

ORDINANCE NO. 2011-06

INTRODUCED BY: Mayor Rinker and Council as a Whole

**AN EMERGENCY ORDINANCE
AUTHORIZING AND DIRECTING THE MAYOR
TO ENTER INTO AN AMENDMENT TO APPENDIX B
TO THE BILLING SERVICES AGREEMENT
WITH LIFE FORCE MANAGEMENT, INC.**

WHEREAS, pursuant to Ordinance 2009-08, the Village authorized and directed the Mayor to enter into a Billing Services Agreement with Life Force Management, Inc.; and

WHEREAS, in coordination with Life Force Management, Inc., in the implementation of the billing services, it is necessary to amend the billing instructions set forth in Appendix B of the Agreement.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF MAYFIELD VILLAGE, OHIO, THAT:

SECTION 1. That the Mayor and President of Council are hereby and herein authorized and directed to enter into an Amendment to Appendix B to the Billing Services Agreement with Life Force Management, Inc. in a form substantially similar to that attached hereto and incorporated herein by reference as Exhibit A.

SECTION 2. The Council finds and determines that all formal actions of this Council relating to the adoption of this Ordinance have been taken at open meetings of this Council; and that deliberations of this Council and of its committees, resulting in such formal action, took place in meetings open to the public, in compliance with all statutory requirements including the requirements of Section 121.22 of the Ohio Revised Code.

SECTION 3. This Ordinance is hereby declared to be an emergency measure immediately necessary for the health, safety and welfare of the residents of Mayfield Village, Ohio. It shall, therefore, take effect immediately upon the passage by the

affirmative vote of not less than five (5) members elected to Council and approval by the Mayor or otherwise at the earliest time allowed by law.



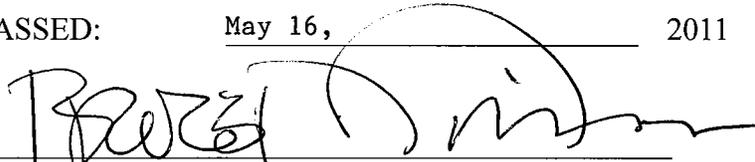
WILLIAM BUCKHOLTZ
Council President

First Reading: March 21, _____ 2011

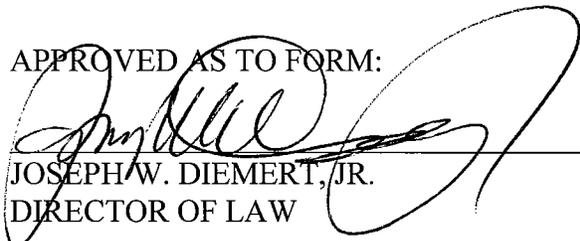
Second Reading: April 25, _____ 2011

Third Reading: May 16, _____ 2011

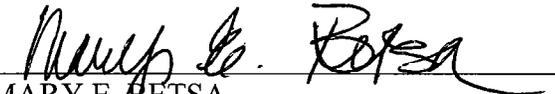
PASSED: May 16, _____ 2011



BRUCE G. RINKER, Mayor

APPROVED AS TO FORM:


JOSEPH W. DIEMERT, JR.
DIRECTOR OF LAW

ATTEST: 

MARY E. BETSA,
Clerk of Council

Exhibit A

APPENDIX B

CLIENT ELECTIONS

As set forth in the Billing Services Agreement, Client hereby directs Life Force Management on the following elections by having the official with contracting authority initial the elections selected, which elections may be changed from time to time on advance written notice to Life Force Management.

1. AUTHORIZED COMMUNITY LIAISON OR COMMITTEE

Pursuant to Section 2(H), Client shall appoint a primary liaison to Life Force that at all times will have the authority to direct Life Force on behalf of the Client ("the Authorized Liaison"). If Client establishes a Liaison Committee (i.e., comprised of members such as elected officials, community officials, Fire Department officers, and residents), Client shall designate which Liaison Committee member shall act as the Authorized Liaison to Life Force. The Authorized Liaison must review and monitor all billing disputes and procedures and meet with Life Force on a regular basis concerning billing amounts and collection procedures and at all times have the authority to direct Life Force as follows on behalf of the Client:

- Refer accounts to a collection agency,
- Adjust the amount of the bill,
- Establish a payment program for the invoice amount,
- Write off the account as "uncollectible" or,
- Totally waive the bill.

Client appoints the Fire Chief or his designee

2. BANKING AND DEPOSIT METHOD ELECTIONS

Pursuant to Section 2(B), Client elects one of the following banking methods:

(PLEASE INITIAL ONE ELECTION):

Client will utilize a lockbox procedure with a bank of its choice at the sole cost and expense of the Client for the receipt of written billing inquiries, correspondence and payments.

Life Force will provide a P.O. Box at its sole cost and expense to be used as the mailing address for all Patient and Payor written billing inquiries, correspondence and payments. Life Force will deposit any payments it receives in an account in Client's name if the Client's bank so allows. Otherwise, Life Force will forward payments to Client for deposit.

Client will receive all payments and correspondence at Client's address and make all deposits. Client will notify Life Force of all collections and forward all supporting documentation, including all denials and correspondence, to Life Force within five (5) days from the date of Client's receipt.

3. REFUND POLICY

Pursuant to Section 1(F), Life Force shall post payments it receives for the Ambulance Services and report overpayments to the Client. Client is responsible for timely refund checks according to Payor guidelines. Unless the patient has an outstanding balance, Life Force will prepare a request to the Client to refund the credit balance on overpayment. Client hereby directs Life Force to handle overpayments as follows:

(PLEASE INITIAL ONE ELECTION)

- Client will issue refunds and provide notice of same along with check numbers to Life Force on a monthly basis.
- Life Force will invoice the Client for the refund amount, and Life Force will reimburse the refund amount after receiving payment equal to the refund amount from Client.

4. RESPONSIBLE PARTY BILLING TO NON-RESIDENTS

Whereas the HHS Office of the Inspector General (OIG) Advisory Opinions has opined favorably on “insurance only” billing for Medicare patients where a local government that is an ambulance supplier funds EMS services through local tax revenues or fees and categorically waives out of pocket expenses (such as co-payments and deductibles) for bona fide residents, pursuant to Section 1(C)(4), Client, notwithstanding client makes the following election on “insurance only” billing of Non-Residents:

(PLEASE INITIAL ONE ELECTION)

- Life Force is directed to bill and attempt collections from all patients and responsible parties without regard to residency or place of employment. **(MOVE TO QUESTION 5)**

- Life Force is directed to ~~bill and attempt collections~~ “insurance only” bill Non-Residents, as the Village has determined that these collection efforts will not influence individuals to seek EMS services from Mayfield Village or pose a fraud or abuse on the Medicaid system.

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- Life Force shall bill “insurance only” for Medicare beneficiaries located in Client’s jurisdiction who substantiate their residency status based on reasonable criteria established by Client (“Residents”). Life Force will bill and attempt collections of applicable co-pays and deductibles from Residents who are not covered by Medicare and Non-Residents unless covered by secondary insurance. **PLEASE ATTACH COPY OF ORDINANCE/LEGISLATION.**

- Unless the waiver of a responsible party or Resident financial obligation would result in a Client service not being covered by insurance or a benefit plan, Life Force shall not bill and attempt collections for individuals located in Client’s jurisdiction who substantiate their residency status based on reasonable criteria established by Client (“Residents”). Life Force will bill and attempt collections

from Non-Residents for applicable co-pays and deductibles unless covered by secondary insurance.

PLEASE ATTACH COPY OF ORDINANCE/LEGISLATION.

Definition of Resident

Client will be responsible for determining the Resident and Non Resident status before submitting the trip to Life Force, obtaining documentation to substantiate residency status, and selecting the informational statements received by Residents. In some cases, the information obtained from the receiving hospital may be used by Life Force to determine the patient's residency. Client will include the following individuals in its definition of Resident status:

(PLEASE INITIAL ALL APPLICABLE)

Individuals with a permanent legal residence (residence of record) within the jurisdiction of Client. The residency category of a minor is determined by the residency of their parent or legal guardian.

Individuals employed by tax-paying Employers within the jurisdiction of Client.

For mutual aid calls, Client elects to have Life Force do one of the following:

treat the patient as a Non-resident.

follow the billing procedures established by the community in which the person transported resides as instructed by Client on the trip report.

Billing of Non-Residents

Pursuant to Section 1(C)(4), Client directs Life Force to handle Non-Resident "insurance only" billing and collections as follows:

- a. Generally. Life Force will send Non-Residents a request for insurance letter indicating that Life Force will submit the claim to the Non-Resident's Payor and that the Non-Resident need NOT directly pay the submitted amount. Life Force will accept the covered reimbursement from the Payor for the fee charged as "Paid in Full" regardless of the Non-Resident's outstanding co-pay and deductible. If the Non-Resident does not have coverage or the Payor does not pay the invoiced amount, Life Force will submit the information to the Client for further instruction. If the Non-Resident does not respond to the communication ~~and collection attempts~~ from Life Force, the Non-Resident will be considered non-insured and the account will be submitted to the Client for further instruction ~~adjusted~~. Life Force is not authorized to automatically adjust Non-Resident accounts according to this Non-Resident collection policy but is required to provide Client with a listing of those accounts and ask for further instruction from the Client. Life Force is authorized to automatically adjust Non-Resident accounts according to this Non-Resident collection policy and provide Client with a listing of these accounts each month.

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- b. Resident Receipt of Payments from Payors. If Life Force becomes aware that a Non-Resident received payment directly from a Payor, Life Force will send monthly statements and attempt to collect until Life Force receives the amount from the Non-Resident. After receiving the total amount paid to the Non-Resident, Life Force will waive the remaining balance. If a Non-Resident does not pay the total amount of the insurance payment, Life Force will notify Client for direction on the next appropriate action to take. Life Force will flag these accounts separately for Client's review as necessary.

5. DELINQUENT ACCOUNTS ELECTIONS

Pursuant to Section 2(H), Client shall notify Life Force, in writing, of any assignments and all contractual discounts, non-chargeable services, write-offs, and other similar discounts which impact patient billing. Delinquent Accounts are accounts that are unpaid after 120 days in "private pay" and Life Force has expended its usual and customary efforts with respect to billing and collecting. Client may require Life Force to continue billing Delinquent Accounts on a case by case basis for additional reasonable periods of time. Financial Hardship waivers are reductions and waivers of the patient responsibility based on information from the individual on income and/or assets (e.g., the Federal Poverty Income Guidelines to establish poverty levels).

In addition to Client's election on Resident Responsible Party billing in Section 4 of this Appendix to the Agreement, Client also authorizes Life Force to write off Delinquent Accounts as follows:

AUTHORIZED LIAISON REVIEW AND WRITE OFF OPTIONS:

- Life Force shall submit Delinquent Accounts to the Client for an individualized review and determination of write off as non-collectible. Client hereby authorizes Life Force to write off Delinquent Accounts as not collectible only with written authority from Authorized Liaison.
- Client hereby authorizes Life Force to refer Delinquent Accounts to a collection agency designated by Client only with written authority from Authorized Liaison.

LIFE FORCE WRITE OFF OPTIONS:

- Client hereby authorizes Life Force to write-off Delinquent Accounts as not collectible without a formal review by or written authority from Client. All supporting documentation regarding the action taken by Life Force staff will be kept on file by the date the action took place for review or auditing purposes.
- Life Force may refer Delinquent Accounts to a collection agency designated by Client without written authority.