

TOWNS OF ALLENSTOWN AND PEMBROKE

Tri-Town EMS Board of Directors

311 Pembroke Street

Pembroke, New Hampshire 03275

Minutes of Regular Meeting

January 11, 2017

**Call to Order**

The Tri-Town EMS Board of Directors Meeting for January 11, 2017, was called to order by the Chair at 3:30 p.m.

**Roll Call**

Present on the Board: Shaun Mulholland, Michael O'Meara, Harold Paulsen, Robert Bourque, Hearshell VanLuven, Dana Pendergast, and David Jodoin

**Others Present**

Tri-Town Staff: Christopher Gamache, Director; Stephanie Locke, Assistant Director  
ComStar: Richard Martin

**Discussion of ComStar service billing**

Chairman Mulholland stated that there were concerns about the billing and interaction with First Financial. Somehow, files sent did not get to them. Revenue needed to run the operation was lost. He stated that we had to get those cases on which we were not collecting into the collection process.

Mr. Martin of ComStar stated that files were sent from ComStar to First Financial in November, using a secure, encrypted method, but there was a disconnection and First Financial did not receive the files, nor did they inform ComStar that the files had been directed to an entity that didn't exist. No dollars were received from them. Working with Craig Platt at First Financial, they found all of these accounts. He stated that the role of ComStar is to send the files, as instructed by Tri-Town, which they did. ComStar is an intermediary, a value-added service, and doesn't take any fees on anything collected. He said it was not clear why First Financial didn't tell him there was an issue.

Mr. Gamache stated that he goes through the reports every month and these files appeared to have been lost in cyberspace. They were directed to some other Tri-Town which doesn't exist. He stated that there was an account with First Financial when Tri-Town was with CAG and there were no problems then.

Chair Mulholland stated that steps must be taken to insure that this does not happen in the future.

Chief Paulsen asked if First Financial has a process for acknowledging receipt of files.

Mr. Martin stated that he would have to check with the IT folks to find out how receipt of the secure files is acknowledged or verified – what type of ‘technical handshake’ occurs.

Chair Mulholland said we need to know what happened, why these files were directed to another entity, and where the system broke down. He stated that this can’t occur in the future. He asked Chris Gamache to get back to him.

Mr. Gamache explained that files from his office go to a system run by the State of New Hampshire called TEMSIS, which is a private contractor. ImageTrend is the entity which stores the data. Mr. Gamache directs ComStar to take designated files and send them to First Financial. There is a controlled mechanism for giving permission to ComStar to get these files. In this case, patient files never hit anybody’s account in particular, and he was not told where the records ended up. He realized there was a problem when a report from ComStar showed zero for First Financial. ComStar has verified the accounts that should have been sent and the disconnection has been fixed.

Chair Mulholland stated that he does not have a warm feeling about this. Three entities are involved: Tri-Town, ComStar and First Financial. He would like an answer as to why this happened before the next meeting.

Mr. Martin said he will have an answer tomorrow about why the problem occurred and how it will be prevented from happening again.

Chief Paulsen asked if we now have a valid account with First Financial.

Mr. Gamache stated that he re-did the paperwork to set up an account and the problem has been solved.

Mr. Martin stated that he receives monthly reports from First Financial. He has worked with First Financial for ten years and the people there have been excellent. He pointed out that they are pursuing accounts which are already delinquent and which ComStar has already worked on. The likelihood of collecting on them is low; their collection rate is between three and five percent. Because of the holiday season and illness, his staff is about six weeks behind. He presented a report of collections through the end of November, 2016. The amount billed was \$755,000; the amount collected was \$315,000, leaving a receivable of \$439,000. He pointed out that \$280,000 of this is not collectable because they are Medicare and Medicaid accounts. He ran a report based on date of service for the most recently completed 12 months, from July 1, 2015 through June 30, 2016, for Tri-Town EMS. The chart is separated by major payers, such as Medicare, Medicaid, and Anthem. He explained that billed charges

are much higher than allowed charges (contractual allowances), due to mandatory Medicare and Medicaid adjustments. Of Tri-Town's 711 patient accounts, 343 are Medicare and Medicaid accounts. The high number of these accounts inflates the uncollected percentage. He pointed out a new trend which has been developing over the last several years. The number of insured patients who are responsible for their entire ambulance bill has increased significantly. This is because, as premiums have gone up, to keep private insurance rates down, carriers have increased deductibles and co-payments. And, many affordable care plans do not cover ambulance services. The insured group is larger, but the quality of the insurance is diminished, and a new group of patients has emerged who have insurance, yet they are responsible for 100% of their bill. For Tri-Town, 90% of insured patient bills are collected; only 10-15% of the rest is collected. Tri-Town is on the low end of this, and taxpayers cover about 57% of the total. However, he discussed the importance of comparing apples to apples. Tri-Town's billing rate is on the high side, sticking with the Capitol area rates. If the contractually allowed rate were used, the collection percentage would be higher. Demographics also play a role. Wealthier communities have higher collection rates, and a large number of senior citizens usually results in a lower collection rate, especially if the percentage collected is calculated using billed charges as opposed to allowed charges. He went on to explain that people have high deductibles for two reasons: they can't afford low deductible plans or they have a health savings account. Tri-Town has many patients in the first category. Next he discussed options for aging accounts and uncollectible allowances. He noted that accounts over 120 days have only a three to five percent chance of being collected. Typically, uncollected accounts of non-residents over 150 days are sent to First Financial; residents get an extra notice and usually aren't sent until they are 180 days overdue. There is no exact number of days. He said that Tri-Town's aging account may be overstated. There is \$132,000 with First Financial right now and \$125,000 waiting for disposition, for a total of \$257,000. He mentioned various ways to account for aging which are acceptable to auditors. He said that uncollected amounts can be written off but left with First Financial. If payments are subsequently collected, this is extra revenue. He pointed out that the response time of carriers varies in terms of how quickly they pay, especially where litigation may be involved.

Chair Mulholland stated that he would like to prepare an article for the website so that residents might better understand the process of collection, and he requested copies of reports to aid him in preparing this article.

Mr. Gamache stated that, because of Medicare and Medicaid, insured patients and their carriers are getting stuck with large bills. Taxpayers pay 20% of the Medicare bills, and there is a large senior population.

Mr. Martin mentioned that many other communities lower the bills for self-paying patients to the Medicare/Medicaid rate level and waive copayments and deductibles for residents only. This is legal and results in a higher collection percentage. He suggested checking with legal advisors before doing this.

Mr. Gamache stated that a very small percentage of the self-paying accounts are collected, whether fully insured or not. He suggested that Tri-Town might, for its residents only, offer payment plans and give these residents the Medicare rate.

Chair Mulholland asked Mr. Gamache to put together a plan and come back to the Board with it. He asked that the plan include various options and the impacts thereof. He asked that Mr. Gamache report on the legal, financial and public relations ramifications of the various options as well.

#### **Approval of minutes of previous meetings**

Mr. Paulsen moved to approve the minutes of the December 14, 2016, meeting, including two minor corrections. Mr. Bourque seconded the motion. The motion carried.

Mr. Bourque moved to approve the minutes of the November 9, 2016, non-public session. Mr. Paulsen seconded the motion. The motion carried.

#### **Approval of expenditures**

Mr. Bourque moved to approve a manifest dated December 29, 2016 in the amount of \$1,258.55. Mr. Paulsen seconded the motion. The motion carried.

Mr. Bourque moved to approve a January 5, 2017, payroll manifest. Mr. O'Meara seconded the motion. The motion carried.

#### **Disposition of Ambulance 2**

Mr. Gamache stated that PL Customs (Sugarloaf Rescue Vehicles) has offered \$3,500 as a trade-in value for Ambulance 2. It might have been possible to get a better deal, but there is not much of a market for used ambulances and it might take a while to find someone who would pay more. He assured the Board that the radios have been stripped.

Chair Mulholland asked if an auction house might have offered more.

Mr. Gamache said there would be a fee involved which might negate any gain.

Mr. Bourque moved to approve this disposition of the ambulance. Mr. Jodoin seconded the motion. The motion carried.

#### **ComStar Revenue Report**

Mr. Martin stated that the revenue amount budgeted was \$249,250 and the actual amount through December 29, 2016, is \$350,424.53.

## **Director's Report**

Mr. Gamache stated that the December Director's Report is complete but not out. He will have it tomorrow. He reported that the call volume is up. There were 1,100 runs in 2016. Overtime was high in December due to vacations. Response time is just over five minutes. Because of increased drug abuse, Nar can is now the number three drug administered. Saline is first and Zofran is second. He is investigating what other communities are doing in response to the escalating drug problem and is thinking of copying or using components of what Concord is doing. He has talked with Concord Hospital, Riverbend's psychiatric facility in Concord, and Hope NH to get ideas. He likes the idea of going to the patients, not having them go to a facility because they shouldn't drive. He pointed out that communities can manipulate statistics in order to grab Federal funds. There were 46 overdose calls in 2016, which is high for a community with a population of 11,500 (Allentown and Pembroke).

Chair Mulholland pointed out that 23 of these calls were for the same person.

Mr. Gamache raised a concern about what will happen when heroin is replaced by meth, which has no antidote. He mentioned that there are underlying psychiatric problems with many of the drug abusers. He maintains a log to track every call and every patient. He is separately tracking self-paying clients and preparing an insert to go with patients' bills with a patient satisfaction survey and questions about lack of insurance coverage.

## **Non-Public Session I in accordance with the provisions of RSA 91-A:3, II(b)**

On motion of Mr. Bourque, the Board went into non-public session. The motion was seconded by Mr. O'Meara.

A Roll Call Vote was taken: Mr. Mulholland – Yes; Mr. Van Luven – Yes; Mr. Paulsen – Yes; Mr. Bourque – Yes; Mr. O'Meara – Yes; Mr. Jodoin – Yes; Mr. Pendergast had stepped out of the room. The motion carried.

The Chair called the meeting back to public session.

On motion of Mr. Bourque, seconded by Mr. O'Meara, the Board approved Nicholas D. Giovani as an EMT on a per diem basis at the rate of \$13.73

On motion of Mr. Bourque, seconded by Mr. Jodoin, it was voted to adjourn @ 5:08 pm.



SHAUN MULHOLLAND, Chairman Tri-Town EMS