

AMBULANCE BILLING & COLLECTIONS POLICY:

SECTION I. PURPOSE:

The purpose of this policy is for the Town of Windham ("the Town"), through its Board of Selectmen ("the Board") to establish procedures for the billing and collecting as it pertains to ambulance services provided by the Windham Fire Department. Further, it is also to ensure that appropriate procedures are followed in writing off uncollectible accounts.

SECTION II. AUTHORITY:

This Policy has been enacted pursuant to the statutory authority granted to the Board of Selectmen by RSA 41:9 V, Financial Duties, and RSA 31:39 as it relates to their management of the Town's prudential affairs.

SECTION III. GENERAL OVERVIEW:

The Town has implemented a billing and collections process which seeks to provide reimbursement to the Town's general fund for the delivery of EMS/ambulance services which are funded through the Town's operating budget. The Town has also sought to provide those with a financial hardship the ability to apply to have waived any portion of the fee that is not covered by insurance.

SECTION IV. DEFINITIONS:

- A) "Ambulance Rates": Refers to the billing rates charged for ambulance services provided by the Windham Fire Department. The Town of Windham has historically set its annual billing rates at 30% above the Medicare allowed rates set by the federal government, which are adjusted on a periodic basis.
- B) "Balance Billing": The process of invoicing the recipient of ambulance services that portion of the total cost which is not covered by medical insurance. This process is required in order to comply with Medicare regulations.
- C) "Billing and Collection Fee": Refers to the fee paid to Comstar for their services. Comstar is paid 6.5% of total funds collected and this fee is taken as a reduction of the net revenue Comstar remits to the Town on a monthly basis.
- D) "Comstar": The Town's authorized third-party ambulance service billing agent.
- E) "General Fund": Represents the main operating fund of the Town and is used to account for all financial resources except those required to be accounted for in another fund. The Town's annual tax rate is derived from the revenue and expenditure activity in this fund.

SECTION V. PROCEDURES & REPORTING:

In January of each year, the Town adopts annual billing rates. In conjunction with the Town, Comstar sets up procedures necessary to collect funds due the Town in connection with ambulance services provided by the Town. All funds collected by Comstar are deposited into a separate "Comstar" bank account held in custody by the Town of Windham. Funds collected are remitted to the Town on a monthly basis by

Comstar, net of the Billing and Collection Fee. The monthly remittance is provided to the Fire Department and then forwarded to the Finance Office for depositing into the Town's general fund.

Comstar provides monthly reporting to the Windham Fire Department and the Finance Office detailing all billing, payment and write-off activity for the month. All files containing patient-specific information are maintained either in the Fire Chief's office or the Assistant Town Administrator's office and are treated as confidential.

SECTION VI. COLLECTIONS & WRITE-OFFS:

The attached chart sets forth the collection and write-off process. Invoices are sent in thirty day intervals, with a total of three (3) attempts made to collect. Write-offs are approved by the Fire Chief.

SECTION VII. ACCOUNTING PROCEDURES:

The Finance Office records in the general ledger, on a monthly basis, the total amount billed, the amount collected and the total write-offs for the month. At the end of each fiscal year, an estimated allowance for uncollectible accounts is established by Finance based on the amount of invoices outstanding over ninety days.

SECTION VIII : WAIVERS:

The Board of Selectmen may vote to waive any portion of this policy if the Board deems it to be in the best interest of the Town of Windham.

SECTION IX : AMENDMENTS:

These policies may from time to time be amended by the vote of the Board at a regularly scheduled Board Meeting. Notice of proposed changes shall be posted in at least two (2) public places, one of which must be the Town Hall, at least 14 days from the date of the meeting.

SECTION X : EFFECTIVE DATE:

These policies shall be effective upon a vote of the Board and shall replace any and all procedures or policies previously enacted by the Town.

Adopted By Board of Selectmen – Date: August 12, 2013

Phil LoChiatto
Kathleen DiFruscia
Roger Hohenberger
Ross McLeod
Al Letizio, Jr
Board of Selectmen

WINDHAM FIRE DEPARTMENT

PATIENT BILLING / COLLECTION PROCESS

