

**TRAVIS COUNTY AUDITOR'S OFFICE REVIEW OF
AUSTIN-TRAVIS COUNTY EMERGENCY MEDICAL SERVICES
GROUND TRANSPORT BILLING AND COLLECTIONS FUNCTIONS**

FEBRUARY 16, 2018



TRAVIS COUNTY
AUDITOR'S OFFICE

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Josh Davies
Travis County Executive, Emergency Services

From: Nicki Riley, CPA
Travis County Auditor

Date: February 16, 2018

Subject: Austin-Travis County EMS Ground Collections Review

The Risk Evaluation and Consulting (REC) Division of the Travis County Auditor's Office has completed a review of the Austin-Travis County EMS (A/TC EMS) Ground Transport Billings and Collections functions in accordance with the terms of the applicable interlocal agreement (ILA) between the City of Austin and Travis County. We conducted our review in accordance with the applicable statutes governing the County Auditor's Office, and the provisions governing the interlocal agreement with A/TC EMS.

BACKGROUND

A/TC EMS is the primary 9-1-1 emergency medical provider throughout the Travis County area, and it has been in existence since 1976. A/TC EMS's Billing and Finance Office works to properly maintain compliance with government billing regulations. Services provided by this entity include customer service, data entry, research & collection, and billing. The Billing Office is required to comply with federal, state, and local medical billing regulations.

OBJECTIVE AND SCOPE OF REVIEW

The primary objective of this review was to assess the adequacy and effectiveness of the overall system of internal controls in place for A/TC EMS's billing compliance process. The period under review was January 1, 2014 through December 31, 2016.

REVIEW METHODOLOGY

Our review methodology included: 1) Obtaining and reviewing copies of written policies and procedures for customer billing, collection, and cash handling processes, 2) selecting and reviewing a statistically relevant random sample of patient care reports (PCRs), invoices, write-offs, revenue reversals and contractual allowances, and 3) other such review procedures considered necessary. In regard to written and/or verbal representations obtained during this review, unless otherwise noted in this report, management maintains that the assertions we relied upon were correct to the best of their knowledge.

SUMMARY OF SIGNIFICANT FINDINGS

During our review, we noted the following significant areas of concern:

1. Medical Access Program - 1,030 Travis County ambulance trips totaling \$996,870 in billed County revenues were closed by the City. The City stated that the receivables related to these trips were closed (written off) under a contractual agreement between the City and Central Health called the Medical Access Program (MAP) under which qualifying trips for indigents are not collected upon by the City. In exchange for closing these indigent receivables, the City receives an annual payment from Central Health dictated by the MAP contract. The County is not a party to this contract, and the City has no legal authority to close County receivables.
2. Out-of-County Trips - 111 ambulance trips coded as “Out-of-County” were billed as \$108,671 in City revenues; however, these trips originated in Travis County and should have been billed as County revenue.
3. Other Closed Accounts - A/TC EMS closed 82 Travis County receivable balances totaling \$16,336, without Commissioners’ Court approval.
4. Bill Processing Times - For 18 of the 42 (43%) months under review, average bill processing times for County billings exceeded the 10-day limit in the ILA.

ENGAGEMENT TEAM

James Marlett, CPA, Lead Auditor
Travis Lee, Staff Auditor

HIPAA DISCLAIMER

This audit did not include a review of processes and controls in place for A/TC EMS related to the federal Health Insurance Portability and Accountability Act (HIPAA), which addresses the security and privacy of health-related data.

CLOSING

This report is intended solely for the information and use of A/TC EMS and the Commissioners’ Court. We greatly appreciate the cooperation and assistance received from the management and

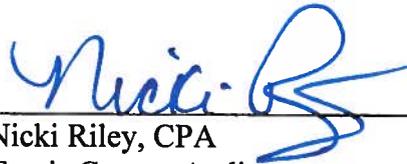
staff of A/TC EMS during this examination. Please contact us if you have any questions or concerns regarding this report.



David Jongerman, CIA
Chief Assistant County Auditor
Risk Evaluation & Consulting Division



Patti Smith, CPA
First Assistant County Auditor



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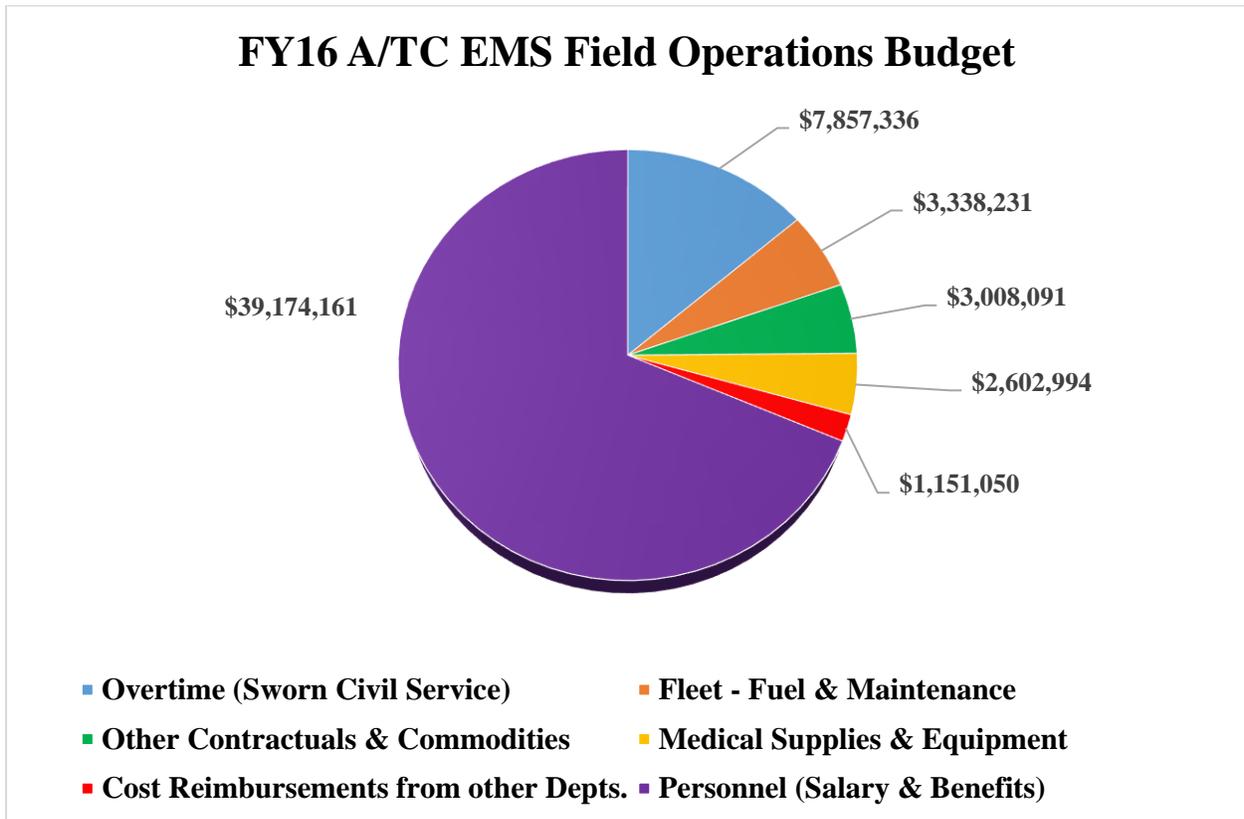
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Managers, Travis County Auditor's Office
Travis County Executive Managers

BACKGROUND

The Austin-Travis County EMS Field Operations

Austin-Travis County Emergency Medical Services is the primary emergency medical provider for Travis County, delivering paramedic ambulance response to Travis County residents. A/TC EMS had a total budget of \$56.5 million for FY16, broken down as follows:



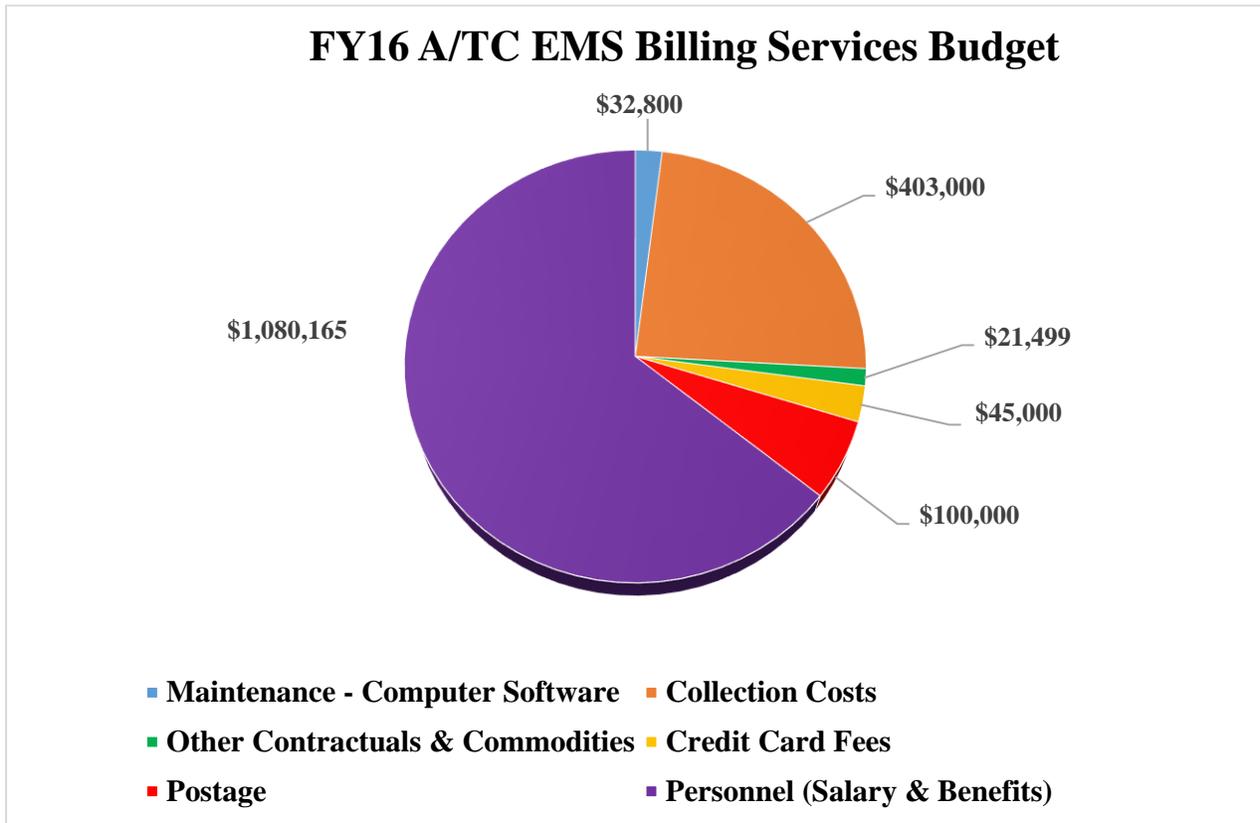
Emergency field operations equipment and infrastructure includes the following:

A/TC EMS Equipment	
42 Stations	8 Rescue Boats
9 Sprinters (smaller, taller ambulances)	1 Ambus
73 Ambulances (frontline & reserves)	7 ATV's
16 Motorcycles	

Of the above stations and ambulances, Travis County provided 24 ambulances and 11 suburban County stations in FY16. Travis County also paid the City \$16.6 million in FY16 in compensation for City personnel providing EMS services to residents in unincorporated Travis County.

The Austin-Travis County EMS Billing and Finance Office

The EMS Billing and Finance Office has been in existence since the formation of the A/TC EMS in 1976. Services provided by this office include customer service, data entry, research, account collection, and billing. In FY 16, the Billing and Finance Office had 15 employees and a budget of \$1.7 million, broken down as follows:



The Billing Office is divided into the following three functions: 1) Coding information obtained from medics from electronic devices, also referred to as the “front end”, 2) Billing information sent to patients and insurance carriers through a financial system called “Rescue Net”, also known as the “back end,” and 3) Billing clerks recording all financial transactions in the city-wide Accounting Information and Management System (AIMS).

The billing compliance team is comprised of a billing manager and a compliance officer (CO). The CO performs additional reviews and research on each patient care report, as identified by billing staff. Claims are analyzed by insurance carriers on three fundamental issues as follows: 1) Advanced Life Support (ALS) or Basic Life Support (BLS), 2) Emergency or Non-Emergency, and 3) The medical necessity of the claim.

Typically, A/TC EMS bills patients when they are transported or if treatment is performed on the scene. Therefore, once treatment is completed, medical professionals are to complete a patient care report (PCR), which is submitted to the billing office. The PCR becomes the supporting documentation and basis for the patient’s bill.

The Billing Office is required to comply with federal, state, and local medical billing regulations. The Center for Medicare and Medicaid Services (CMMS) and the Center for Disease Control Prevention regulate federal healthcare policies.

In accordance with Government Code Chapter 791 “Interlocal Cooperation Contracts”, the County pays the City monthly for emergency medical services provided in Travis County. In turn, the City remits revenue collected from County ambulance billings to the County.

AREAS OF CONCERN

1. MEDICAL ACCESS PROGRAM (MAP)

Background

Central Health, dba Community Care Collaborative (CCC) provides a Medical Access Program (MAP) with a full benefit package to a population of eligible residents who are at or below 100 percent of the federal poverty level. The program includes medical transportation provided by A/TC EMS. On a monthly basis, CCC provides notification to A/TC EMS of all eligible MAP patients for whom a ground transport occurred. A/TC EMS Billing and Finance Office monitors the program for compliance and eligibility.

During the audit period, we noted that CCC has been contracting with the A/TC EMS to provide ground transports for qualifying MAP patients in the City, the County, and outside the County. The following paragraph from the CCC/City MAP contract implies that CCC can contract directly with the City for all medical transports provided in the County, including those provided by County-owned assets in the suburban County:

“This Agreement is entered into between the City of Austin, a Texas home rule municipality, and the Community Care Collaborative, a Texas non-profit corporation. The City’s Emergency Medical Services Department, a department of the City of Austin, Texas, is licensed by the State of Texas to provide ground emergency medical services. These services are provided within the City’s corporate limits and, through an interlocal agreement with Travis County, in the portions of Travis County that are outside the City’s corporate limits. CCC oversees the MAP which pays for certain health care services provided to eligible beneficiaries who live in Travis County.”

The current contract between CCC and the City, effective March 31, 2014, resulted in reimbursements to the City totaling \$2,090,466 during the three years under review.

Findings

While the City has been receiving payments from CCC for a number of years as reimbursement for the costs incurred for qualifying ground transports, the County has not received its proportionate share of these payments. In the three years ended December 31, 2016, 1,030 transports were performed originating within the County but outside of the City limits that were deemed to qualify under MAP. These trips cost an estimated \$1,261,750 (calculated by multiplying the number of County MAP transports by the average cost per transport), and billings for these trips totaled \$996,870. This entire billed amount of \$996,870 was closed/written off by the City since these transports qualified under MAP; however, the County did not receive any of the \$2,090,466 in funds received by the City from CCC in the three years under review.

The County should have received its proportional share of the \$2,090,466 in payments the City received from CCC during the period. The amount due from the City for this period can be estimated by using the percentage the City was reimbursed from amounts it adjusted for MAP patients. This percentage (15.22%) should be multiplied by the County’s total MAP closed

accounts total for the three-year period of \$996,870, which equals the County share of \$151,744. This computation is detailed in the table below:

2014-2016		
	City	County
Accounts Receivable Written Off	\$13,733,126	\$996,870
Payments received by City from CCC	2,090,466	-
Percentage paid by CCC	15.22%	15.22%
Amount owed to County for the period		\$151,744

Significance

Since Travis County does not share in the CCC funds remitted to the City under the MAP agreement, County billings for MAP-qualified trips are not treated in the same manner as similar City billings. For City MAP trips, a partial payment is applied to each bill, representing the amount remitted to the City by the CCC, and the remaining receivable balance is closed as what amounts to a billing adjustment. This is similar to the practice used to close parts of receivable balances that remain open due to contractual agreements with insurance companies. In the case of County billings, the entire balance due is closed or written off, since no CCC funds are applied to these bills.

Under the ILA, the City is not allowed to treat County receivables differently from City receivables. Specifically, Section 12c of the ILA states the following

"City shall not treat fees due for Services provided in Suburban County that must be paid to County differently from the fees that City collects on its own accounts, including delinquent EMS accounts."

In addition, the City’s internal accounting policies for EMS billings do not allow for accounts receivable to be written off. City policy “FI-01.01.00 Accounts Receivable” states the following:

“C. Exceptions and write-offs

The State of Texas Constitution states that a municipality cannot release or extinguish in whole or in part the indebtedness. Austin-Travis County EMS shall follow the State of Texas Constitution

The Texas Constitution

Article 3 – Legislative Department, Section 55 – Release or extinguishments of indebtedness to State, County, Subdivision, or Municipal Corporation:

The Legislature shall have no power to release or extinguish, or to authorize the releasing or extinguishing, in whole or in part, the indebtedness, liability or obligation of any corporation or individual, to this State or to any county or defined subdivision thereof, or other municipal corporation therein, except delinquent taxes which have been due for a period of at least ten years. (Amended Nov. 8, 1932.)”

Recommendations

Based on the table above, we recommend that the City remit \$151,744 to the County in settlement for the County’s portion of funds received by the City from CCC for County ground transports covered by MAP in the three years ended December 31, 2016. We also recommend that County personnel work with the City to value and recoup estimated portions of MAP payments to the City for the period 2008 to 2013 as well as for 2017 and 2018 (when complete).

City Management Response

The City does not concur. The City has a contract with Central Health Community Care Collaborative (CCC) for Medical Access Program (MAP) clients. This agreement is separate and distinct from the Interlocal Agreement between the City and Travis County (ILA) for EMS services. As such, the City believes services provided by EMS to CCC MAP enrollees have no bearing on the agreement the City has with Travis County for EMS services. The agreement with the CCC is a capitated agreement that fixes the amount paid to the City and allows the City to manage the MAP population to create efficiencies in service delivery. This means that the per-member fee for transport is far below Medicaid rates and far below the City’s actual cost of service delivery. Transferring any funds back to the County removes the City’s incentive in the structure of the agreement and could ultimately increase service costs.

County Management Response

No management comments provided other than requesting the inclusion of the County Executive of Justice Planning, Roger Jefferies, in the review.

Audit Rejoinder

We do not agree with the City’s stance on this issue, and we reaffirm our recommendation that County EMS staff work with A/TC EMS Billing and Finance to negotiate a fair and reasonable resolution to this issue.

2. OUT-OF-COUNTY TRANSPORTS

Since the boundaries of the City of Austin have expanded into both Williamson and Hays County, A/TC EMS provides services into both of these counties. In order to track these trips, City personnel have developed the accounting designation “out-of-county” for all medical transports initiated outside Travis County. All transports with the “out-of-county” designation are set up and collected as City billings.

In the three years ended December 31, 2016, 7,376 trips were coded “out-of-county”. We examined the origination site for all of these trips, noting that 111 actually originated within Travis County, but outside city limits. These 111 trips, for which \$108,671.29 was assessed, should

therefore have been set up as County billings, and funds collected on these trips should have been remitted to the County. The chart below details these 111 trips:

2014			2015			2016		
# of Transports	City/Zip	Gross Charges	# of Transports	City/Zip	Gross Charges	# of Transports	City/Zip	Gross Charges
1	BEE CAVES, TX 78738	\$ 915.85	6	CEDAR PARK, TX 78613	\$ 4,766.70	1	CEDAR PARK, TX 78613	\$ 1,042.75
1	BRIARCLIFF, TX 78669	\$ 1,122.67	2	DEL VALLE, TX 78617	\$ 2,215.30	1	ELGIN, TX 78621	\$ 1,196.65
6	DEL VALLE, TX 78617	\$ 6,432.35	2	LEANDER, TX 78641	\$ 2,226.10	1	LAGO VISTA, TX 78645	\$ 104.00
2	ELGIN, TX 78621	\$ 2,243.47	1	LEANDER, TX 78645	\$ 1,292.50	1	LAKEWAY, TX 78734	\$ 1,219.60
1	ELROY, TX 78617	\$ 1,041.02	1	MANCHACA, TX 78652	\$ 1,067.05	10	PFLUGERVILLE, TX 78660	\$ 8,826.85
1	JONESTOWN, TX 78645	\$ 1,004.56	3	MANOR, TX 78653	\$ 4,020.40	3	PFLUGERVILLE, TX 78664	\$ 3,011.20
3	LAKEWAY, TX 78738	\$ 3,039.09	9	PFLUGERVILLE, TX 78660	\$ 7,239.15	1	POINT VENTURE, TX 78645	\$ 1,107.75
1	LEANDER, TX 78645	\$ 1,065.70	3	PFLUGERVILLE, TX 78664	\$ 2,941.00	2	ROLLINGWOOD, TX 78746	\$ 1,876.45
1	MANCHACA, TX 78652	\$ 923.75						
9	MANOR, TX 78653	\$ 10,022.24						
30	PFLUGERVILLE, TX 78660	\$ 28,301.78						
2	PFLUGERVILLE, TX 78664	\$ 1,953.93						
2	SPICEWOOD, TX 78669	\$ 2,460.91						
1	SUNSET VALLEY, TX 78745	\$ 961.63						
1	SUNSET VALLEY, TX 78749	\$ 944.25						
2	VOLENTE, TX 78641	\$ 2,084.64						
64		\$64,517.84	27		\$ 25,768.20	20		\$ 18,385.25

Significance

The A/TC EMS ILA is a performance-based contract in which the City agrees to provide a reliable medical transport service to Travis County residents and the County agrees to pay a negotiated price each quarter, as well as provide ground vehicles, buildings, helicopters, and flight crew. In addition, the City remits to the County amounts collected on ground transport billings for services performed within Travis County, but outside of Austin City Limits. As stated in Area of Concern #1 above, Section 13 of the ILA between the City of Austin and Travis County for Emergency Medical Services states the following:

“City shall pay County the full amount of the ground ambulance fees collected during each calendar month for Services provided in Suburban County.”

Recommendations

We recommend that the City remit all funds collected on these 111 trips to the County. Any open balances due for these trips should be converted from City to County receivables as well. We also recommend that County personnel work with the City to determine which out-of-county trips were incorrectly posted as City trips for the period 2008 to 2013 and for 2017.

City Management Response

Management agrees that a number of transports should have been credited to the County. There were 103 of 7,376 out of county trips over a three-year period that were credited to the City with revenue of \$41,212.05. This revenue will be transferred to the County.

At this time, the City has not received any payments or reimbursement for 39 transports in this group. If any of these billings are received, the City will provide reimbursement to the County.

The City will also implement a review process of out of county transports in an effort to prevent future revenue errors involving out of county transports.

At the present time, the City does not have staff resources to review cases coded as “out of county” for the recommended period of 2008 through 2013 and 2017. The City is willing to hire a temporary staff member, at the expense of the County, to review the accounts to determine if revenue was credited to the appropriate jurisdiction. The City estimates a cost of approximately \$12,600 and a timeline of about 12 weeks to complete the review.

Audit Update:

The City has reimbursed the County for the \$41,212.05 already collected on the trips in question, and the open accounts receivable balances for these accounts are now coded as County accounts. We recommend that County EMS review the City’s proposal to hire a temporary worker to review out-of-county trips for 2008-2013 and 2017 for reasonableness. County EMS should also consider funding/performing this review internally. The Auditor’s Office is willing to assist County EMS in this process.

3. BILLING ERRORS AND WRITE-OFFS

In regard to its outstanding accounts receivable for ground transport, A/TC EMS considers a portion of its receivables likely to be uncollectible for a variety of reasons, one of which is billing errors. A significant portion of billing errors occur when paramedics and emergency technicians do not obtain the correct, sufficient billing information on the patient care reports (PCRs) and the City is unable to produce valid bills for the applicable patients.

The table on the following page details outstanding Travis County receivables that A/TC EMS has determined to have billing issues. Reasons for this include billing/crew errors, untimely filings, lack of signatures on PCRs, and untimely bill creation. As detailed in this table, 1,515 open Travis County receivables totaling \$527,721 have been coded as billing errors as of December 31, 2016. Based on this, the billing error rate for County trips is 1.5%, calculated by dividing the total amount of billing errors by gross billings for the period (\$527,721 divided by \$35,120,716).

Of the \$527,721 coded to billing errors, the statute of limitations may have expired for \$316,114, and further collections are no longer possible for these items (Note that a portion of these items may be on appeal, and therefore not beyond the statute of limitations.). After applying the applicable contractual allowances and the County’s three-year average net collection rate of 55.4%, we estimate a loss of \$175,127 of County revenues for these “past statute” accounts as detailed on the following page:

City of Austin -Travis County EMS (Travis County Only) Billing Errors 2014-2016

Account Name	Account Category	Amount	Trips
Billed in Error	Billed in Error	\$208.00	2
	Contractual Allow-Medicare	1,957.88	4
	Uncollectable	2,969.20	6
Total		5,135.08	12
Crew Error	Contractual Allow-Medicare	1,024.15	2
	Uncollectable	5,139.95	7
Total		\$6,164.10	9
No Bill Sent	Billed in Error	1,650.01	4
	Commercial Contractual (PI45)	26,460.67	97
	Cont. Allow - Medicaid 2012	679.34	1
	Contractual Allowance	19,638.96	59
	Contractual Allow-Medicaid	38,535.61	86
	Contractual Allow-Medicare	206,236.20	496
	Mandated Contractual (CO253)	1,022.01	255
	Mandated Contractual (CO45)	92,698.48	322
	Uncollectable	5,132.85	11
Total		\$392,054.13	1,320
No Signature	Contractual Allow-Medicaid	988.75	1
	Uncollectable	3,416.60	4
Total		\$4,405.35	5
Too Old To Bill	Contractual Allow-Medicaid	810.85	3
	Contractual Allow-Medicare	7,764.81	19
	Uncollectable	70,593.15	85
Total		\$79,168.81	107
Untimely Filing	Contractual Allow-Medicaid	2,497.70	7
	Contractual Allow-Medicare	6,739.19	16
	Uncollectable	31,556.18	39
Total		\$40,793.07	62
	Total balance as of 12/31/2016	\$527,720.54	1,515
	Balance past statutory limitations	316,113.54	
	Net Collection Rate 55.4%		
	Estimated amount not collected due to A/TC EMS errors	\$175,126.90	

The City has the following categories for writing off accounts receivable: 1) small balance write-offs, 2) write-offs per management, and 3) bankruptcy write-offs. During the three-year period under review, the City wrote off 82 Travis County receivable balances totaling \$16,336; the table on the following page details these accounts:

City of Austin -Travis County EMS (Travis County Only) Write-Offs 2014-2016

Account Category/ Sub			
Account Name	Category	Amount	Trip
Crew Error	Write-Off per Management	\$97.21	1
No Bill Sent	Bankruptcy Write-off	16,520.29	18
	Revenue Adjustment	(283.36)	12
	Small Balance Write-off	1.90	51
Total		16,238.83	81
	Grand Total	\$16,336.04	82

Significance

The City and the County have not documented what constitutes an acceptable billing error rate in the ILA. These parties also have not agreed upon how to address high billing error rates or how to calculate revenue recapture for the County when billing errors rates are excessive.

As stated in Area of Concern #1 above, the City’s internal policies do not allow receivables to be extinguished or written off. As also stated in Area of Concern #1, the City does not have the authority under the ILA to treat County billings differently than City billings.

Recommendations

Billing error rates are complex and vary based on payer mix, staff training, and resources; therefore, City and County personnel should monitor these rates regularly. Assuming the County continues to receive revenue for ground transport billings, both parties should agree on an acceptable billing error rate and document this rate in the ILA. We also recommend that the City and County negotiate reasonable recapture related to the approximately \$191,463 (\$16,336 + \$175,127) in now-uncollected receivables coded as billing errors and other amounts written-off improperly per the ILA and the City’s internal policies.

City Management Response

Management agrees that the City and County should negotiate a reasonable billing error rate and include that in the ILA. The city also agrees that the City and County should further discuss the \$191,463 that is of interest to the County; however, the City also wishes to have further discussion about how the City “writes-off” certain bills that are, for various reasons, uncollectable as it operates within a complex environment of federal and state reimbursement regulations.

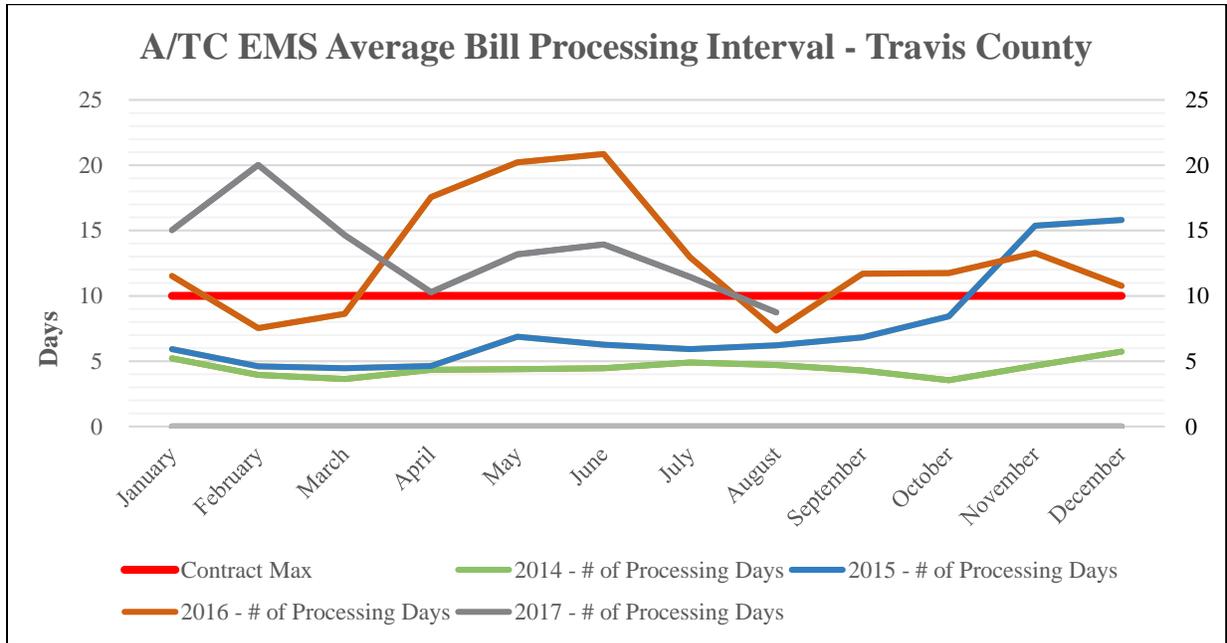
County Management Response

The County has an interest in adjusting any future ILAs to eliminate revenue sharing. This would result in an “off the top” decrease in the cost of the ILA thereby completely separating the County from the providers billing processes.

4. BILL PROCESSING TIME

Bill processing time, sometimes referred to as “billing lag” is a key performance indicator (KPI) which measures the average number of days it takes to bill a ground transport claim. This measurement tracks a billing office’s staff productivity, efficiency and effectiveness.

We evaluated the monthly average bill processing times for the three-year period 2014-2016, and the table below depicts County-only bill processing times completed by the EMS Billing & Finance Office for the period:



Based on the above chart, we noted that for 18 (43%) of the 42 months under review, monthly bill processing times exceeded the 10-day maximum outlined in Attachment B of the ILA. In addition, the data in the City’s performance dashboard denotes a targeted bill processing time of 15 days for the County and 10 days for the City. However, this 15-day target is not consistent with the 10-day requirement in Attachment B of the ILA. This 15-day standard is also not in agreement with Section 12c of the ILA which states:

“City shall not treat fees due for Services provided in Suburban County that must be paid to County differently from the fees that City collects on its own accounts, including delinquent EMS accounts.”

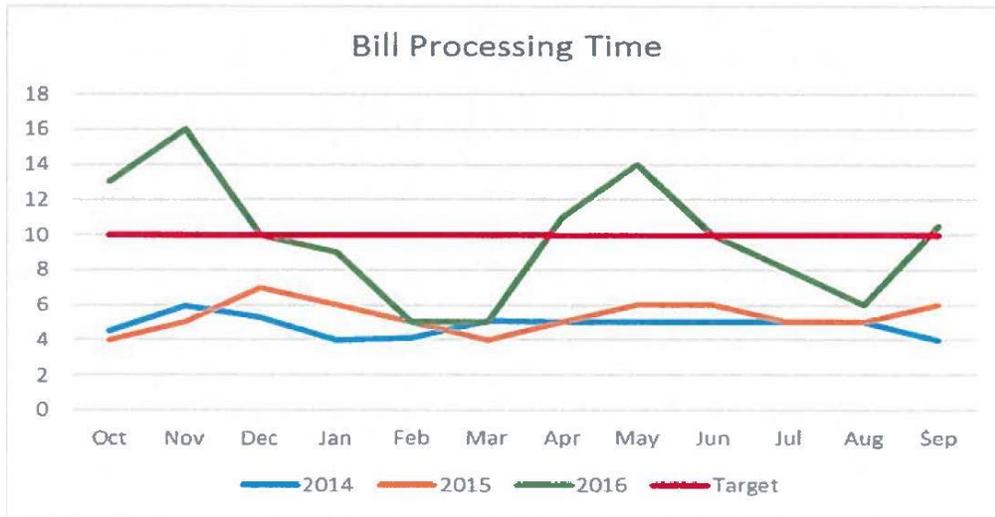
Recommendations

We recommend that the City improve internal processes in order to meet the terms of the contract. In addition, the City should promptly notify the County EMS Director and Commissioners’ Court with a detailed performance improvement report when it fails to maintain acceptable bill processing times and quality levels in accordance with the ILA. In addition, County bill-processing times should be analyzed based on a 10-day standard, not 15 days.

City Management Response

The City agrees to evaluate bill processing time against an agreed upon standard; however, wishes to negotiate further with the County regarding the standard and exceptions to performance when changes beyond the City’s control affect bill processing efforts.

The City monitors performance by fiscal year and is supplying the following chart to show the County the view that the City has been monitoring. The City has experienced increases in bill processing time due to changes in billing requirements (ICD-10 and Secondary Diagnosis Coding) that have severely complicated the billing process.



The City is working to refine its processes to meet the new billing requirements as quickly as possible. To improve performance, a new Improvement Team model has been implemented to review performance each month, notify stakeholders, and establish improvement plans. A revised Performance Dashboard is also being implemented to make performance details readily available.

County Management Response

Management strongly supports the recommendations provided and suggest that the City may benefit from the evaluation of out-sourcing of billing services. The County realizes a high quality product from a third-party vendor.

It is critical that the maximum available reimbursement is collected by the City in order to decrease the cost of service to the People of Travis County by reducing the overall cost of the ILA.

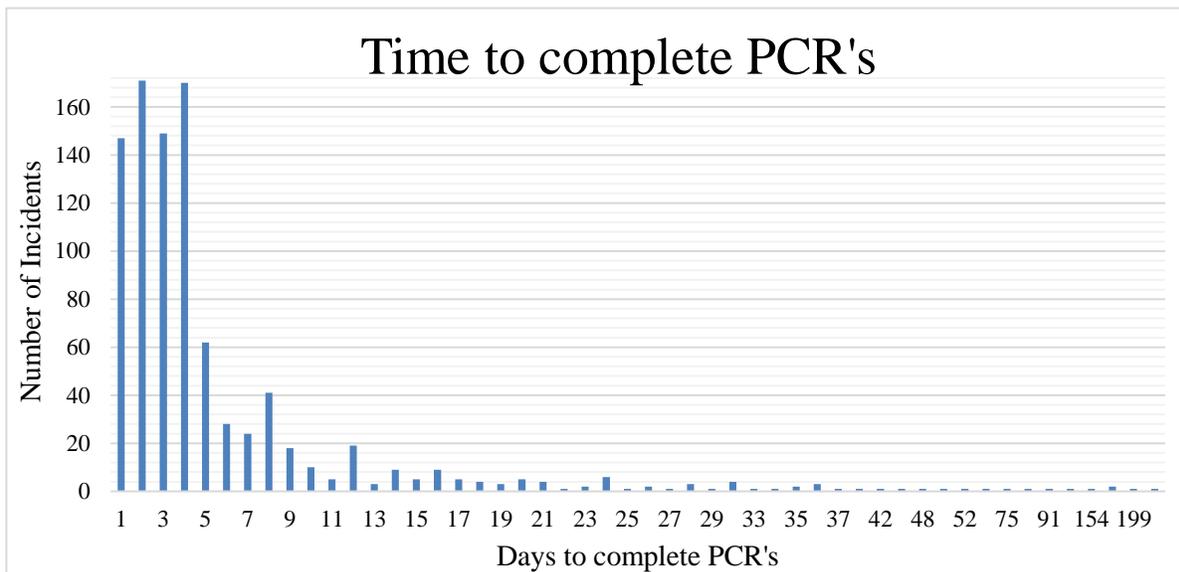
The County has an interest in adjusting any future ILAs to eliminate revenue sharing.

5. PATIENT CARE REPORT COMPLIANCE

As stated in the Background section above, Patient Care Reports (PCRs) are completed by the attending EMS medical professionals after patient treatment is completed. These reports are submitted to the billing office as the basis for the patient’s bill, and they should be completed within 24 hours.

In the period July 1, 2016 through December 31, 2016, 39,842 PCR's were completed. During our review of the timeliness of these PCR's, we noted that 1,078 (2.7%) were submitted after 24 hours had elapsed. The following table details these 1,078 late PCR's by number of days that elapsed after the initial 24-hour period:

A/TC EMS – Six-month PCR Analysis – by days



Myriad issues can lead to PCR completion time exceeding 24 hours. Some are beyond the control of the medical provider – unconscious patients are unable to sign the PCR for example. Since the fall of 2015, another issue has made PCR completion more difficult. Medical providers are now struggling with the implementation of the 10th revision of the International Statistical Classification of Diseases and Related Health Problems (ICD 10) which expanded the number of billable medical codes from approximately 14,000 to over 70,000. The increased complexity of ICD 10 often results in incomplete or inaccurate PCR's.

Significance

The PCR is the most important document in the billing process because it serves as the medical basis for billing claims and payments. The report must include everything necessary to make proper billing determinations. The timely preparation of PCR's can lead to greater accuracy of these documents and to improved timeliness and efficiency in billing.

Given the importance of PCR's, the State of Texas has developed strict compliance regulations in order to prevent fraud and ensure the accuracy of statements provided to insurance companies and patients that receive medical services. The Texas Administrative Code Title 25 Chapter 157, Rule 157.11 states the following:

“(10) assuring that patient care reports are provided to facilities receiving the patient:

(A) whenever operationally feasible, the report shall be provided to the

receiving facility at the time the patient is delivered or a full written or computer generated report shall be delivered to the facility within 24 hours of the delivery of the patient,

(B) if in a response-pending status, an abbreviated documented report shall be provided at the time the patient is delivered and a completed written or computer generated report shall be delivered to the facility within 24 hours of the delivery of the patient;

(C) the abbreviated report shall document, at a minimum, the patient's name, patient's condition upon arrival at the scene; the prehospital care provided; the patient's condition during transport, including signs, symptoms, and responses to treatment during the transport; the call initiation time; dispatch time; scene arrival time; scene departure time; hospital arrival time; and, the identification of the ambulance staff; and

(D) in lieu of subparagraph (C) of this paragraph, personnel may follow the Regional Advisory Council's process for providing abbreviated documentation to the receiving facility."

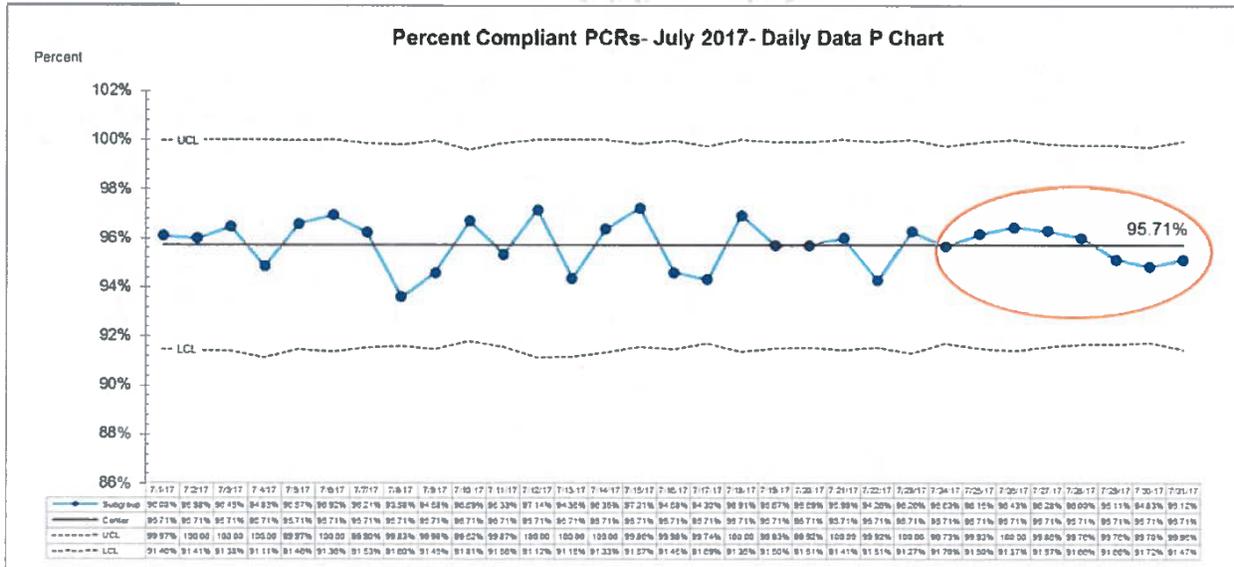
Recommendations

The PCR should be completed during a transport event or as close to the time of the incident as possible. We recommend that A/TC EMS track late submissions of PCRs and perform additional training as needed to address these items.

City Management Response

The City agrees that providing medical records to hospitals is key to continuity of care and has already been working to improve performance in this area. In 2017, the EMS department initiated an extensive improvement project to examine the department's compliance with the requirement to deliver a medical chart to receiving hospitals within 24 hours. The department used the Institute for Healthcare Improvement (IHI) - Improvement Science Model. An IHI Improvement Advisor and IHI Improvement Coach led the project with the aim of improving chart delivery.

The City has been proactively monitoring chart submission performance. By providing performance feedback, including information in training, identifying as many barriers as possible, and examining performance weekly and monthly, the department is achieving a mean of 95.71% compliance of providing a chart to the receiving facility in less than 24 hours. The control chart below shows performance for the month of July. Additionally, the City is actively researching an electronic patient care system that will improve its ability to meet this requirement more reliably.



6. EMS INTERLOCAL AGREEMENT OVERSIGHT

The County does not maintain sufficient oversight controls to ensure that all services and performance goals under the ILA are consistently met. The City provides County EMS compliance and financial staff access to the majority of its performance and service metrics through its performance dashboard. However, County EMS compliance staff have not consistently reviewed this information and requested the contractually required responses from the City when contractual terms for performance and service are not met. Specifically, we noted the following:

1. **Bill Processing Times** – During the three-year review period, nine months of the 36 (25%) months did not meet the acceptable quality level for processing time as defined by the ILA Attachment B. Improving bill-processing times is a proven way to increase revenue by reducing losses from filing untimely claims.
2. **Write-Offs, Adjustments, and Billing Errors** – Prior to the revised FY14 ILA, the City provided detailed monthly invoices to County EMS financial and compliance staff. This detailed information included adjustments for the Medical Access Program “MAP”, Travis County jail revenue adjustments, and management and employee write-offs. The MAP adjustments and write-offs were not included in the ILA. These items require the express consent of the Commissioners’ Court and EMS County Executive. Based on our review, the jail adjustments are periodically reviewed by TCSO for collection purposes from inmates.
3. **County Response Time Compliance by Priority** – A/TC EMS adopted compliance time standards for achieving each service priority in Section B of the FY14 ILA. Response times within the County failed to maintain these acceptable quality levels for the most severe priority calls: priority one (unconscious patients) and priority two (chest pains and respiratory conditions) throughout the entire review period.

In items one and three above, the ILA has a mechanism for the County to obtain improvement reports from the City. However, during our review period, the City did not remit these improvement reports and County staff did not request them.

Recommendations

We recommend that County EMS implement processes to verify that the City is complying with its contractual requirements and to properly follow up on any issues noted.

County Management Response

The County EMS Executive agrees with the recommendations provided by the County Auditor in full.

Emergency Services is currently in the process of scheduling staff training related performance management monitoring, creating and issuing standardized non-compliance notices, data benchmarking and data presentation, and establishing tracking mechanisms that will include providing routine updates to the Commissioners Court.

The successor ILA (FY19) will contain a much more extensive reporting process, clearly identified performance standards, and aggressive agreement monitoring.