Mr. Chairman, Ranking Member Brownley and distinguished members of the Subcommittee:

My name is Asbel Montes and I am the Vice President of Reimbursement and Government Affairs for Acadian Ambulance Service, the largest private, employee-owned ambulance service in the nation. The Chairman & CEO of our company, Richard Zuschlag, founded the ambulance service division in 1971 with eight Vietnam veterans. Today, we now have over 4,000 employee owners, with over 400 of those owners being military veterans.

I am honored to sit before you today to represent not only the industry, but even more so, the veterans we serve.

**Background**

Prior to coming before you today, our company, along with American Medical Response, the largest public ambulance provider in the nation, and the American Ambulance Association have worked diligently with our Congressional delegations, other healthcare stakeholders, the Veteran Integrated Network Services (VISNs), as well as the national leadership at the VA to assist, recommend and frankly demand that the VA’s internal processes be updated and modified to ensure that they are fulfilling their intended purpose, but also not placing financial burden on the men and women who have served our nation so selflessly.

Despite these efforts, we have not seen any significant positive movement from the VA and therefore find ourselves here today.

For a real life look at the issue, please allow me to provide one example that a veteran in Louisiana experienced who called 911 for emergency medical care and transport in 2014. We filed a claim and provided all necessary medical records and appropriate documentation within 30 days to the VA. We sent this information via certified mail. The VA signed for it confirming receipt five days later. Almost a year later on March of 2015, the veteran appeared on two local TV channels describing how his claim was still unpaid. He was subsequently contacted by a VA representative on March 18, 2015, indicating that his claim would be paid and he would receive notification. The claim was finally processed and paid in April of 2015, over a year and 3 months from the time the claim was originally filed.

There are many more examples just like this one that could be given by providers and veterans alike across the nation, but suffice it to say, the GAO report in 2014 which highlighted issues regarding excessive claims processing times and paperwork requirements for non-VA providers is absolutely correct. This problem is especially acute for the majority of ambulance service providers that serve as the local 911 responders in their communities, who are prohibited from refusing emergency treatment for any patient, regardless of payor source or ability to pay. This failure to pay providers in a timely and accurate manner puts providers in the difficult position of
having to bill veterans for emergency treatment, placing an unfair financial burden on the veteran due to the lack of response, invalid denial or payment by the VA.

Our previous efforts at addressing this issue have included numerous inquiries sent from Congressmen and Senators in many states and the responses from the VA have remained wholly inaccurate and inadequate.

My colleagues and I are not ignorant to the magnitude that this issue presents for the VA. However, after numerous offers of assistance and requests for relief from the private and public sector, we have seen very little change. In fact, our company, American Medical Response, and many members of the American Ambulance Association have seen a recent escalation of the problem with our accounts receivables due from the VA growing in excess of $30M outstanding over 90 days.

VISN 16 has sent reports to our Congressional Delegates with a number that would indicate improvement, but our data clearly indicates the opposite. On May 14th of this year, we had yet another conference call with VISN 16, specifically the Flowood, MS office and requested that they provide us with all claims filed to them since 2012 in order to reconcile our records with theirs. That audit, which was completed on last Tuesday, indicated that they showed no record of 768 claims which were sent certified mail with confirmation of receipt by the VA.

Solution

The federal government has a responsibility to ensure that our veterans receive the best healthcare we can provide. It also has a responsibility to ensure they are not required to bear an unjustified financial burden because the VA fails to pay non-VA providers in a timely and accurate manner. It is our recommendation that Congress remove all claims processing for non-VA providers from the Department of Veterans’ Affairs and place it with a single Fiscal Intermediary, providing guidelines and policies to address the issues stated here today. This step would ensure consistency, efficiency and expertise in personnel as well as sufficient dedicated resources to process claims timely. Several other government programs, including Medicare and Tricare, utilize this strategy successfully. Please note that time is of the essence.

Thank you for giving me this opportunity to provide information and to serve those who have sacrificed so much for our nation. I look forward to answering the Committee’s questions and serving as a resource as the Committee’s work continues beyond this hearing.