

Testimony of Asbel Montes  
Before the Subcommittee on Health for Veterans Affairs  
On June 20, 2016

Mr. Chairman 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 4,400 employee owners, with over 400 of those 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**

Since the last hearing on June 3, 2015 where we provided requested information on this issue, 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, including Congressman Abraham, Congressman Boustany and Congressman Coffman, 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 expedite the updating of their internal processes to promptly pay for the emergency treatment that our nation's finest receive by non-VA healthcare partners.

Due to these continued efforts, we have seen some significant progress made within VISN 16 and attribute these gains to the hearing conducted last year. However, there is still significant work to be done and my colleagues within the ambulance industry nationwide are still experiencing extraordinary delays in claims processing and payment in other VISNs.

For a real life look at the progress made by the VA and the issues still prevalent, I would like to include two specific examples. In the first quarter of 2014, it was taking the VA in Alexandria approximately 138 days to pay for an emergency ambulance transport. Thanks to the efforts of Congressman Abraham and this subcommittee, we are now receiving payments for approved care within 40 days through electronic submission. However, on the flip side, the Flowood, Mississippi office and the Houston office in VISN 16 are still struggling to improve prompt payment efficiencies. For example, Flowood still requires that we send all claims and medical records via paper. In addition, claims are being underpaid due to a new unregulated process that requires us to add the ZIP+4 to every claim. No other Federal or State payer or other VISN office requires this that we are aware of. It should also be noted that no one was ever notified of this requirement prior to complaints being made as a result of the underpayments.

In November of this past year we had to engage the assistance of Congressman McCaul's office to address severe payment and claims processing delays in VISN 17. This work is still ongoing

and our efforts are being coordinated with the Chief Business Office in Denver, Colorado under the direction of Mr. Steven Gillespie. Our current aged receivables outstanding over 180 days are in excess of \$600,000 awaiting payment or denial.

There are many more examples just like this one that could be given by providers and veterans alike across the nation. 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 payer source or ability to pay. This failure to pay providers in a timely and accurate manner puts providers in the difficult position of either having to shut their doors and eliminating access to care due to lack of funds to operate or 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.

Ultimately, it is the veteran who suffers due to the lack of coordination and inefficiency of the internal systems at the Veterans Administration. While the Chief Business Office has been very responsive to our company over the past nine months, there is still an inefficiency in system design regarding prompt payment and processing of provider claims. As of three weeks ago, one facility in VISN 17 requested that we submit everything via paper claim until they could resolve our issues on why our claims were not processing through the OB10 system. This only continues to exacerbate the administrative and financial burden for providers who serve our nation's finest.

## **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 as a result of the VA's failure to pay non-VA providers in a timely and accurate manner. As stated in my previous testimony last year and subsequently introduced via legislation by Congressman Boustany and Congressman Abraham in H.R. 4689, 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. Congressman Coffman has also introduced H.R. 5149 that will provide clarification on how the VA will reimburse emergency ambulance providers for the care provided to our veterans who meet the prudent layperson's definition of an emergency to ensure our veterans are not financially burdened solely as a result of the VA's subjective and adverse treatment of these claims. 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.

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.