh the cost. In order to help keep the costs down, the next Request For Proposal (RFP) of third party billing services could include the new technologies. Therefore, reducing the County's capital outlay required to implement the technology.</p>

<i>Issue # 3</i>	<i>Accurate & Timely Patient Information (continued)</i>
	<i>Management Response and Action Plan</i>
Response	<p>☐ A cost benefit analysis of the specific products listed in this issue will be completed by March 1, 2004.</p> <p>Public Safety surveys the availability of new technologies and products. In addition to staff research, employee and patient surveys are performed. Documentation of the surveys and research is currently done and will continue.</p> <p>Public Safety counts on accurate and timely patient information. This efficiency is critical to all aspects of ambulance response reporting for legal and economic reasons. Medics are aggressively trained and monitored for report content, including billing information.</p> <p>Occasionally the emergent nature of the 911-ambulance transport industry brings about situations that make collection of billing data difficult (i.e. unconscious, traumatized, or otherwise uncommunicative). Public Safety has many mitigating controls in place to promote the most effective and efficient collection of patient information.</p>
Time frame	March 1, 2004
Person Responsible	Bill Farmer, Fire Chief

Issue # 4	<i>Fees Charged</i>
	<p>Fees for ambulance billing have not been increased since October 1998 and it appears that the current fee structure for ambulance billing is lower than other area counties with a similar population and median income.</p> <p>We noted several instances where the County is billing less than the maximum charge allowed by Medicare. This includes incidents when the County's rescue unit responds and attends to the patient, but ultimately results in an air transport. These incidents are only billed at \$135. Yet, Medicare will pay the County's normal charge for a transport.</p> <p>We also noted that separately billing for oxygen may cause additional unnecessary administration.</p> <p><i>Impact</i></p> <p>Billing lower than the maximum charge allowed by Medicare results in a loss of revenues to the County.</p> <p>Billing oxygen separately, causes additional administration by the third party billing company, since they need to combine the charge before sending the statement to Medicare. In addition, many patients call customer service and challenge the separate charge. Therefore, causing a delay in payment and collection of revenues.</p> <p><i>Recommended Action</i></p> <p>We recommend that the County periodically review its current rate structure and consider an upward adjustment in their rates.</p> <p>Several counties charge different fees based on the level of service (i.e., a separate fee for BLS, ALS1 and ALS2 service). The new fee structure could bundle together oxygen, thereby avoiding unnecessary administration.</p>
	<i>Management Response and Action Plan</i>
Response	<p>It is the policy of Public Safety to monitor and update all revenue sources as appropriate to the service, citizens, and governing body. The Medicare fee schedule has recently changed, allowing for agencies to be reimbursed for increased ambulance billing fees.</p> <ul style="list-style-type: none"> ❑ Public Safety has an ambulance billing fee increase in the proposed FY2004 budget. ❑ The Board of County Commissioners had previously declined a recommendation to increase the charges of \$135.00 for the rescue unit responses that resulted in an air transport. Public Safety will continue to research all applicable resources.

<i>Issue # 4</i>	<i>Fees Charged (continued)</i>
	<ul style="list-style-type: none"> <li data-bbox="565 321 1339 531">□ Public Safety will continue to bill oxygen as a separate item rather than billing all patients for a service that they may not receive. Public Safety has confirmed with the third party billing company that simple computer programming “bundles” oxygen for Medicare purposes. The third party billing company has also verified that Brevard County oxygen questions are not a customer service problem.
Time frame	October 1, 2003
Person Responsible	Jack Parker, Public Safety Department Director

Issue # 5	Compliance Program
	<p>We noted that the County has made efforts to follow the guidance per the Federal Register. However, they have not formally documented all of their efforts in a compliance program as recommended by the Office of the Inspector General (OIG). For example, the County does not have a written policy to indicate and document medical necessity.</p> <p>Impact</p> <p>The lack of a formal compliance program may cause the County to be in noncompliance with federal regulations, state statutes and County ordinances, as well as be unaware of risk areas relevant to the ambulance industry. Written documentation will facilitate and identify ways the County can address these and other compliance risks.</p> <p>Recommended Action</p> <p>We recommend that the County participate in the voluntary compliance program as noted in the guidance entitled <i>OIG Compliance Program Guidance for Ambulance Suppliers</i>, as published as a notice in the March 24, 2003 Federal Register.</p> <p>During the implementation of the compliance program, special consideration should be given to the following areas:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Medical Necessity: A determination should be made to identify when a situation is not a medical necessity and these transport charges should not be billed to Medicare or Medicaid. <input type="checkbox"/> Error Reports: The County should document its procedures used to communicate to medics who make repeated data entry errors. In addition, supervisors should compile and analyze trends on a monthly basis.
	Management Response and Action Plan
Response	<ul style="list-style-type: none"> <input type="checkbox"/> Public Safety will review the need to design a voluntary compliance program which would require the Third Party billing company to only bill Medicare for incidents that meet the “medical necessity” criteria per the Federal Register. <p>The Office of the Inspector General recently published a notice with “program guidance for ambulance suppliers”. Their link brings the Reader to the narrative in the Federal Register, which suggests various voluntary Compliance Guidelines of which medics and Public Safety finance staff currently follow and train.</p> <ul style="list-style-type: none"> <input type="checkbox"/> Further coordinated discussion will include the recommendation of the Auditors for monthly trending of the compiled quality issues. The EMS Captain, EMS Coordinator, Quality Assurance Committee, Fire and Operations Chiefs (and their chain of command), and the Public Safety Finance staff have separate and coordinated efforts for guidance and disciplinary action for content and data entry of patient care reports.

<i>Issue # 5</i>	<i>Compliance Program (continued)</i>
Time frame	December 1, 2003
Person Responsible	Bill Farmer, Fire Chief

Issue # 6	Multiple Payors
	<p>Medics do not indicate the order of priority for insurance coverage on their Abbreviated Patient Reports.</p> <p>Impact</p> <p>Medicare, Medicaid or an insurance company (or an individual) could be inappropriately billed as the primary insurer when, in fact they are the secondary. This causes the County to issue numerous refund checks.</p> <p>Claims for payment should not be submitted to more than one payor at a time. Section 1862(b)(6) of the Act (42 U.S.C. 1395y(b)(6) states that an entity that knowingly, willfully and repeatedly fails to provide accurate information relating to the availability of other health benefit plans shall be subject to a civil money penalty.</p> <p>Recommended Action</p> <p>The Abbreviated Patient Reports should be modified so that medics indicate the order of priority for insurance coverage.</p> <p>In addition, the third party billing company should make every attempt to determine whether Medicare or Medicaid should be billed as the primary or secondary insurer.</p>
	Management Response and Action Plan
Response	<ul style="list-style-type: none"> ❑ Public Safety will change the Abbreviated Patient Report. (APR) An additional data column will be accomplished at the next printing of the “Abbreviated Patient Report”. <p>The “Abbreviated Patient Reports”, as well as hospital “Patient Information Sheets”, are supplemental sources of pertinent information. Brevard County Public Safety is compliant with the State’s requirement for patient care reporting. Under Florida Statute 401, an EMS agency must provide a patient care report. The information contained in this report must meet Florida Administrative Code 64.E-2.013 (3), (F.A.C.). The information required by the State of Florida is concerned with patient care.</p> <ul style="list-style-type: none"> ❑ The Brevard County Patient Care Report (PCR) currently does contain insurance documentation and prioritization. This patient care report is the data that is transmitted to the third party billing agency for Medicare, Medicaid, and private insurance and patient billing. This data is currently and will continue to be monitored by Public Safety.
Time frame	January 1, 2004
Person Responsible	Bill Farmer, Fire Chief

Issue # 7	Reconciliations & Proper Cut Off
	<p>We noted that information per the monthly reports prepared by the third party billing company is not reconciled to County Finance’s records.</p> <p>The third party billing company closes once a month when all of the collections for the particular month have been recorded. However, they do not take into consideration if all incident reports have been received and billed for that particular month.</p> <p>Impact</p> <p>Reconciliations are a primary means of preventing and detecting an error in the information prepared by the third party billing company. Without reconciliations, the County cannot verify that the recording of transactions by the third party billing company is accurate and proper.</p> <p>Proper cutoff is not maintained for the monthly reports; therefore, the accounts receivable posted for the month may also include incidents for the previous month as well as the subsequent month. This cutoff will cause accounts receivable to be overstated or understated when management reviews and follows trends on a month-to-month basis.</p> <p>Recommended Action</p> <p>At a minimum, the following reconciliations should be performed by the County’s Finance office:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Accounts receivable per the County’s SAP system should be reconciled to the balance per the monthly “Report of Accounts Receivable” prepared by the third party billing company. <input type="checkbox"/> Collections per the lockbox reports and the County’s SAP system should be reconciled to collections noted on the “Monthly Billing and Collection Summary” prepared by the third party billing company. <p>In addition, we recommend that the monthly reports from the third party billing company be sent and stored in electronic format. Electronic receipt of the monthly reports should help facilitate the reconciliations by allowing the County to download the information to a Microsoft Access Database.</p> <p>We further recommend that the County work with the third party billing company to develop procedures to close the month only after they have verified that all collections have been posted and all incidents have been billed for the particular month.</p>
	Management Response and Action Plan
Response	<ul style="list-style-type: none"> <input type="checkbox"/> Public Safety will work with County Finance to facilitate compliance with the Auditor recommendations. <input type="checkbox"/> Public Safety Finance has already requested electronic transmission of the monthly reports from the third party billing company. <input type="checkbox"/> Public Safety will work with the third party billing company to develop procedures to address monthly closeout issues, as recommended by the Auditors.

<i>Issue # 7</i>	<i>Reconciliations & Proper Cut Off (continued)</i>
Time frame	October 1, 2003
Person Responsible	Delegated by County Finance Public Safety Dept. Liaison - Ann Fosburr, Public Safety Finance Manager

Issue # 8

***Monitor Overdue Accounts
Receivable and Review Collection
Policy***

The County’s current approach to collection begins by sending a statement to the patient and respective insurance company. The third party billing company then attempts to make phone contact with patients who have not responded or whose accounts have not been paid. Six bills are to be sent. Unpaid accounts are not forwarded to a collection agency.

During our testing, we noted several instances where collection efforts by the third party billing company could not be verified or where follow up procedures were not taken:

- One incident report was noted on the third party billing company’s computer system as being billed 5 times. However, no information was noted on the message screen to reflect the efforts to collect payment.
- One incident report indicated that the address and Social Security Number were incorrect. The incident occurred over a year ago, and there was only 1 attempt to contact the patient.
- Two claims were erroneously denied payment of the mileage by the insurance company. No follow up was performed by the third party billing company.

These errors emphasize the need for accurate and timely information (as noted in Issue #3) in order to facilitate timely collection efforts.

Impact

The lack of monitoring overdue accounts receivable gives no assurance to the County that all incidents are followed up properly, which could result in lost revenues.

Recommended Action

We recommend that the County randomly select a sample of outstanding claims and request the third party billing company to provide documentation of their collection efforts.

In addition, we recommend that the County review its collection policy to determine whether additional steps could be made to aid in the collection of accounts.

Issue # 8	Monitor Overdue Accounts Receivable and Review Collection Policy (continued)
	Management Response and Action Plan
Response	<ul style="list-style-type: none"> <li data-bbox="565 449 1339 514">❑ Public Safety will implement a documentation process for reviewing outstanding claims. <li data-bbox="565 535 1339 600">❑ Continued research and consideration will be given to the ambulance billing collection efforts. <p data-bbox="516 661 1339 783">Public Safety currently monitors patient account status and has not found a deficiency. There are occasions of specific anomalies that are addressed individually. The third party billing company implemented a new message screen system in 2001 that has enabled further recording of collection detail.</p> <p data-bbox="516 814 1339 905">Brevard County's current collection rate is higher than all surrounding county EMS agencies. This above average collection rate is evidence that the third party billing company makes exceptional collection efforts.</p>
Time frame	January 1, 2004
Person Responsible	Craig H. Simmons, Public Safety Support Services Manager

Issue # 9

Transfer of Data

Incident reports are transferred electronically to the third party billing company through the internet. During our testing we noted several instances of errors in the data transfer process:

- One incident report tested had an addendum requesting the incident date to be changed; however, the change was not made on the third party billing company's system.
- One incident report tested was not found on the third party billing company's system. While we were able to verify that they received the initial report, no other documentation existed.
- The County indicates the level of ALS service performed on the incident report. However, the documentation is not received by the third party billing company because it is not in the correct field code.

In addition to electronic transfer of data via the internet, incident reports that were initially recorded as "non-transport" then changed to "transports" are sent to the third party billing company via fax. These faxed reports do not automatically generate a log number; therefore, they are not tracked on the log sheet. The change from non-transport to transport is usually when a patient is airlifted to the hospital and the County's rescue unit was the initial responding unit. In these instances, the medics sometimes indicate that they did not transport the patient, although, they should indicate it as a transport because the County is able to bill in these instances.

Impact

Lost or erroneous incident reports could cause the County to lose revenues.

Transferring the data without the ALS level indicated causes the third party billing company to spend additional time determining the proper level of service performed before they can bill.

Not tracking the faxed reports gives no assurance to the County that all incidents are billed.

Recommended Action

While the County has some procedures in place to monitor the information, the following additional controls should be implemented:

- Random checks of reports that contain addendums should be performed to ensure that the appropriate changes are being made by the third party billing company.
- The log sheet should be updated to include the incident reports that were transmitted to the third party billing company via fax. This log sheet should then be reconciled to the monthly "New Billing Report" prepared by the third party billing company to verify that the total number of incidents sent were received and billed.

Issue # 9	Transfer of Data (continued)
	<ul style="list-style-type: none"> ❑ Computer personnel at the County should work with the computer personnel at the third party billing company to ensure that the ALS level is placed in the appropriate field code and transferred properly. ❑ Computer personnel at the County should work with technical support personnel at their vendor company in order to add an additional option for medics to choose when the incident results in an airlift and the County's medics are the attending medics, (ex., "non-transport, billable" or "non-transport, airbill").
	Management Response and Action Plan
Response	<p>Public Safety will better document random checks of addendum reports to ensure that the third party billing company identifies addendum pertinent to the billing process. Public Safety monitors the transmission and receipt of incident report data, including addendum information that financially affects the billing process.</p> <ul style="list-style-type: none"> ❑ The transmission log spreadsheet has already been modified to include electronic exceptions. ❑ Public Safety had already addressed a minor software program problem with regard to "ALS-2" and "non-transport". The corrective action will take place with implementation of the next software version.
Time frame	January 1, 2004
Person Responsible	Ann Fosburr, Public Safety Finance Manger