



PROVIDING AMBULANCE BILLING & COLLECTION SERVICES SINCE 1984



TRI-TOWN AMBULANCE SERVICE

AMBULANCE BILLING SERVICES
SERVICE OUTLINE

December 17, 2013

8 Turcotte Memorial Drive, Rowley, MA 01969 (800) 488-4351 or jtassi@ComstarBilling.com

COMSTAR 
Ambulance Billing Service

8 Turcotte Memorial Drive, Rowley, MA 01969
Ph: 978-356-3344 Fx: 978-356-2721

Thank you for your interest on Comstar Ambulance Billing Services. Comstar, Inc., EIN # 04-2931752, is a local, Massachusetts Corporation with a corporate office and main operations center (50+ staff members) in Rowley, MA. We have been in business since 1984. Our employees currently serve over 200 municipal ambulances throughout New England. These clients provide BLS, ALS, and SCT services, emergency and non-emergency transportation. Annually, Comstar applies its services to over 230,000 billable ambulance transports.

Our flexibility and customization of approaches allows us to work with clients of all different sizes, and needs. Whether you transport 20 patients per year or 20,000, Comstar is the company for you to maximize your revenue recovery.

In addition, we have experience in working with services like TRI-TOWN, who have previously handled their billing operations in a different manner. We can work with you in creating an easy transition to both the Service and your patients.

The following pages discuss Comstar's robust service offerings. As you review this document, I think that you will understand that Comstar is not simply a billing company; we are a billing partner for our clients. Each of our clients have different needs, processes, and procedures, and we are able successfully work with all of them. Not only can Comstar change as your needs change, but we can also offer suggestions based on current industry standards as well as our years of experience, to identify areas of opportunity, so that you may fully maximize your ambulance revenues. In addition, we will always act in an ethical and compliant manner on your behalf.

Please feel free to contact me with any questions at (800) 488-4351.

JEFF

Jeffrey L. Tassi
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DESCRIPTION AND QUALIFICATIONS OF FIRM

Comstar was founded in Massachusetts in 1984 and has been providing emergency medical transport billing and collection services to New England communities for 28 years. We are a Massachusetts Corporation with a corporate office and main operations center (55+ staff members) in Rowley, MA. Our employees currently serve over 200 municipal ambulances throughout New England. These clients provide BLS, ALS, and SCT services, emergency and non-emergency transportation. Annually, Comstar applied its services to over 230,000 billable ambulance transports. Our services are all performed in-house, and nothing is ever outsourced.

Since its inception, Comstar has had two owners. Its current owner, President & CEO, Rick Martin has been running and growing the company since 2000. When Rick took over, he made some fundamental changes in order for Comstar to offer the best possible service to its clients. One of the most important changes was in 2002, with the investing of the national distributed Sanitas Ambulance Billing Software. Although you will read more about this software in the required section, its important to realize that the Sanitas product is the most mature, robust and feature-rich billing application available on the market today. This product enabled Comstar to streamline processes, have unlimited report writing capabilities, and maximize revenues for our clients.

In addition, Comstar has experienced healthy, aggressive growth under Rick's direction and management. Rick, who has over twenty years of accounting experience, and has been able to use those accounting skills to analyze both procedures at Comstar and client accounts to make sure that all systems are running at the most efficient level. This growth has not only allowed Comstar to take on new clients and ensure a smooth transition, but it has allowed Comstar to constantly review and update systems, policies and procedures when necessary. Comstar is constantly growing and changing in order to remain an industry leader in the field of ambulance billing and collections.

Our flexibility and customization of approaches allows us to work with clients of all different sizes, and needs. Whether you transport 100 patients per year or 100,000, have all BLS transports, or all non-emergency transports, Comstar is the company for you to maximize your revenue recovery.

Comstar is experienced in New Hampshire Medicare and Medicaid requirements, and is fully licensed as a collection agent in the Commonwealth of Massachusetts. As you will read in the following pages, Comstar has the necessary experience, expertise, professionalism and resources to successfully meet and exceed all the expectations of TRI-TOWN as they relate to Ambulance Transport Billing and Collections.

We realize that our clients often have differing needs when it comes to ambulance billing. Comstar has the ability to "customize" our processing to meet your exact wishes and needs.

Many of our service offerings are unique only to Comstar, and there is not another company out there with the same full range of offerings. We have been able to grow as a company and streamline processes, in order to offer our clients an efficient service, and higher collections at a low service fee.

Comstar's core values are:

Teamwork
Total Customer Satisfaction
Integrity

As you will read, Comstar has built and continues to expand its loyal customer base by maintaining a steadfast commitment to these core values.

Comstar is continuously investing in its staff and supporting infrastructure to ensure it is providing the best service possible.

On the software side, Comstar has invested in and deployed the national distributed Sanitas Ambulance Billing Software. The software is phenomenal. The Sanitas product is the most mature, robust and feature rich billing application available on the market today. It also offers infinite options for report & form development with the use of the powerful Crystal Report Writer and data exchange with our clients as they migrate from paper data collection and reporting to electronic. The developer, Pinpoint Technologies and its parent company Zoll Medical, have delivered excellent support with system updates in response to Medicare's publication of its "Final Rule" for the new national fee schedule and HIPAA compliance.

Comstar operates out of a 10,800 sf office facility on Rte 1 in Rowley, Massachusetts. Our secure facility has been fitted with a state of the art information technology infrastructure, meeting and training rooms and will accommodate expansion when needed.

With these tools and facility, Comstar offers its clients:

- Insurance verification services
- T1 voice, data and internet connectivity
- Data imports capability from virtually any EMS data collection software that can export a NEMSIS or similar compliant file.
- Reports in Excel format, e-mailed upon request
- HIPAA and OIG Compliance program.
- Notice of Privacy Practice Mailing Service
- Prominent EMS attorney/consultant on retainer informing and supporting us on all regulatory/billing matters.
- 800# staffed by billing specialists from 8am to 9pm EST
- Annual SAS 70 independent Audit
- Secure website, www.comstarbilling.com , for info and communication.

Comstar is committed to maintaining the "one-on-one" personalized service that Comstar was founded on over 20 years ago. We are pleased to be able to augment this commitment with a depth of staff, experience and technology resources that will ensure that Comstar meets all of our client's ambulance billing needs, today and in the future.

PLAN OF ACTION

Comstar's overall plan is to maximize revenues for TRI-TOWN. The overall project strategy discussed here will be a basic overall plan of action.

As far as a time frame is concerned, EMS Billing and Collections is a circular, ongoing process. The timeframes discussed will be set-up timeframes, but the process itself is ongoing throughout the life on the contract.

Upon contract award, a start date will have to be established. Comstar will recommend that the start date for receiving billable runs be on the first day of a new month. This avoids any crossover between the previous billing agent and Comstar, and will be much more efficient for TRI-TOWN.

Approximately 30-60 days prior to the start date for receipt of billable transports, it is advised to have an initial set-up meeting. A solid understanding of the ambulance billing process by TRI-TOWN officials is a key element to a smooth implementation and transition. Prior to this meeting Comstar will forward the Service a list of documents needed for account set-up. At this meeting we will discuss with you some of the different options available to meet your billing and collection needs. We will gather information from you in order to process your provider enrollment paperwork with Medicare, Medicaid, and Blue Cross. Also we will discuss your specification on how invoices should look, and what special language they should contain. In addition, we will set a calendar for any and all future training sessions (which may be updated at any time) required by TRI-TOWN.

Within a day or two after the initial meeting, Comstar will then prepare all of the necessary provider enrollment documents. Comstar has a Provider Relations Team ready to prepare all the complicated paperwork involved in processing changes with Medicare, Medicaid, Blue Cross, etc. After completing the applications, Comstar will forward to the Service for signature, and walk you through the forms if necessary. Upon receipt with signatures, Comstar will forward to the proper agencies for processing. Medicare typically can take up to 120 days to process the agreements. Other payers typically take about 60 days. What this means is that Medicare claims cannot be billed during the processing stage. Any Medicare transports received by Comstar would have to be put in an "on hold" status until Medicare has finished its processing. Comstar can control its own internal set-up processes, but as far as payers are concerned, we have to work under their timeframes.

Sometimes additional meetings are necessary to make sure all parties are in synch with the transition process and to ensure that everything runs smoothly. Comstar is available to meet with TRI-TOWN as necessary during the initial set-up period. We strive to allow our client to get as knowledgeable as possible of the various aspects of ambulance billing so that our client will have a thorough understanding of scope of our services and opportunities and options available to them when outsourcing their ambulance billing and collection requirements.

Once the start date arrives, TRI-TOWN will simply start transmitting run reports to Comstar via the NH state bridge systems.

Internally, in order to manage our services, TRI-TOWN will be assigned a specific, lead medical billing specialist (MBS). Your MBS will oversee, or be the "quarterback" working your account. Your MBS is part of a small team with a Team Leader. Teams are structured to take advantage of geographic commonality. The team leader and team members provide extended client and patient support while providing an internal structure that allows for maximum process control, quality control and communication.

Comstar has an internal workflow program to assure that all of its accounts are monitored to assure maximum productivity. Included are a series of checks and balances to make sure that everything is being done correctly, and any mistakes that are made are caught before they go out the door. In addition, our full time Quality Control supervisor continually monitors all aspects of our data entry and claims submissions.

Operationally, Comstar operates in a work-cell structure. This format allows many employees to be working on your account at once, as opposed to a small handful of people being responsible for your account from start to finish. As previously mentioned, you are assigned a primary MBS; we have a series of teams to assist in efficiently managing your account. These work cells consist of the following departments:

- Run Entry and Coding
- Pre-Billing
- Payment Application
- Insurance Follow-up and Denial Processing
- Portfolio Management
- Provider Relations
- Client Accounting
- Information Technology

Each Team and all Comstar employees are managed and performance measured based on the timeliness, accuracy and efficiency achieved in the execution of the billing and collection process steps authorized by the client.

Comstar's work-cell structure has been efficient and successful for its entire client base, and would allow for efficiency and maximum productivity for TRI-TOWN as well.

Because there are many hands working on your account through these work cells, it is an easy transition to make internal adjustments if a staff member terminates employment. If your MBS terminates employment, another member of that team would take over the account as lead MBS. The Service would be notified via phone, as well as an introduction meeting would be scheduled if desired. Although most of our MBS's have a long length of tenure, The Service would face no service interruption for any internal staff changes.

In addition, Comstar maintains very low staff turnover. Many of our employees have multiple years of experience with Comstar. Comstar takes much pride in investing in its employees, because great employees are the most important element in a successful business. Our employees are carefully recruited, screened, and properly trained. As mentioned throughout this document, our training is ongoing, so our employees are constantly learning. Employees also work with their managers to create a growth path for them. Many employees have risen through the ranks because of exceptional performance, and a clear, defined set of goals for growth. Employees who are happy and successful have allowed Comstar a low turnover, high tenure rate.

As far as managing your account on a daily basis, Comstar has internal schedules (both manual and automated within our billing software) that log and track the receipt of transport information from clients, payments from patients or their insurance carriers and processing of other information received that is pertinent to a patient transport. These schedules have specific time frames for processing based on the receipt date of the information to ensure that all items are processed in a timely manner. Included in the sample billing forms is a sample process outline. All of our clients may customize this process outline to meet their particular needs and desires. Common customizations include changes in process sequence, elimination of one or more process steps, reduction or increase in the number of bills sent. Comstar will always make suggestions and offer constructive feedback but the ultimate control of the content of the billing and collection steps we use on your behalf is yours.

Once runs are received electronically from a client, they are then reviewed by a member of our run-entry and coding team. This team member will make sure that all necessary information was transmitted, enter any insurance information that was received from the admitting hospital, and review the report for completeness. If a situation arises that a call was ALS based on the condition code, but the report states it was BLS, then the Comstar employee may bill at the ALS level. However, there may be some circumstances where more information is required in order to bill at the ALS level, when a trip is marked as BLS. In those cases, Comstar will request the additional information from Service or the ALS trip sheet from the paramedic provider in order to bill at the appropriate ALS level. It is Comstar policy to always bill at the appropriate level based on the specific trip and all applicable laws and regulations.

Comstar files claims to the appropriate parties, whether it be insurance companies or individual patients.

Medicare approves Comstar for electronic claim submission in the National Standard format. Electronic submission not only decreases payment time but also eliminates all keying errors, and subsequent rejections, on the part of the insurance carrier. Comstar will submit electronic claims, on your behalf, whenever possible. We believe that, in the future, many carriers will ONLY accept electronic claims.

In addition, some billing services only submit claims to Medicare, Medicaid, Blue Cross, and Workers Compensation. Patients with other insurances such as motor vehicle insurance, HMOs (Pilgrim Health, etc.), private insurance (John Hancock, etc.) are required to submit themselves. Comstar feels that the billing company should also submit to these insurances not only as a convenience to patients but to insure prompt payment of the ambulance bill. To that end, we can submit to virtually any insurance for the patient.

Comstar is very experienced in submitting electronically for NH Medicare/Medicaid claims. We are also quite familiar with the major payers in the state such as Blue Cross, Tufts, and Harvard Pilgrim, among others.

Our primary focus is to ascertain and submit to the patient's health, workers compensation, or motor vehicle insurance as these insurances usually pay eighty to one hundred percent of a patient's charge.

Comstar has many resources available in order to obtain patient insurance information. Comstar will perform many web-based insurance searches (Medicare, Medicaid, NEHEN, etc), to find a patient's specific coverage. NEHEN (New England Healthcare EDI Network), is a consortium of the largest payers in New England, including: Blue Cross Blue Shield of Massachusetts, Harvard Pilgrim Health Care, Tufts Health Plan, BMC HealthNet Plan, Neighborhood Health Plan, Health New England, MassHealth (Medicaid), and Network Health. The NEHEN service allows Comstar to perform patient eligibility checks against all eight payers, check claim status, submit claims, etc. NEHEN is a necessary and essential tool for anyone performing any type of medical billing services in the State of Massachusetts.

Your accounts are updated daily. A full billing cycle (run information entry, payment application, uncollected account review and follow-up, bank deposit, insurance claims submitted, patient bills sent and other miscellaneous activities) is completed each week. Clients receive a weekly payments report plus and other weekly reports requested.

As part of the setup of your accounts, Comstar will program its billing software with the billing rates established by TRI-TOWN, and the allowed payments for the insurance carriers (Medicare, Medicaid and any others) with whom you have a contractual relationship. When a transport is entered into the system, the charges for each billable item are assigned. Each charge represents an accounting transaction. If the transport is assigned a payer (such as Medicare) with whom you have a contractual relationship, our billing software will automatically generate and post a "contractual allowance" transaction. New charges and any corresponding contractual allowances are reported (in summary and detail) separately.

Most clients have a defined policy for handling patients without insurance and/or patients who have a financial hardship. Our billing specialists are trained to be sensitive to such circumstances. Our processing steps and forms are customizable to ensure proper administration of your policies in this area.

When all billing and collection steps are complete, it is good accounting practice to identify and review uncollected accounts for purposes of write-off or other disposition. On a monthly basis, you will receive a report identifying and patient accounts requiring write off or other disposition consideration. This report will provide patient, transport and reason codes to facilitate your disposition decision. Unless directed otherwise, write-offs are only transacted after receiving client approval. This reporting is a suitable method (used with several other clients) for the purpose of transferring un-collectable accounts to the Collection Agency.

A very important aspect of Comstar' administrative procedures are the handling of phone calls. Comstar has state of the art telephone call center hardware and software. The phones are staffed with our billing specialists. We do not use automated attendants or rely on voice mail. When calling Comstar during business hours (8am to 9pm M-F), our clients and their patients will always be greeted by not just a live voice but a billing specialist trained to assist the client or patient directly or route the call to someone who can. Calls may be monitored and recorded for quality control purposes.

Clients and their patients can communicate with Comstar in several different ways. Return envelopes are included in all correspondence sent to patients. Comstar includes its toll free phone number (800-488-4351) and website address (www.comstarbilling.com) on all correspondence. Our website has a page which allows patients to input and send insurance information and/or questions to Comstar via the internet.

So, Comstar has the policies and procedures in place to successfully perform the emergency medical services billing and collection functions for your community. In addition, we have the flexibility and customizations to meet all current and future changing needs of TRI-TOWN.

BONDING

Comstar holds Dishonesty coverage for \$500,000 and Errors and Omissions coverage for \$2,000,000. These bonds automatically cover all Comstar clients and we would be pleased to present specific certificates if requested.

EXPERTISE

All ambulance services submit to insurances for one reason, to get paid. But submitting to insurances is very complex. The instructions for Medicare electronic claims alone are several inches thick with updates arriving continually. In addition, correct submission of claims requires an in-depth knowledge of the thousands of diagnostic, procedure, and special codes required by insurances. Comstar processes over two hundred thousand claims annually and our personnel are constantly reviewing new requirements and attending sessions on changes in regulations.

LICENSING

The Commonwealth of Massachusetts requires our type of service to be approved and licensed by the Banking Commission. Comstar is also licensed in the other New England states, Connecticut and Maine that requires such licensure. Copies of our licenses are available, upon request, at any time.

QUALITY CONTROL

Nothing takes a higher priority at Comstar than quality control. Many safeguards have been built into our software that can pinpoint potential errors before they leave our offices. In addition, our full time Quality Control supervisor continually monitors all aspects of our data entry and claims submissions.

INFORMATION TECHNOLOGY INFRASTRUCTURE

Our well-trained, in-house, IT staff administers a state-of-the-art Information Technology Systems. Key components of our infrastructure include: HP Blade servers utilizing VMware technology for optimum server utilization and redundancy, Citrix Presentation Server, EMC's CLARiiON CX3 Networked Storage System for data storage and redundancy and a comprehensive local and off-site, secure back-up of all computer data. All of our staff and equipment also have the support and oversight of our outside IT consultant, Focus Technologies. Focus provides Comstar comprehensive managed IT services that monitor our computer systems for performance and predictive failures. Their efforts ensure 100% uptime for our IT infrastructure, which is a critical element to the timeliness, quality and consistency of the service Comstar provides to its clients.

SOFTWARE

Comstar utilizes a state of the art, robust and feature rich billing system developed and supported by a nationally recognized industry leader in EMS data processing systems, Zoll Data Systems. Their software, RescueNet Billing and Dispatch, operates on a Microsoft SQL back end in tandem with the powerful Crystal Report Writer. Together, these tools allow Comstar's in-house IT department to support all client needs for customization of forms, reports and billing process steps.

ANTICIPATED COLLECTIONS

Our average collections range from eighty to over ninety percent of billable charges. The majority of uncollected amounts are the "adjustments" required by third party payers and not bad debt. Our collections are determined by your billing polices (passive versus aggressive) and the demographics of your patients.

OPTIONAL COLLECTION SERVICES

Unfortunately, some patients simply ignore our initial three bills and requests for insurance information. As a collection agency (licensed and audited by the Banking Commission) we can, if you choose, place patients with our collection department. These patients receive additional bills and letters as well as telephone calls requesting insurance information or payment. As a collection agency, we also have access to many resources to track new addresses of "skips". Those that do not respond are reported to Experian credit bureau. Experian keeps information on credit problems for seven years. Your use of this service is entirely optional.

PATIENTS WITH HARDSHIPS

Most of our clients have concerns for patients with no insurance and low incomes. We have met this concern with several approaches, but the most common is to print on invoices a message like:

IF YOU DO NOT HAVE HEALTH INSURANCE AND PAYMENT WILL CREATE A HARDSHIP CHECK HERE [] AND RETURN IN THE ENCLOSED ENVELOPE. YOU WILL BE SENT AN APPLICATION FOR ABATEMENT OF FEES.

When we receive these we send the patient an application. We have a number of other means of dealing with hardships and will be pleased to discuss the options with you in detail.

WHAT WOULD BE REQUIRED OF AMBULANCE STAFF?

For routine processing we would simply access your ambulance transports from your EMS Data collection system. The front sheets supplied by many hospitals are helpful but not required. Comstar has a relationship established with many area hospitals in order to get patient insurance information. In addition, we have many software programs in which to run patient insurance eligibility checks. For Non-Emergency transports we would also need a copy of the PCS.

ELECTRONIC CLAIMS SUBMISSIONS

Medicare approves Comstar for electronic claim submission in the National Standard format. Electronic submission not only decreases payment time but also eliminates all keying errors, and subsequent rejections, on the part of the insurance carrier. Comstar will submit electronic claims, on your behalf, whenever possible. We believe that, in the future, many carriers will ONLY accept electronic claims.

PAYMENTS

Our claim forms and bills direct payers to make payments payable to you with Comstar as the remittance address. Many payers, such as Medicare, will transmit payments via Electronic Funds Transfer (EFT) directly to the Service's specified account. For other payments, Comstar processes the payments in our computer system and then they can be:

- Mailed to your bank for direct deposit.
- Mailed to your Treasurer or other official.

With all methods of depositing funds, complete computerized summaries of all deposits will be sent to the designated persons. Deposits can be sent on a weekly, bi-weekly, or monthly basis, depending on the needs of the Service.

In all cases "The Client will have sole custody of the funds Comstar, Inc. receives on the Clients behalf. Comstar, Inc. will deposit all receipts into a checking account in the Clients name. Comstar will have no negotiating rights to the bank account or access to the funds."

SITE VISITS

Comstar occupies a modern 10,800 square foot office building located in ½ hour north of Boston on Route 1 in Rowley, MA. We welcome visits to our offices. Visits enable prospective clients to see our computer and other systems first hand and to meet our management team.

CREDIT CARD PAYMENTS

Comstar has the ability to accept credit/debit card payments as well as ACH or electronic check transmissions from your patients. We employ a national third party processor for these transactions, so that Comstar employees never have access to your patients' sensitive financial information. In addition there are no additional fees to either the patient or the Service to process electronic payments.

AUDIT TRAIL AND STATISTICS

Patient payments appear on the deposit summary I discussed above. Those that are abated appear on a separate report and state the reason for the abatement.

In addition to the above, we send clients a monthly "aging of accounts" printout, which lists all patients with an outstanding balance. Other reports are available including commitments, abatements, insurance adjustments, etc. **Reconciliation services are provided.** With this service, we balance your accounts receivable account and send a covering statement with all supporting documents each month.

If you desire, we can produce other statistics on a variety of parameters including number of patients transported, use of Oxygen, ALS, medical vs. trauma, etc. In addition we can, if requested, enter runs where patients were not transported. By entering this information we can include in your statistics how many patients refused service, etc.

Many clients also call us for statistics not needed routinely. These might include "How many patients in motor vehicle accidents last year required ALS services?" We can usually have these statistics within a few hours.

ASSOCIATIONS

To keep current with constant changes in ambulance billing, Comstar is a member of the American Ambulance Association. We continually receive updates on submission requirements and legislation affecting the ambulance industry. Comstar is also an associate member and supports the Fire Chiefs Association of Massachusetts, Essex County Fire Chiefs Association, Massachusetts Chiefs of Police Association, the New Hampshire Ambulance Association and the Rhode Island Association of Fire Chiefs.

NATIONAL ACADEMY OF AMBULANCE CODING (NAAC)

The National Academy of Ambulance Coding (NAAC) represents the industry's "Gold Standard of Excellence" in compliance, ethics and integrity in all facets of ambulance billing and coding. Prior to the introduction of NAAC's Certified Ambulance Coder (CAC) program, there was no nationwide ambulance-specific billing and coding training and certification program in the United States. The CAC certification provides the industry with its own, specific and unique program to meet the incredible, twofold need of providing the industry's billing offices the opportunity to train new Billing & Coding professionals as dictated by their needs and on their schedules; and to maintain a highly educated staff of Billers and Coders with the critical knowledge and commitment to excellence necessary to assure the Nation's Ambulance services of continued accurate, thorough and compliant billing.

In order to provide our clients with well-trained employees, Comstar has employees on staff who are accredited by the NAAC, through their training program.

COMPLIANCE MANAGEMENT

Comstar always acts in an ethical and compliant manner and has many tools and processes in place in order to manage compliance, as compliance on all regulatory matters is of utmost importance to us. In this section you will find the following information detailing the measures we take in order to ensure compliance with all applicable federal, state, and local laws, rules and regulations.

Please review the following information to understand how we manage and handle compliance:

1. EMS Attorney on Retainer
2. SOC I Independent Service Control Audit
3. HIPAA Compliance

1. EMS ATTORNEY ON RETAINER

Comstar manages its compliance in many ways, including its retainer Agreement with American Ambulance Association Attorneys Werfel & Werfel P.L.L.C. Werfel & Werfel's legal practice deals with EMS Law and Medicare and Medicaid reimbursements. In addition, Werfel & Werfel are on retainer and are important counsel for the American Ambulance Association. This is important and useful for a few reasons. Through this agreement, Werfel & Werfel does an on-site audit on Comstar every year. This audit ensures that Comstar is operating in a compliant manner. During this audit, a random sampling of client run reports is reviewed. By reviewing these documents, anything that may seem non-compliant can be pointed out. These issues can then be shared with our clients, so they may take measures to correct them. This may lessen the chance of a future audit and or penalties. Also, if a client has a question of compliance, we can pass the question on to Mr. Werfel, who will give his opinion on the matter. The opinion is then passed on to the client for them to decide which is the best way for them to proceed. So, by having an AAA attorney on retainer, it helps Comstar to manage compliance.

2. SOC 1 INDEPENDENT AUDIT

In addition, to manage compliance, Annually, Comstar has a SOC I (formerly SAS 70) audit performed and opinion issued by an independent audit. A copy of this report will be made available to clients upon request. The Statement on Auditing Standards (SAS) No. 70, *Service Organizations*, (SAS 70) is a widely recognized auditing standard developed by the American Institute of Certified Public Accountants (AICPA). A service auditor's examination performed in accordance with SAS No. 70 ("SAS 70 Audit") is widely recognized, because it represents that a service organization has been through an in-depth audit of their control objectives and control activities. This audit covers all of the billing and accounts receivable management activities Comstar performs on behalf of its clients. In today's global economy, service organizations or service providers must demonstrate that they have adequate controls and safeguards when they host or process data belonging to their customers. In addition, the requirements of Section 404 of the Sarbanes-Oxley Act of 2002 make SAS 70 audit reports even more important to the process of reporting on the effectiveness of internal control over financial reporting.

This audit is an important tool in proving that Comstar has the proper controls and operational procedures in place to meet the needs of TRI-TOWN, and verifies the information contained in our proposal document.

3. HIPAA Compliance

Comstar has a comprehensive HIPAA compliance program in place.

Prior to the April 14, 2004 deadline, All employees received HIPAA compliance training which included instruction by our Training and Education Director, viewing of a HIPAA compliance video prepared by the EMS law firm of Page, Wolfberg and Wirth and a written test. Thereafter, new hires receive the same training as part of the orientation to the company. Employees will be required to attend a HIPAA "refresher" session annually. Topical issues and examples have been directed to be part of the weekly team meeting for all Comstar team members.

Comstar operates a secure facility. Entrance is attained by card key access for employees and with employee escort for visitors. Confidential client information and patients protected health information are stored in our secure facility for the duration of the required record retention period. When the record retention period expires, these records are shredded. Other arrangements, such as returning the records to the client, can be made upon request.

Comstar will provide your service a signed Business Associate Agreement (HIPAA required) for your use or use an agreement developed by your service. Comstar maintains active relationships with an EMS law firm (Page, Wolfberg & Wirth) and the American Ambulance Association, to provide our clients a ready resource for HIPAA guidance and information.

Comstar understands that your patients' PHI is very important and simply does not distribute medical records. Very often we will get requests from Attorneys and others requesting run reports. As previously stated, Comstar will not distribute that information; we will direct the requests to a designated City Official for distribution. The medical records belong to the City, and Comstar uses them for billing purposes only. At times patients will request run reports as well, in which Comstar has the same policy of directing them to the City.

When copies of bills are requested by a patient, they are given to the patient, free of charge, upon confirmation of who the patient is. If an Attorney is to request the bill, Comstar has policies in place to make sure the attorney is actually representing the patient, before we will distribute that information. This is typically done through a Certified Bill Request process where a signed patient release must be received before any information is given to an attorney, or other third party.

As stated throughout this document, Comstar utilizes the Zoll Data Systems RescueNet Billing Software, which is a HIPAA compliant billing system. In fact, the developer has delivered excellent support with system updates in response to Medicare's publication of its "Final Rule" for the new national fee schedule and HIPAA compliance.

In addition, Comstar utilizes several methods to prevent unauthorized access of patient information. All outgoing and incoming email and internet access is restricted to authorized, HIPAA trained individuals. Any data transfers are done with one more of the following protocols: secure FTP, VPN, peer-to-peer, encrypted data files or recognized websites utilizing HTTPS connectivity. Access to our internal network is severely limited and allowed only via VPN and secured with a Cisco ASA 5505.

PRICE PROPOSAL

Comstar offer an all inclusive service fee to our clients. Our fee includes (but not necessarily limited to) the service listed below. One set fee will be proposed to your community with some more information about your service.

6%

Billing Services:

- All set-up costs.
- Web-Based Insurance eligibility Checks.
- Address scrubbing to verify correct address information.
- Attempt to attain insurance info from the receiving hospital.
- Attempt to contact patient via phone to attain insurance information
- Submission and follow-up of all claims to insurances.
- 1st direct bill/insurance questionnaire to patients. *INITIAL*
- 1st Balance billing patients where appropriate.
- Waiver policy administration.
- Posting and depositing all payments.
- Account Reconciliation.
- All reports and statistical data.
- Lock Box Service.
- Outgoing postage and supplies.
- Use of 800-telephone number.
- \$500,000 Dishonesty Bond.
- \$2,000,000 Errors and Omissions Bond.
- Customization of processes.
- Data transfer from your ImageTrend system

Collection Services:

- 2nd direct bill to patient *30 DAY BILL*
- 3rd direct bill to patient *60 DAY BILL*
- 4th direct bill / Collection Letter *90 DAY LETTER*
- Reporting to Experian Credit Reporting Bureau.

COLLECTIONS PAID 33% OF RECOVERABLE AVG 100% SUCCESS RATE

Additional Inclusive Services:

- Access to opinions of EMS Attorney.
- Credit-Card payments
- Custom made reports and forms.
- Training and Consulting.

*RECOVERY RATE 91% FROM INSURANCE COMPANIES
16% FROM UNINSURED PATIENTS*

IMPLEMENTATION PLAN

Comstar is well known for establishing a cooperative and supportive working relationship with its clients. Good communication and teamwork are the cornerstones to our success in this area. The following is an outline of the Implementation Plan we will follow. As with all other aspects of our service, we will solicit your input in this area and customize our plans to meet your exact needs and desires.

- 1) **Introduction Meeting(s):**
One or more meetings or teleconferences are conducted to allow our client to get as knowledgeable as possible of the various aspects of ambulance billing so that our client will have a thorough understanding of scope of our services and opportunities and options available to them when outsourcing their ambulance billing and collection requirements.
- 2) **Informational Meeting(s) with Service Officials and Residents:**
A solid understanding of the ambulance billing process by Service Officials and residents is a key element to a smooth implementation. To that end, your Comstar representative will meet with Service officials and Residents in a variety of forums (Service meeting, board of selectman meeting, Senior Citizens group meeting, etc.)
- 3) **Setup Meeting(s):**
Your Comstar representative will conduct one or more meetings and/or teleconferences to explain options and gather all pertinent information necessary to setup your account. The following is an outline of topics covered and information to gather in preparation for these meetings:

Service Information:

- a. legal name and address
- b. tax ID number
- c. IRS Tax ID # verification letter (this comes from the IRS to the service)
- d. Contact names (key people Comstar staff will interface with and/or send reports to)

Current Billing Information:

- a. Medicare, Medicaid, Blue Cross, RR Medicare and Champus Tricare provider numbers
- b. A copy of a recent remittance advice for each of the insurers listed in (a) above
- c. A copy of your current billing rates

Setup Information / Decisions:

- a. Select billing and collection process steps from those Comstar offers
- b. Banking information – where do you want checks sent after we have processed them (to the Service or directly to the services bank)
- c. Define write off and abatement policy/process. I make some suggestions based on what other clients do. Final decision is yours

IMPLEMENTATION PLAN (Continued)

4) **Provider Numbers (if already setup yet):**

Comstar will prepare all forms necessary to notify Medicare, Medicaid, RR Medicare and Champus/Tricare and all other payers that Comstar is your authorized billing agent.

5) **Existing Patient Balances Due:**

If you have existing patient balances due (from your own billing activity of the billing activity of another outside billing service) these balances can be handled in as follows:

- 1) You or your former billing service can "run out" the open balances.

If your former service is unable to "run out" the open balances, Comstar will review them with you and discuss the options fully so that you can make the informed choice that is best for your service.

6) **Training:**

Your Comstar representative will meet with any and all staff you designate to explain processes and procedures and share useful information and insights about the billing and collection process. The scope of this training will include (but not necessarily be limited to) run reports, medical necessity forms, billing information, collection information and HIPAA compliance. This is not only part of the implementation process; it is a core element of our on-going working relationship with our clients.

This outline covers the basics for a successful implementation. It is not necessarily all-inclusive. Items will be added or modified as needed to ensure a smooth and thorough implementation for your specific situation.



AMBULANCE BILLING SERVICE

NEW ENGLAND CLIENT LIST

12/11/13

Massachusetts

Town of Amesbury
Town of Acushnet
Athol Fire Department
Ashby Fire Department
City of Attleboro
Town of Ashfield
Auburn Fire Department
Avon Fire Department
Barnstable Fire District
Becket Ambulance Department
Town of Belchertown
Town of Bellingham
Town of Berkley
Berlin Resue Squad
Town of Billerica
Blackstone Fire Department
Brewster Fire Department
Brimfield Ambulance Service
Brookfield Emergency Squad
Protection Fire Co. - Byfield
Town of Carver
COM Fire District
Town of Charlemont
Town of Charlton Ambulance Dept.
City of Chicopee
Town of Clinton
Colhasset Fire Department
Town of Colrain
Cotuit Fire Department
Town of Deerfield
Devens Fire Department
Dighton Fire Department
Dover Fire Department
Town of East Brookfield
Town of Easton
Essex Fire Department
Town of Fairhaven Ambulance
Town of Falmouth
Town of Foxborough
Town of Franklin
Town of Georgetown
Town of Granby
Town of Granville
Hanover Fire Department
Highland Ambulance Service
Hindsdale Vol Firemans Association
Hingham Fire Department
Hubbardston Fire Department
Hilltown Community Amb Service
Town of Holden
Town of Hull
Hyannis Fire District
Kingston Fire Department
Lakeville Fire Department
Lanesborough Fire Department
Lawrence General Hospital
Town of Lee Volunteer Ambulance
City of Leominster
Town of Lenox Ambulance
Town of Longmeadow

Massachusetts (cont.)

Manchester Fire Department
Mansfield Fire Department
Town of Mattapoisett
Medfield Fire Department
Town of Middleton
Town of Millis Amb Service
Millville Fire Department
Town of Monson
Town of Nahant
Town of Nantucket
Town of Needham
City of New Bedford
Town of New Marlborough
Newbury Fire Department
North Andover Fire Department
North Adams Ambulance Service
North Attleboro Fire Department
North Brookfield EMS
North Reading Fire Department
Northborough Fire Department
Town of Northfield
Oak Bluffs Fire Department
Orange Fire Department
Otis Rescue Squad
Plainville Fire Department
Plympton Fire Department
Rehobeth Ambulance
Richmond Fire Department
Rochester Fire Department
Town of Rockland
Rutland Fire Department
Sandisfield Fire Department
Sandwich Fire Department
Town of Southbridge
Southern Berkshire Vol Amb
Scituate Fire Department
Seekonk Fire Department
Sharon Fire Department
Somerset Fire Department
Southborough Fire Department
South Hadley FD No. 2
Southwick Fire Department
Spaulding Rehab Amb Service
Tewksbury Fire Department
Town of Tisbury
Tri Town Ambulance / Chilmark
Walpole Fire Department
Town of Warren
West Barnstable Fire Department
West Boylston Fire Department
Westborough Fire Department
City of Westfield
Wilmington Fire Department
Winchester Fire Department
Town of Windsor
Woburn Fire Department

New Hampshire

Alton Fire Dept
Amherst Rescue Squad
Town of Andover
Town of Antrim
Town of Ashland
Town of Atkinson
Barnstead Fire Rescue
Town of Barrington
Bedford Fire Department
Belmont Fire Department
Brentwood Fire Department
Town of Bridgewater
Town of Bristol
Campton-Thornton Fire Rescue
Chester Fire Rescue
City of Concord
Conway Village Fire District
Town of Danville
City of Dover
Durham Ambulance Corps
Town of East Kingston
Town of Enfield
Epping Fire Department
Town of Farmington
Franconia Life Squad
City of Franklin
Town of Gifford Ambulance
Gilmanton Fire Department
Town of Goffstown
Town of Grafton
Town of Gorham
Town of Greenland
Town of Hampstead
Hampton Fire Department
Town of Hampton Falls
Town of Hanover
Hebron Fire Department
Town of Hooksett
Hollis Fire Department
Hudson Fire Department
City of Keene
Town of Kensington
Town of Kingston
City of Lebanon
Linwood Ambulance
Town of Marlow
Town of Merrimack
Town of Middleton
Milton Fire Department
New Durham Fire Department
New England Dragway
New Hampton Fire Department
Newington Fire Department
NewMarket Ambulance Corps
Town of Newton
North Hampton Fire Department
Town of Northumberland
Town of Northwood
Pelham Fire Department
Plaistow Fire Department
Plymouth Fire Department
Portsmouth Fire Department
Town of Rumney

New Hampshire (cont.)

Rye Fire Department
Souhegan Valley Amb Service
Salem Fire Department
Sanbornton Fire Department
Town of Sandown
Seabrook Fire Department
South Hampton Fire Department
Strafford Fire Department
Stratham Fire Department
Tilton-Northfield Fire Dept
Twin Mountain Fire Department
Town of Wakefield
Warren/Wentworth Amb Service
Town of Waterville Valley
Town of Wilton
Windham Fire Department

Rhode Island

City of Central Falls
East Greenwich Fire District
Middletown Fire Department
Town of Narragansett
City of Newport
City of Providence
Warren Fire Department
Warwick Fire Department
City of Woonsocket

Maine

Town of Arundel
Town of Lebanon
North Berwick Rescue
City of Gardiner
Town of Scarborough
South Berwick Rescue
Town of Waldoboro
Town of Wiscasset
York Ambulance Association

Vermont

CALEX
Town of Colchester
Town of Montgomery

Connecticut

Town of Canton
Town of Enfield
Town of North Branford
Town of Trumbull
Town of Wallingford
Town of Windsor

New York

Town of Shandaken