

Tilton-Northfield Fire & EMS Commissioners' Work Session

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| Meeting Called By: | Commissioners | Date, Time: | June 1, 2011 at 17:40 |
| Transcribed By: | Kathy Tobine | Place: | Tilton-Northfield Fire & EMS Center Street Station, 12 Center Street, Tilton |

Commissioner Auger called the work session to order at 5:40 PM.

Present: Commissioners Paul Auger, Tom Gallant and Patrick Clark; Chief Brad Ober, Deputy Chief Mike Robinson, Captain Greg Michaud, Rick Martin and Administrative Assistant Kathy Tobine.

Comstar

Rick Martin introduced himself. He is the President and CEO of Comstar. He passed out an information packet. He gave a short overview of the company. Comstar is a Massachusetts corporation which processes medical claims, sends bills and provides collection services for municipal and non-profit ambulance services. The business was founded in 1984. He purchased the company in 2000. They have 52 employees who are set up in teams to handle each area.

Rick explained what they do for us. He described the billing and collection process. For both residents and non-residents they

- Verify that patient address information is correct.
- For claims with insurance information, the claim is submitted directly to the insurance carrier electronically. Denial Appeals are submitted as required.
- If there is no insurance information, they conduct a web based insurance search. They contact the hospital to attain insurance information.

For non-residents they

- send three bills prior to insurance submission.
- send one bill for the balance due after insurance.
- they send three bills for the balance after insurance.
- they send monthly statements if the patient is making monthly payments.
- to collect balances not received after the above is performed, they send a collection letter.
- After Client Review and Approval, they are reported as a bad debt to Experian Credit Bureau.
- Hardship Waiver Request Forms are provided upon patient request.

Commissioner Clark asked if the hospitals cooperate when asked for information. Rick stated they follow hospital protocols for obtaining the information. If no hospital information is received, a bill is sent. The first bill is sent. Thirty days later a second bill is sent. Thirty days after that a third bill is sent. If there is no response, a collection letter is sent.

Commissioner Clark asked if an outside source is used. Rick replied no, this is a letter they send out. The next step is a request for write off report. There is an option not being used by TNFD. They have relationship with a collection agency, First Financial Resources, Inc. (FFR). It is available. TNFD would be establishing a relationship directly with them. Comstar handles everything. If money is collected, they send check monthly. FFR takes one-third of what is

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collected. Comstar does all accounting. They do not take fee on top of that. FFR collects 3 to 5% of what was sent to them.

Deputy Robinson asked what the total amount in write off is. Chief Ober replied \$77,000.

Commissioner Clark asked what the resident portion is. Chief Ober replied \$52,387.

Commissioner Clark asked how many of the departments in New Hampshire use FFR? Rick replied 50%. Commissioner Clark wanted to know if we could sell them for so much on the dollar. Rick replied at any time. Deputy Robinson asked if they could define what a resident is. Rick replied by the zip code of patient.

Rick went over the resident process. They

- send three insurance information requests clearly marked ***not a bill*** prior to insurance submission.
- If they don't respond at the end of the three requests no further steps are taken and the bill is written off. A write-off report is sent as part of the month end package.
- If a resident has insurance and the insurance pays, one bill goes to the resident requesting the co-pay.

You cannot selective bill. You must make a good faith effort to collect co-pays. Legislature has taken care of that. A municipality has the right to waive the co-pay for residents. A different policy for resident vs. non-resident is fine. As long as they are consistent Rick believes there is no discrimination issue.

Commissioner Clark wanted to know how many operate the way we do by writing off residents without insurance. If they have insurance, go after the insurance. Rick responded in NH about 25% do it this way. In Massachusetts they bill everybody for everything. Rhode Island municipalities are set up the way we are.

Deputy Robinson asked how many complaints had been received. Rick replied none.

Commissioner Clark asked about others. Rick said the collection rate is higher at about 80%. Our collection rate is a little under 70%.

Commissioner Gallant gave the history of billing.

How to handle the patient receiving the insurance money and not paying the bill was discussed. Comstar sends a bill to the patient when they submit the bill to their insurance company. Rick went into detail. HB31 was discussed. This bill requires that the providers of ambulance services be reimbursed directly or by a check payable to the insured and the ambulance service provider subject to the terms and conditions of the policy, plan, or contract. If the Governor signs it, it becomes effective January 1, 2012.

Commissioner Gallant asked what the collection rate is for Anthem. Rick replied the collection rate for Anthem is 68%. Rick read off sheet. Co-pays were discussed. What drives the average down is people who are uninsured.

Chief Ober asked how we approve, deny or accept payment plans. Rick responded there are no criteria for payment plans. They note they commit. If they miss a payment they send a different worded bill.

Hardship applications were discussed. Rick explained they are a supporting document. Commissioner Clark asked for recommendations for improving their collection rate and changing our policy other than collecting from residents. Rick recommended using an

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advanced collection agency for non-residents. Deputy Robinson asked what they hear for complaints when they go to the collection agency. He wanted to know what complaints they hear. Rick replied he has not received a complaint in eight years. Since we are not sending to residents they don't have a complaint. Commissioner Clark said the only other change is to go along with 75% of the rest of state and bill residents.

Rick suggested looking at the rates TNFD bills in terms of revenues. He went over the ambulance billing rate analysis he had passed out which shows TNFD current rates and Medicare current rates. TNFD is currently billing 38% above Medicare. We last changed their rates in January 2010. There was no change this year. A lot of communities moving are moving to 100% above Medicare. Medicare rates are about 30% below the national average. TNFD rates right now are about at cost. Since you are being reimbursed by Medicare you would set your billing rates so that anybody you are non-contracted with would pay more. You need to bump your rates up. Commissioner Gallant asked what the municipalities around us are doing. Rick replied they are billing 50% above Medicare. He's seeing some NH folks going to 100%.

Captain Michaud asked if there is a document that can educate us for the difference between BLS, ALS1 and ALS2. People don't have any idea as to how the billing process works. Rick said these are driven by the condition of the patient and services provided. He has a chart he can send us on that. They do offer a class on run report writing. They don't get into the medical part; they just explain why the various boxes are important.

Commissioner Clark asked if they use FireHouse. Rick replied no. They have some clients that do. Discussion ensued.

Chief Ober asked when the rates can be changed. Rick replied whenever we want. Chief Ober asked how many times they can be changed. Rick replied they can be changed as often as you want.

Chief Ober asked what happens if someone is reported to Experian. Rick explained it will show on their credit report. It will show up when they are going for loan. Chief Ober asked if they are notified they have been reported. Rick said no.

Medicare billing was discussed. Chief Ober asked if you can go after the difference between the bill and what Medicare paid with the patient. Rick explained you are not allowed to.

The Commissioners thanked Rick for coming and explaining the billing process to them. Rick asked they contact him should they have any further questions.

Chief Ober asked if the Commissioners wanted to make any decisions tonight about the rates. He's not comfortable doing the write-off's by himself. Discussion ensued. It was decided that Commissioner Auger as Chairman of the Board will be handling this with Chief Ober.

Commissioner Clark recommended the use FFR to go after the non-residents. Commissioner Gallant does not want to go use a collection agency. He believes they should increase the rates. He wants to know what Belmont, Sanbornton and Franklin are doing before they increase the rates. Commissioner Auger would also like to know if they use a third party collection agency.

Discussion ensued about charging residents. All three commissioners are totally against charging residents.

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Commissioner Auger asked if we bill if we don't transport. Chief Ober explained that if we treat a patient there is a mechanism to bill that patient. We can bill for drugs, supplies and service. He gave an example of a known diabetic. They treat the diabetic and they refuse to go. They can bill for the drugs and service. If no treatment is done, there is no bill.

Commissioner Gallant asked what we do about wellness checks. Chief Ober replied if they find something when they go on a call we are required, by law, to report them to the State Dept. of Health & Human Services, Adult Services if it is an adult or Juvenile Services. Depending on the circumstances, if they know a local service can help them we make a phone call.

Adjournment

Commissioner Gallant made a motion to adjourn. Commissioner Auger seconded the motion. There being no discussion, vote was taken. Vote was unanimous to adjourn.

The meeting adjourned at 19:12.

Respectfully submitted,

Kathy Tobine
Administrative Assistant

Next Meeting Date, Time, Place: June 15, 2011 at 17:30. Meeting to be held at Tilton Town Hall, 257 Main Street, Tilton.