



# AUDIT HIGHLIGHTS

## Ambulance Services Contract

October 8, 2020

Audit Report No. 2009

### WHY WE DID THIS AUDIT

An audit of *Ambulance Services Contract* was included on the City Council-approved fiscal year 2019/20 Audit Plan. The audit objective was to assess management controls over and contract administration of the City's contracted ambulance services.

### BACKGROUND

The Scottsdale Fire Department's firefighter paramedics respond to emergency fire and medical calls for service, providing Basic or Advanced Life Support (BLS or ALS) when necessary. The City has contracted with Maricopa Ambulance (Maricopa) to provide BLS services and patient transportation to the hospital from these emergency calls.

The contract is a revenue-only contract; the City does not pay for the ambulance services. Instead, Maricopa bills the patients or their medical insurance providers and reimburses the City for ALS services.

There are two emergency medical call priorities. A Priority 1 response with the emergency vehicles using lights and sirens is assigned to the more urgent calls. Less urgent calls are assigned a Priority 2 response and do not require lights and siren response. The contract specifies the maximum response time requirements for each priority.

### City Auditor's Office

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### WHAT WE FOUND

**The Priority 1 response time compliance was not documented and original dispatch data files retained.**

Specifically, we found:

- The contractor did not submit required monthly ambulance response time reports, and audit analysis indicated response times did not comply with requirements in 8 months. The department and contractor subsequently documented allowable exceptions to meet compliance requirements.
- The department was not retaining original dispatch center data files.
- One response time requirement is unenforceable, and the contractor's data analysis methodology appears to omit canceled calls.

**Billing controls should be improved for the ambulance provider reimbursements.**

The department's ALS service reimbursement billing process is not consistent or reliable, with errors netting to approximately \$2,600 overbilled. In addition, the City does not invoice timely and the ambulance provider does not pay timely.

**The transport policy should be reevaluated, and data controls and contract administration should be improved.**

The Fire Department sends a firefighter paramedic on every transport, including BLS. In addition:

- The department's electronic patient care reporting (ePCR) system has data integrity and retention issues.
- The department can better safeguard protected health information (PHI).
- The Contract Administrator did not maintain an organized contract administration file and obtain some contract-required documents.

### WHAT WE RECOMMEND

We recommend the Fire Department:

- Require and retain monthly ambulance response time reports, retain original dispatch center files, and investigate data errors.
- Clarify and develop additional billing procedures that ensure invoices are accurate and timely. Also, ensure the contractor pays the City's invoices timely.
- Evaluate operational impact of the transport policy and the ePCR system reliability. Also, ensure PHI is secure and maintain a complete, organized contract administration file.

### MANAGEMENT RESPONSE

The department agreed with most audit recommendations and is working toward implementation.