

Draft Fairfax County Office of Financial and Program Audit





Jim L. Shelton, Jr., MBA, CRP (Auditor of the Board)

Jim.Shelton@FairfaxCounty.gov

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Fairfax County Office of Financial and Program Audit



Audit Committee Meeting Agenda

September 20, 2022 (5:00 PM) 12000 Government Center Pkwy / Conference Room 11

- I. Review and Approval of the Meeting Minutes from the prior (14th June 2022) Quarterly Audit Committee Meeting.
 - a) Allowance for Vote by Audit Committee to Adopt
- II. Review the September 2022 Draft Quarterly Report:
 - a) Mutual Aid Agreement (MAA) Police and Fire & Rescue Service Review
 - b) Emergency Medical Services (EMS) Review
 - i. Allowance for Vote by Audit Committee to Adopt
- III. Next Audit Committee Meeting:
 - a) Tuesday (22nd November 2022) @ 5:00pm
 - b) Location: TBD
- IV. Closed Session
- V. Audit Committee Adjournment

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Fairfax County Office of Financial and Program Audit



Meeting Minutes for the June 14, 2022 Audit Committee Meeting



Dan Storck, Audit Committee Chairman, Mount Vernon District Supervisor (*Present*)

Dalia Palchik, Audit Committee Vice-Chairman, Providence District Supervisor (*Not Present*)

Rodney Lusk, Audit Committee Member, Lee District Supervisor (*Present*)

Pat Herrity, Audit Committee Member, Springfield District Supervisor (*Present*)

Les Myers, Audit Committee Citizen Member (*Present*)

Paul Svab, Audit Committee Citizen Member (*Present*)

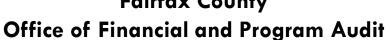
Attendees:

Jim Shelton, Auditor of the Board	John Kellas, SW Deputy Director			
Carter Rogers, Fin. & Prog. Auditor	Christina Jackson, CFO			
Anqi Zhang, Fin. & Prog. Auditor	Kimberly Panzer, DMB Division Director			
Elizabeth Teare, County Attorney	Mark Moffatt, DVS Director			
Ellicia Seard-McCormick, Dep. Cnty. Exec.	Marguerite Guarino, DVS Deputy Director			
Thomas Arnold, Dep. Cnty. Exec.	Daniel Gonzalez, DVS Deputy Director			
OTHER: DEPARTMENT HEADS / MANAGERS / STAFF - NOT LISTED				

Summary:

- a) Committee discussed and approved **June 2022** Draft Report (Fuel Costs and Special Revenue and Enterprise Funds).
- b) Re: the Fuel Cost Study, DVS will be requested to provide empirical data for assertions made regarding fuel usage and vehicle replacements put into operations the Sept. 2023 quarter.
- c) Committee requested the SACC study be moved to FY 2024 to accommodate the restructuring.
- d) Solid Waste Deputy Director, John Kellas updated Committee on the route evaluation process which included the addition of 1,100 homes.

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Allowance for Vote by Audit Committee to Adopt June 2022 Meeting Minutes

External Systems Integration to FOCUS review

Presented by:
Gregory Scott
Chief Technology Officer & Director

- Active Critical Systems Not Interfaced to FOCUS
 - Management agrees with the recommendation.

Status: The FOCUS team is working with each respective agency to understand the 15 external system's financial functions, confirm their current method to posting financial transactions to FOCUS (such as manual journal entry (JE) or the JE Upload tool) and determine the necessity and feasibility of creating an automated interface to FOCUS. Once information is gathered, the external system inventory will be updated, and the FOCUS team will coordinate with the respective agencies to plan and schedule the agreed upon interface builds. Review in progress; target due date is 10/31/22.

- Active Critical Systems w/o Disaster Recovery
 - Management agrees with the recommendation.
 DIT will review and update the system inventory to reflect those systems that have disaster recovery in place.

Status: Completed. Identified systems have an SLA in place for DR either on-premise or on cloud.

- External Systems w/FOCUS Functionalities
 - Management agrees with the recommendation. DIT and the FOCUS team will liaise with the respective agencies to better understand the 6 systems core functionalities and whether those can be performed in FOCUS.

Status: DIT and the FOCUS Team are working with the respective agencies to better understand the 6 systems core functionalities and whether those can be performed in FOCUS. On initial review, most of the 6 systems provide agency/industry specific functionality, such as healthcare management, that is not a function of FOCUS. Since these systems may also perform some financial subfunctions, we will discuss and determine if any additional interfacing is needed with FOCUS. Review in progress; target due date is 10/31/22.

Agency	System	Comments
Health and Human Services	Health and Human Services Customer Relationship Management	CRM is not a function of FOCUS
Health and Human Services	Health and Human Services Customer Relationship Management Internal	CRM is not a function of FOCUS
Department of family services	Web Harmony	FOCUS currently interfaces to Harmony. Harmony provides healthcare specific functionality not available in FOCUS. In addition, many healthcare systems manage highly sensitive information that should not be tracked in FOCUS.
Community Services Board	Allscripts Payerpath	Provides healthcare specific functionality not available in FOCUS. In addition, many healthcare systems manage highly sensitive information that should not be tracked in FOCUS. The FOCUS team will reach out to agency to determine if any financial automated interfacing is needed.
Department of Finance	Laserfiche	Laserfiche is a document management system. FOCUS is not a document management system, but rather should integrate with a document management system as it does with OpenText for Vendor Invoice Management. The FOCUS team will work with the agency to understand their use of Laserfiche and if any documents should be connected to FOCUS in any way.
Department of Finance	Conservice	FOCUS currently interfaces to Conservice (2 interfaces: County and Housing). Conservice is a 3rd party utility management company that provides services and functionality not available in FOCUS.

- Active Systems w/expired Vendor Dates and Costs
 - Management agrees with the recommendation.
 DIT is actively reviewing and updating contract expiration date.

Status: Completed.

- Incomplete External Systems Inventory Tracker Agency Reported
 - Management agrees with the recommendation.
 DIT will review and update the External Systems Inventory Tracker for completeness.

Status: Completed. Refining and updating the existing Application Inventory, to expand the data collected about applications and to build it into business process.

- External Systems procured by Agencies (using P-cards)
 - A moratorium on the procurement of systems with a Pcard would mandate a moratorium of the entire Pcard program, which is cost prohibitive.

Status: Instead of a moratorium on the procurement of systems with a Pcard, DPMM has implemented a multifaceted education and outreach effort to curtail the procurement of systems with the Pcard. Efforts include reminders during Pcard Program Manager meetings, additional stress placed on this topic in PCard training, and additional emphasis on the topic in an upcoming release of an updated Pcard Procurement Technical Bulletin. The first round of outreach has occurred and education and outreach will be ongoing to ensure that all stakeholders are trained and remain aware of the policy. This recommendation is complete. IT Purchases is reflected in the updated 70-07 IT Policy, which will be released shortly.

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Fairfax County Office of Financial and Program Audit



Mutual Aid Agreement (MAA) Police and Fire and Rescue Services REVIEW

Study Introduction

Mutual Aid Agreement (MAA) Police and Fire & Rescue Services

We performed a review of the Northern Virginia Mutual Aid Agreement, whereby fire and rescue services (EMS and Helicopter transports) are provided to other jurisdictions.

Under the terms of the MAA, Helicopter Division provided a total of 429 trips to other jurisdictions in FY2021. Of these, only 10 were Medevac transports; the remaining 419 trips were conducted in support of law enforcement. EMS provided 56,703 transport services to non-County residents from FY2017-FY2021. Residents of other jurisdictions are billed for County EMS transports, provided that relevant billing information can be obtained from the patient.

MAA/EMS operates under Board of Supervisors' settled policies, which provide approved operational guidance. With that; this Audit Committee approved study will, in several instances, present areas identified as *BOS Settled Policy Description/Discussion Items* as opposed to *Observations* and *Recommendations*.



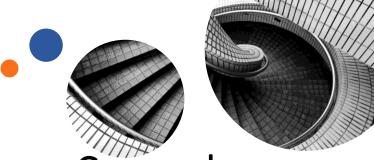








Study Objectives



Work Plan Review Areas:

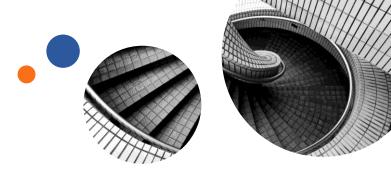
- Costs to Service Other Jurisdictions
- EMS/Helicopter Non-County Resident Transport Billings
- Jurisdiction Benchmarking

Additional Review Areas Covered:

- Non-County Resident Transport Claim Billings Analysis
- Billing Contractors Data Analysis
- Helicopter Law Enforcement Trips to Other Jurisdictions
- Helicopter Division Non-County Resident Medevac Trips

Study Highlights

Review Results:



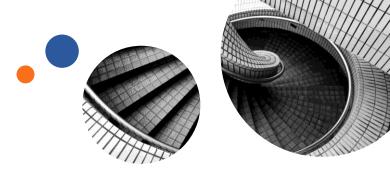
- MAA/EMS Non-County Resident ground transports (Total 56,703 FY2017-FY2021).
- Average annual discounts and uncollected monies:
 - >~\$17.4 million or 46% of Gross Charges for Non-County Residents.
- Unbilled claims due to unidentifiable or other missing patient information.
- 565 Non-County Resident Transport Data Entry Errors from FY2017-FY2021.
- \$324k potential billable revenue from Helicopter law enforcement services provided to other jurisdictions over 3 years.

Study Highlights (Cont'd)

Review Results:

EMS Non-County Resident Billing Process: Benchmarking to Comparable Jurisdictions -County Resident % of Collections* Sent to

Jurisdictions	Non-County Resident Billings	% of Collections* in FY2021	Sent to Collections?	A/R Aging and Write-offs	
Fairfax County	Non-Residents are billed. Outstanding bills are written off after 180 days.	80%	No	Receivables are aged 180 days before being written off.	
Loudoun County	Non-Residents are billed. Outstanding bills are written off after 120 days.	74%	No	Receivables are aged 120 days before being written off.	
Montgomery County	Data Not Available	65%	No	Data Not Available	
Prince William County	Non-Residents are billed. Outstanding bills are written off after 280 days.	79%	No	Receivables are aged 280 days before being written off.	
Arlington County	Non-Residents are billed. Outstanding bills are sent to collections after 150 days.	65%	Yes	Receivables are aged 150 days before sending to collections. Bills are not written off.	
City of Alexandria	No Data Provided				
Prince George's County	No Data Provided				

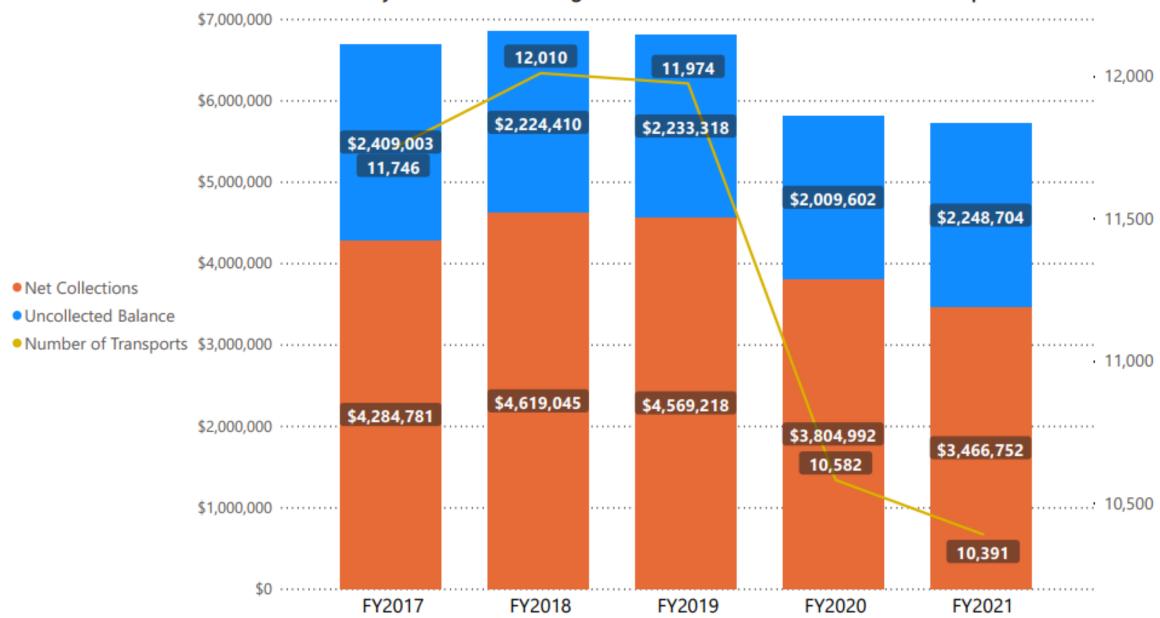


Benchmarking: EMS Transport Fees by Jurisdiction							
Fee Description	Fairfax County	Loudoun County	Montgomery County	Prince William County	Arlington County	City of Alexandria	Prince George's County
Basic Life Support	\$500	\$467	\$400	\$400	\$500	\$400	\$500
Advanced Life Support 1	\$650	\$660	\$500	\$500	\$650	\$500	\$650
Advanced Life Support 2	\$800	\$770	\$700	\$675	\$850	\$850	\$750
Transport Charge per Mile	\$12	\$11	\$8.50	\$10	\$12	\$10	\$5

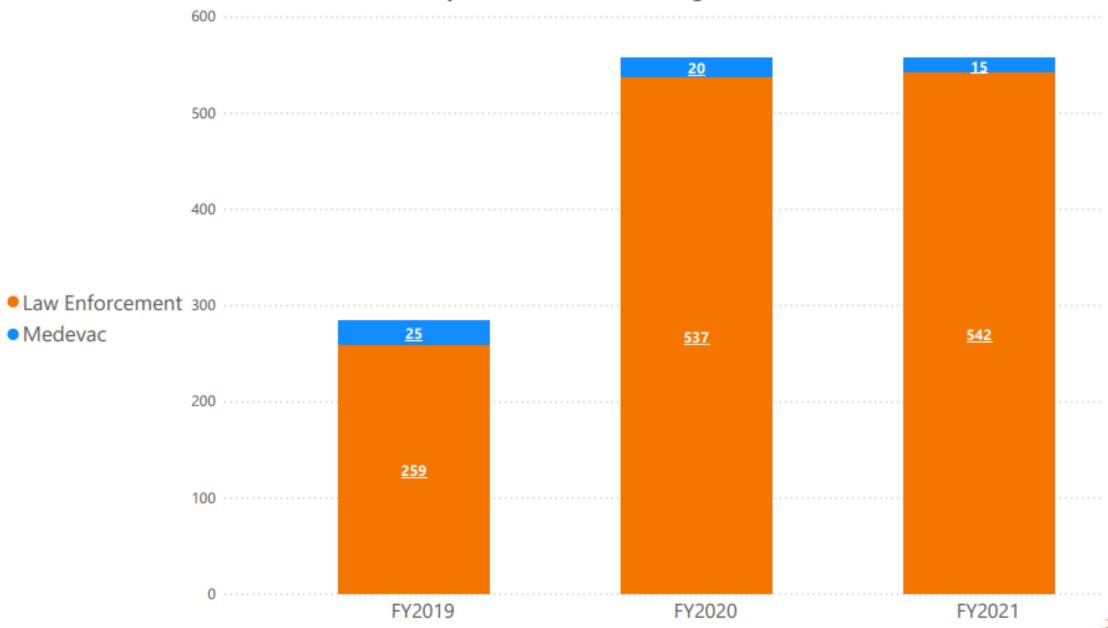
^{*}Total County and Non-County Resident EMS Transports



MAA/EMS Non-County Resident Billing Collections and Number of Transports

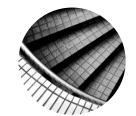


Helicopter Division Flight Hours





1. MAA/EMS Non-County Resident Ground Transport Claim Billings Analysis





BOS Settled Policy Item Description

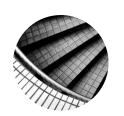
OFPA aggregated the Non-County Resident Ground Transports; there were **56,703** trips provided to residents of other jurisdictions between FY2017-FY2021.

The potential gross revenues for the transports were decreased through "Discounts" and/or "Uncollected Balances." These reductions were facilitated through settled policies such as:

- Write-off of claims aged past 180 days, and
- The lack of effort to participate in the collection of aged claims after 180 days.

Purported by EMS management, approval to discharge account receivables after 180 days is in alignment with the direction of the Board of Supervisors. We could not locate documentation to support the 180 days write-off assertion.

1. MAA/EMS Non-County Resident Ground Transport Claim Billings Analysis (Cont'd) BOS Settled Policy Item Description





The table and graph below detail the average annual discounts and uncollected monies (~\$3.5M or 46% of Gross Charges), and five-year discount and uncollected monies (~\$17.4M or 46% of Gross Charges). This reflects the dollar magnitude of revenue that has been discharged. Given the consistency in this five-year trend, the monies will continue to be discharged resulting in the ongoing support of our MAA partners at the cost of the County's general fund.

We identified a rate of uncollected balance (for non-County Resident transports) to net charges of 35% from FY2019-FY2021. There seems to be a correlation between our settled policy of 180-day discharges and no collection efforts to revenue leakage. The analytics show an estimated uncollected net charge balance of non-County Resident transports of \$5,497,484 * 35% = \$1,924,119 over 3 years.

The table and graph below highlight further exposure from non-County Resident EMS transports.

MAA/EMS Ground Transports to Other Jurisdictions vs. Transports Received, FY2019-FY2021

	Aid Received from Other Jurisdictions	Aid Given to Other Jurisdictions	Net
Number of Transports:	24,949	34,731	(9,782)
Gross Charges*	\$16,740,779	\$23,304,501	(\$6,563,722)
Net Charges**	\$14,021,338	\$19,518,822	(\$5,497,484)

^{*}Average Gross Charge of EMS Transport is \$671

Data Source: The Board

MAA/EMS Non-County Resident* Ground Transports Claim Billings Analysis						
Number of Transports	11,746	12,010	11,974	10,582	10,391	56,703
Financial Activity	FY2017	FY2018	FY2019	FY2020	FY2021	Total
Gross Charges (EMS Files)	\$7,849,934	\$8,112,502	\$8,096,631	\$7,067,041	\$6,977,505	\$38,103,613
Discounts (EMS Files)	(\$1,156,149)	(\$1,269,047)	(\$1,294,095)	(\$1,252,447)	(\$1,262,048)	(\$6,233,787)
Net Charges (EMS Files)	\$6,693,785	\$6,843,455	\$6,802,536	\$5,814,594	\$5,715,457	\$31,869,826
Net Collections (EMS Files)	\$4,284,781	\$4,619,045	\$4,569,218	\$3,804,992	\$3,466,752	\$20,744,789
Uncollected Balance (Net - Collect)	\$2,409,003	\$2,224,410	\$2,233,318	\$2,009,602	\$2,248,704	\$11,125,037
Discounts / Gross Charges	15%	16%	16%	18%	18%	16%
Net Collections / Net Charges	64%	67%	67%	65%	61%	65%
Uncollected Balance / Net Charges	36%	33%	33%	35%	39%	35%

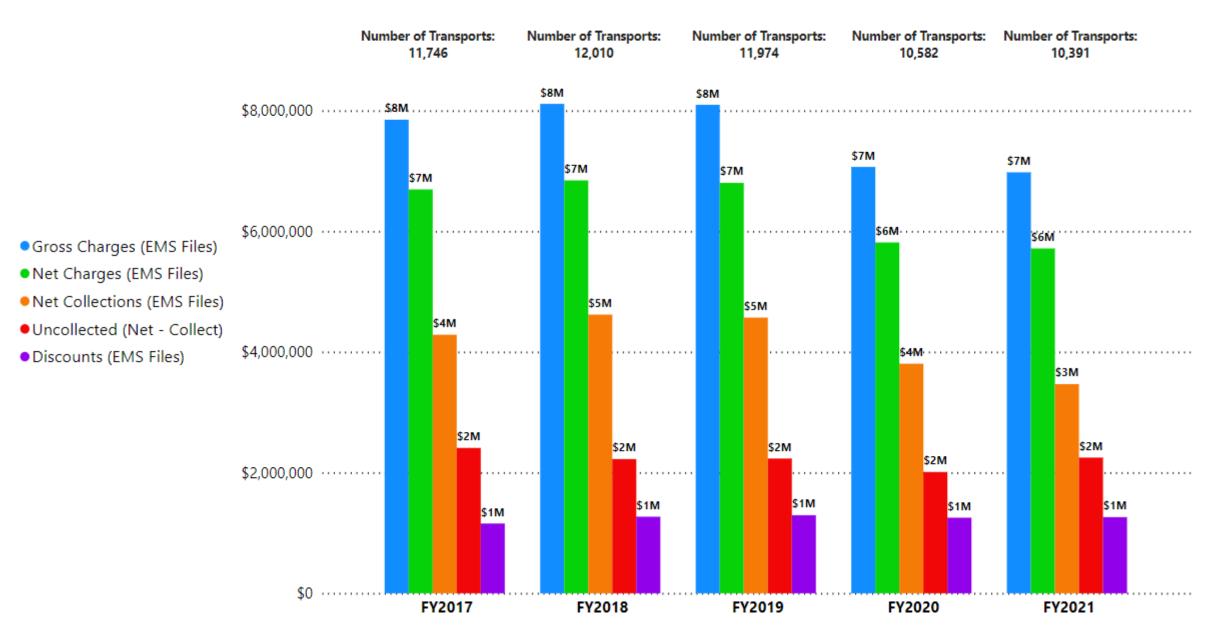
^{*}Based on Patient Resident Status

Data provided by EMS, Aggregated by OFPA

^{**}Average Net Charge of EMS Transport is \$562

MAA EMS Non-County Residents Ground Transports Claim Billing Analysis

\$10,000,000



1. Action Plan BOS Settled Policy Item Discussion

Given the Board of Supervisors' settled policies under which these EMS services are provided, OFPA is not recommending a remedy to recover the financial exposure reported in this study. This data provided is presented for advisory purposes.

With that, I respectfully mention (without recommendation) that the extension of collection times and efforts through our contracted collection vendor Nationwide Credit Corporation (NCC) could extend the recognition of partner jurisdictions' ground transport receivables on our books and may reduce some of the revenue leakages.

2.MAA/EMS Non-Billed Non-County Resident Transports





Observation:

Our review revealed **12,087** ground transports from FY2017-FY2021 which were never billed to non-County Residents who received EMS service.

Management asserts these non-billed transports were a combination of:

- Patient Identifiable Information (PII) could not be obtained, or
- Patient did not meet medical necessity for transport, or
- Worker's compensation, or
- Other reasons not specified.

A demarcation between these items could not be provided.

2.MAA/EMS Non-Billed Non-County Resident Transports (Cont'd) Observation:

OFPA Data Scientists data-mined the file provided by EMS management to aggregate and stratify the financial and transactional data for the unbilled transports. *These data are below in bullet points and tables:*

- Gross charges for these transports were ~\$7.9 million
 - All of these charges were uncollected.
 - Net charges were unavailable.

The top 5 hospitals by incident count (Inova Fairfax Hospital, Reston Hospital Center, Inova Alexandria Hospital, Mount Vernon Hospital, and Inova Fair Oaks Hospital) combined for **9,569** transports and **~\$6.3M** in gross charges.

MAA/EMS Non-County Residents* Ground Transports w/o Billings Due to Unidentifiable Patient Information or Other Designations as Asserted by EMS

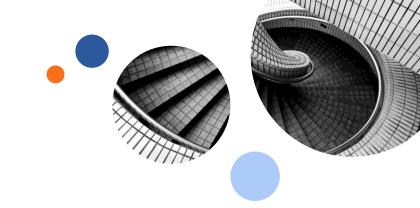
Hospital	Total (FY2017-FY2021)			
Hospital	Amount (\$)	Count		
INOVA FAIRFAX HOSPITAL	\$2,739,968.00	4,081		
RESTON HOSPITAL CENTER	\$1,238,352.40	1,888		
INOVA ALEXANDRIA HOSPITAL	\$802,095.60	1,243		
MOUNT VERNON HOSPITAL	\$775,939.20	1,221		
INOVA FAIR OAKS HOSPITAL	\$735,752.80	1,136		
VIRGINIA HOSPITAL CENTER	\$697,242.00	1,055		
SPRINGFIELD HEALTHPLEX	\$323,245.60	525		
INOVA LORTON HEALTHPLEX	\$232,421.20	378		
STONE SPRING EMERGENCY CTR	\$87,406.00	126		
FAIRFAX EMERGENCY CARE CTR	\$52,374.40	82		
SENTARA NORTHERN VA MED CTR	\$50,056.40	73		
PRINCE WILLIAM HOSPITAL	\$40,064.80	50		
LOUDOUN HOSPITAL CENTER	\$34,958.80	47		
FORT BELVOIR COMM HOSPITAL	\$27,682.40	40		
GEORGE WASHINGTON UNIV HOSP	\$17,756.40	25		
WASHINGTON HOSPITAL CTR	\$19,689.60	25		
CAREFLIGHT	\$9,052.40	14		
RESTON EMERGENCY CARE CTR	\$8,148.40	14		
CHILDRENS NATIONAL MEDICAL	\$9,518.40	12		
DEWITT ARMY HOSPITAL	\$4,110.00	7		
FORT WASHINGTON UNIV HOSP	\$5,008.40	7		
GEORGETOWN HOSPITAL	\$4,766.40	6		
INOVA HEALTHPLEX ASHBURN	\$4,172.40	6		
S MARYLAND MED CENTER	\$4,380.00	6		
SUBURBAN HOSPITAL	\$2,987.60	4		
UNITED HOSPITAL CTR SE	\$1,790.40	3		
FREEFORM	\$1,655.20	2		
PRINCE GEORGES HOSP CTR	\$1,160.80	2		
VETERANS AFFAIRS MED CTR	\$1,790.80	2		
WALTER REED ARMY MED CTR	\$1,582.00	2		
HAYMARKET MEDICAL CENTER	\$539.60	1		
HEATHCOTE HEALTH CENTER	\$825.20	1		
HOWARD UNIV HOSPITAL	\$761.60	1		
SHADY GROVE ADVENTIST HOSPITAL	\$839.60	1		
SIBLEY HOSPITAL	\$599.60	1		
Grand Total	\$7,938,694.40	12,087		

MAA/EMS Non-County Residents* Non-Billed Ground Transports				
Fiscal Year Amount (\$) Count				
FY2017	\$1,778,469.60	2,738		
FY2018	\$1,664,369.20	2,529		
FY2019	\$1,534,412.00	2,306		
FY2020	\$1,409,698.40	2,164		
FY2021	\$1,551,745.20	2,350		
Total	\$7,938,694.40	12,087		

^{*}Footnote: Based on patient's resident status
Data provided by EMS, Aggregated by OFPA

2. Action Plan

OFPA Recommendation:



Purported by EMS management, hospitals provide PII to EMS management to facilitate the billing process.

We recommend staff develop a process to analyze the gaps between patient intake, discharge, and collection of PII. The results of these analyses should be used to identify the root causes for the PII collection failures.

OFPA Data Scientists data-mined the records to identify and rank the providers that are contributing to this revenue leakage. We further recommend the staff start the analysis by focusing on the top 5 service providers.

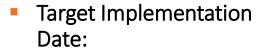
2. Action Plan

Management Response:

12,087 out of 56,703 (or 21.3%) of non-resident transports were deemed unbillable during the claim submission process. EMS transports are sometimes unbillable due to missing or incomplete data.

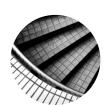
FRD will commence tracking errors and identifying root causes <u>through these existing</u> processes:

- Review of the billing vendor's daily client receipts to reconcile missing data.
- Program Manager's review of unbilled transports using bi-weekly lists which will be reconciled to monthly patient records for transports not deemed a medical necessity.
- Reconciliation of all monthly/quarterly transactions, audits and KPI analysis.
- Semi-monthly review of contract performance meetings with billing vendor, Client Manager and Executive Director to resolve outstanding issues.
- Annual vendor reviews/evaluations to set contracted rates based on average net collections.



- 10/31/2022
- Agency Process
 Owners:
 - Arsenio DeGuzman
 - Chinaka Barbour
 - EMS Deputy Chief Mark Kordalski
- Assistant Chief Daniel Shaw

3. EMS Contractors Data Entry Errors for Non-County Residents Transports Observation:





The files submitted by EMS management, were forwarded to OFPA and mined by the Data Scientists. The results of these analytics revealed four types of data entry errors:

- Duplicate transports: **17** from FY2017-FY2021.
- ➤ Incorrect mileage charge (should be \$12/mile): **539** transports from FY2017-FY2021.
- Incorrect transport mileage: 2 from FY2017-FY2021.
- ➤ Discounts exceeding gross charges: **7** transports from FY2017-FY2021.

3. EMS Contractors Data Entry Errors for Non-County Residents Transports (Cont'd) Observation:

565 transports from FY2017-FY2021 were recorded incorrectly.

~74% of the errors occurred in FY2018. Purported by EMS management, these transports were coded incorrectly by the billing vendor in 2017 due to staffing changes.

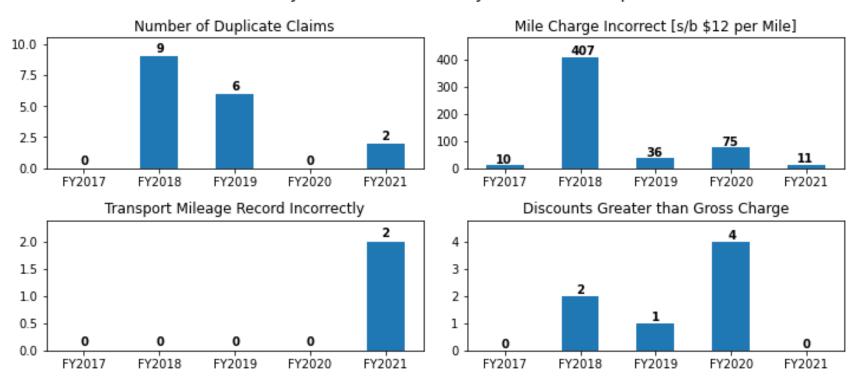
OFPA reviewed the contract between the County and Change Healthcare, LLC and found no performance measures pertaining to billing accuracy.

The table and graph below highlight further details.

MAA/EMS Billing Contractors [Med3000 FY17-FY19/Change Healthcare FY20-FY21] Data Entry Errors for Non-County Resident Transports FY2017 FY2018 FY2019 FY2020 FY2021 Total **Error Types Number of Duplicate Claims** Mile Charge Incorrect [s\b \$12 per Mile] Transport Mileage Record Incorrectly Discount greater than Gross Charge

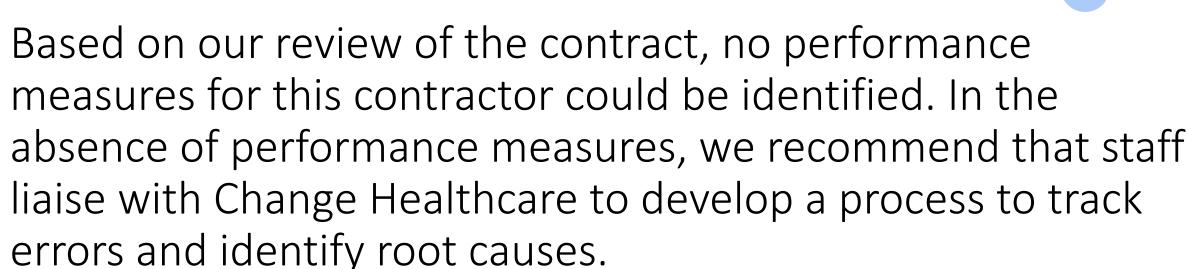
MAA/EMS Billing Contractors [Med3000 FY17-FY19/Change Healthcare FY20-FY21]

Data Entry Errors for Non-County Residents Transports

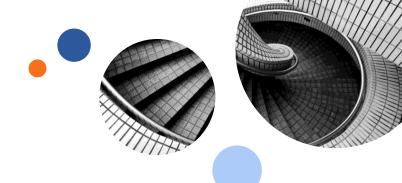


3. Action Plan

OFPA Recommendation:



This information should be used to implement processes to reduce errors and staff rework. Rework by staff comes at a financial cost and additional labor hours.



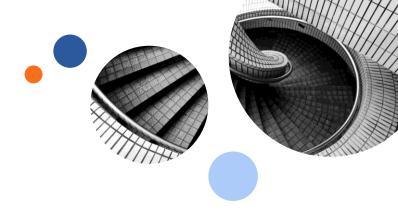
3. Action Plan

Management Response:

565 out of 56,703 (or 0.9%) of data entry errors for non-County resident transports. These data were generated from a multi-source summary report.

These errors reflect incorrect matching of billing or payment adjustments which were corrected during the billing cycle.

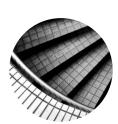
FRD will reinforce the daily billing information collection and contract monitoring activities to ensure errors are minimized to the greatest extent possible.



- Target Implementation Date:
 - 10/31/2022
- Agency Process Owners:
 - Arsenio DeGuzman
 - Chinaka Barbour
 - EMS Deputy Chief Mark Kordalski
 - Assistant Chief Daniel Shaw

4. MAA/EMS Billing Contractors Non-County Resident Processing Time Analysis Observation:







EMS management outsources the billing functions for these services provided by the County. OFPA Data Scientists analyzed the files provided by EMS management for non-County Resident EMS Transports. These analyses were used to aggregate claims based on billing processing times. *This analysis was performed only on claims with adequate billing information.* Claims for which billing information could not be obtained were not included in this analysis.

Our review revealed the following:

- ~80% of bills were processed between 0-30 days.
- Less than 1% of bills were processed over 180 days.

OFPA finds this process acceptable. We Pass Further Audit Work (PFAW).

The following table and chart provide more details.

MAA/EMS Billing Contractors Non-County Residents Processing Time*, (Med3000 FY17-FY19/Change Healthcare FY20-FY21) Contractor Billing Between FY17-FY21

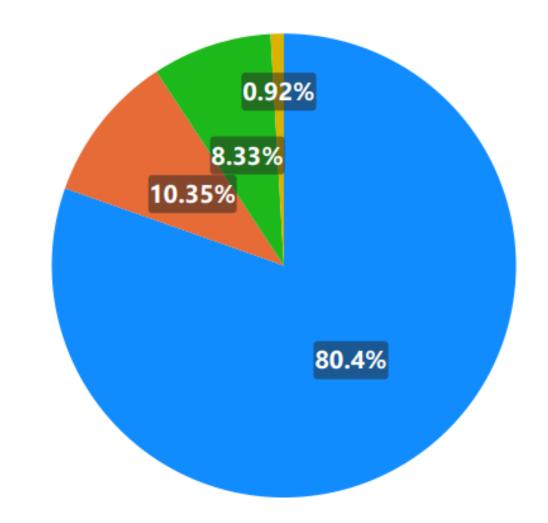
Bill Processing Time	Counts	Percentage
0-30 days	34,203	80.4%
31-60 days	4,403	10.4%
61-180 days	3,543	8.3%
180+ days	392	0.9%

^{*}For claims with adequate billing information

MAA/EMS Non-County Residents Bill Processing Time*, FY2017-FY2021

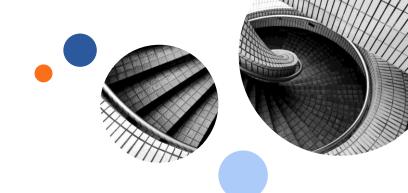
Bill Processing Time

- 0-30 days
- 31-60 days
- 61-180 days
- 180+ days



^{*}For claims with adequate billing information

5. Helicopter Law Enforcement Trips BOS Settled Policy Item Description

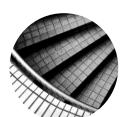


OFPA mined the files provided by Fairfax County Police Department (FCPD)
Helicopter Division management to aggregate Law Enforcement and Medevac trips.
These operations are managed by the Helicopter Division which operates 2 helicopters for law enforcement and Medevac services.

The MAA, under which these services are provided, does not include the option to bill other jurisdictions for either law enforcement or Medevac services provided to partnering jurisdictions. Costs associated with these services are operating costs supported by the County's general fund.

5. Helicopter Law Enforcement Trips (Cont'd)







BOS Settled Policy Item Description

We discussed billing other jurisdictions for law enforcement trips with FCPD. Between FY2019-FY2021, there were **331** flight hours that could generate **\$324,182** in potential revenue. There does appear to be an opportunity to explore billing for law enforcement trips to other jurisdictions. There are some considerations which will need to be broached:

- Office of County Attorney (OCA) to discuss any needed amendment to the MAA, and
- FCPD finance, or another billing function at main campus, to assess the additional billing work, with the goal of folding these activities into the existing staff's workload.

The tables and graph on the following pages provide additional details.

Pot	Potential Billable Revenue (Helicopter Law Enforcement Trips) Other Jurisdictions ¹								
Fiscal Year	FY2	2019	FY2020		FY2021		FY2019-FY2021 Totals		
Jurisdictions	Flight Hours	Potential Billable Revenue	Flight Hours	Potential Billable Revenue	Flight Hours	Potential Billable Revenue	Total Flight Hours	Total Potential Billable Revenue	
Alexandria	1.3	\$1,272	3.6	\$3,522	23	\$22,499	27.9	\$27,292	
Arlington	1.6	\$1,565	6.9	\$6,750	6.8	\$6,652	15.3	\$14,967	
Fairfax City	1.5	\$1,467	7	\$6,848	1.2	\$1,174	9.7	\$9,489	
Fauquier	0	\$0	0	\$0	1	\$978	1	\$978	
Loudoun	1.5	\$1,467	6.1	\$5,967	11.4	\$11,152	19	\$18,586	
Other	2.6	\$2,543	33.2	\$32,477	23.3	\$22,793	59.1	\$57,813	
Prince William	9.8	\$9,587	74.2	\$72,584	26.9	\$26,314	110.9	\$108,485	
Virginia State Police	6.8	\$6,652	54.3	\$53,117	25.6	\$25,042	86.7	\$84,812	
Warrenton	0	\$0	0	\$0	1.8	\$1,761	1.8	\$1,761	
Total	25.1	\$24,553	185.3	\$181,264	121	\$118,365	331.4	\$324,182	

Footnote (1):Data compilation based on jurisdiction request

Operating Expense (Helicopter Law Enforcement Trips) Fairfax County ¹								
Fiscal Year	FY2	2019	FY2020		FY2021		FY2019-FY2021 Totals	
Jurisdictions	Flight Hours	Operating Expense	Flight Hours	Operating Expense	Flight Hours	Operating Expense	Total Flight Hours	Total Operating Expense
Fair Oaks	29.2	\$28,564	25.9	\$25,336	26.5	\$25,923	81.6	\$79,823
Fairfax Countywide	3.4	\$3,326	4.4	\$4,304	74.1	\$72,486	81.9	\$80,116
Falls Church	0	\$0	0	\$0	0.3	\$293	0.3	\$293
Franconia	37.8	\$36,977	43	\$42,063	67.3	\$65,834	148.1	\$144,874
Herndon	1.4	\$1,370	5.7	\$5,576	3.7	\$3,619	10.8	\$10,565
Mason	38.4	\$37,564	47	\$45,976	30.3	\$29,640	115.7	\$113,180
McLean	6.9	\$6,750	45.1	\$44,118	53.4	\$52,237	105.4	\$103,104
Mount Vernon	24.5	\$23,966	70.4	\$68,867	52.9	\$51,748	147.8	\$144,581
Reston	16.8	\$16,434	30.1	\$29,444	40.8	\$39,911	87.7	\$85,790
Springfield	0	\$0	0	\$0	0	\$0	0.0	\$0
Sully	37	\$36,194	28.9	\$28,271	31.5	\$30,814	97.4	\$95,279
Vienna	0	\$0	1.7	\$1,663	0	\$0	1.7	\$1,663
West Springfield	38.7	\$37,857	49.7	\$48,618	40.4	\$39,520	128.8	\$125,995
Total	234.1	\$229,001	351.9	\$344,236	421.2	\$412,026	1,007.2	\$985,263

Footnote (1):Data compilation based on jurisdiction request

Helicopter Division Law Enforcement Trips - Potential Billable Revenue, FY2019-FY2021

Jurisdictions

Prince William

Virginia State Police

Other

Alexandria

Loudoun

Arlington

Fairfax City

Warrenton

Fauquier

Flight Hours: 110.9

Flight Hours: 86.7

Flight Hours: 59.1

Flight Hours: 27.9

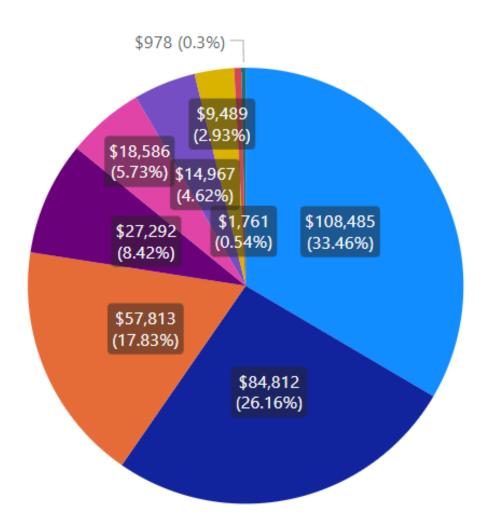
Flight Hours: 19

Flight Hours: 15.3

Flight Hours: 9.7

Flight Hours: 1.8

Flight Hours: 1



5. Action Plan

BOS Settled Policy Item Discussion

The MAA details how law enforcement trips for partnering jurisdictions are provided, and how costs are paid. There is no billing option for partnering jurisdictions under this agreement. Costs associated with these services are operating costs supported by the County's general fund.

We respectfully mention (without recommendation) the consideration of staff to liaise with OCA, Department of Finance and FCPD Finance Department could be useful in evaluating billing functions to identify billing opportunities.

This process would assist the County in recovering costs and reducing the use of the County's general fund to support other jurisdictions.

6. Helicopter Division Non-County Resident Medevac Trips



BOS Settled Policy Item Description



OFPA reviewed the Helicopter Division Medevac trips made in support of FCFRD's EMS services when air support is necessary.

There were **33.3** flight hours for Medevac trips to non-County Residents between FY2019-FY2021. Only **9.9%** of non-County Resident flight hours were associated with Medevac trips.

The Helicopter Division does not bill for Medevac transports. Purported by FCPD Helicopter Division management, "the County does not have the 14 CFR Part 135 Air Carrier and Operator Certification which is needed to bill for these transports." We've reviewed this assertion with the FCPD Helicopter Division; they concur with our conclusion. Additionally, the related BOS approved MAA precludes the County from billing for these services.

OFPA finds incorporating Medevac billing to be cost prohibitive.

We Pass Further Audit Work (PFAW)

Uncollectable Revenue (Helicopter Medevac Trips) Other Jurisdictions ¹								
Fiscal Year	FY	2019	FY	FY2020 FY2021			FY2019-FY2021 Totals	
Jurisdictions	Flight Hours	Uncollectable Revenue	Flight Hours	Uncollectable Revenue	Flight Hours	Uncollectable Revenue	Total Flight Hours	Total Uncollectable Revenue
Annandale	0.7	\$685	0	\$0	0	\$0	0.7	\$685
Bealton	0	\$0	0	\$0	0.7	\$685	0.7	\$685
Centreville	1.1	\$1,076	0	\$0	0	\$0	1.1	\$1,076
Clifton	0	\$0	0.7	\$685	0.7	\$685	1.4	\$1,370
Dale City	0	\$0	0	\$0	0.5	\$489	0.5	\$489
Dulles	1.5	\$1,467	0	\$0	0	\$0	1.5	\$1,467
Dumfries	0	\$0	0.5	\$489	0.5	\$489	1	\$978
Fairfax	2.1	\$2,054	0	\$0	0.7	\$685	2.8	\$2,739
Fairfax Station	0	\$0	0	\$0	0.7	\$685	0.7	\$685
Fort Belvoir	0	\$0	0.7	\$685	0	\$0	0.7	\$685
Gainesville	0.5	\$489	0	\$0	0	\$0	0.5	\$489
Great Falls	0.6	\$587	0	\$0	0	\$0	0.6	\$587
Lake Ridge	0	\$0	0.5	\$489	0	\$0	0.5	\$489
Lorton	0.6	\$587	0.8	\$783	1.7	\$1,663	3.1	\$3,032
Manassas	0.7	\$685	0.5	\$489	2.7	\$2,641	3.9	\$3,815
Manassas Park	0	\$0	0.7	\$685	0	\$0	0.7	\$685
Manssas	0	\$0	0	\$0	0.4	\$391	0.4	\$391
Nokesville	0	\$0	0.6	\$587	0.6	\$587	1.2	\$1,174
Prince William	0.6	\$587	0	\$0	0	\$0	0.6	\$587
Reston	0	\$0	0	\$0	0.6	\$587	0.6	\$587
Sterling	0.7	\$685	1.2	\$1,174	0	\$0	1.9	\$1,859
The Plains	0.4	\$391	0	\$0	0.8	\$783	1.2	\$1,174
Warrenton	1.5	\$1,467	0.8	\$783	0	\$0	2.3	\$2,250
Woodbridge	2	\$1,956	0.7	\$685	2	\$1,956	4.7	\$4,598
Total	13	\$12,717	7.7	\$7,532	12.6	\$12,326	33.3	\$32,575

Draft

Fairfax County Office of Financial and Program Audit



Emergency Medical Services (EMS) REVIEW

Study Introduction

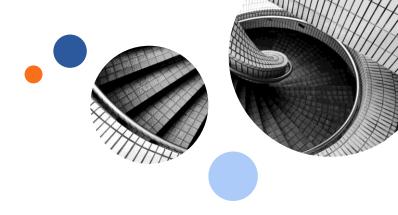
The EMS operations are managed by the Fairfax County Fire and Rescue Department (FCFRD). Transport services are categorized into three areas with fees: Basic Life Support (BLS) - \$500 fee, Advanced Life Support Level 1 (ALS1) - \$650 fee, and Advanced Life Support 2 (ALS2) - \$800 fee. Additionally, a \$12 per mile fee is charged for miles from pick-up location to hospital. These fees remain unchanged since June 2008. Total EMS expenditures in FY17 – FY21 ranged between ~\$65.9M - ~\$73.4M. Total EMS revenues in FY17 – FY21 ranged between ~\$19.6M - ~\$21.3M.

Emergency Medical Services provided a total of 208,838 ground transports to County residents from FY2017-FY2021. The FCPD Helicopter Division provided a total of 44 Medevac transports to County residents in support of EMS operations from FY2019-FY2021.

EMS operates under Board of Supervisors' settled policies, which provides approved operational guidance. With that, this Audit Committee approved study will, in several instances, present areas identified as *BOS Settled Policy Description/Discussion Items* as opposed to *Observations* and *Recommendations*.







Work Plan Review Areas:

- Incurred Transport Cost vs Billed Services
- Services Billed vs Receipts
- Comparative Benchmarking

Additional Review Areas Covered:

- County Resident Ground Transport Claim Billings Analysis
- Review of Contractor's Billing Process
- EMS Vehicle Replacement Analysis
- County Resident Helicopter Medevac Transports

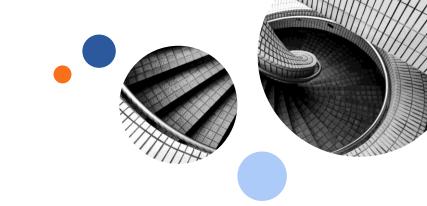
Study Highlights

Review Results:



208,838 total from FY2017-FY2021.

- Unbilled claims due to unidentifiable or other missing patient information.
- **1,921** Billing Errors from FY2017-FY2021.
- Average Annual Discounts and Uncollected Monies:
 - ~\$11.6M or 41% of Gross Charges.

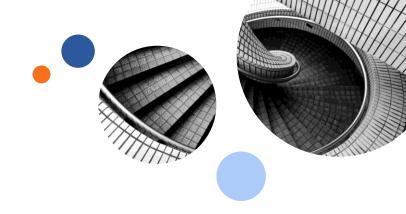


Study Highlights (Cont'd)

Review Results:

	EMS County Resident Billing Process: Benchmarking to Comparable Jurisdictions								
Jurisdictions	County Resident Billings	% of Collections* in FY2021	Sent to Collections?	A/R Aging and Write-offs					
Fairfax County	Accepts insurance as payment in full. Remaining balance written off.	87%	No	Receivables are aged 180 days before being written off.					
Loudoun County	Accepts insurance as payment in full. Remaining balance written off.	74%	No	Receivables are aged 120 days before being written off.					
Montgomery County	Accepts insurance as payment in full. Remaining balance written off.	65%	No	Data Not Available					
Prince William County	Accepts insurance as payment in full. Remaining balance written off.	79%	No	Receivables are aged 280 days before being written off.					
Arlington County	Does not accept insurance as payment in full. Residents are billed.	65%	Yes	Receivables are aged 150 days before sending to collections. Bills are not written off.					
City of Alexandria		No Data Providea	ı						
Prince George's County		No Data Provided							

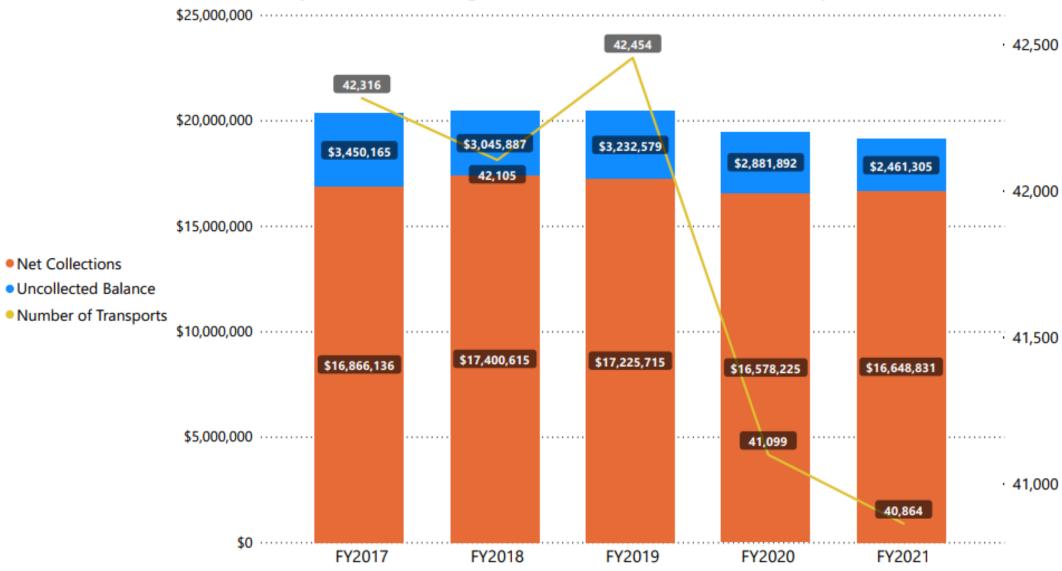
^{*}Total County and Non-County Resident EMS Transports



Benchmarking: EMS Transport Fees by Jurisdiction								
Fee Description	Fairfax County	Loudoun County	Montgomery County	Prince William County	Arlington County	City of Alexandria	Prince George's County	
Basic Life Support	\$500	\$467	\$400	\$400	\$500	\$400	\$500	
Advanced Life Support 1	\$650	\$660	\$500	\$500	\$650	\$500	\$650	
Advanced Life Support 2	\$800	\$770	\$700	\$675	\$850	\$850	\$750	
Transport Charge per Mile	\$12	\$11	\$8.50	\$10	\$12	\$10	\$5	

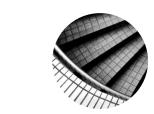


EMS County Resident Billing Collections and Number of Transports





1. EMS County Resident Ground Transport Claim Billings Analysis





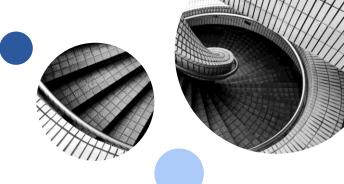
BOS Settled Policy Item Description

There were **208,838** County Resident EMS Ground Transports between FY2017-FY2021.

- The potential gross revenue for the transports is decreased through "Discounts" and/or "Uncollected Balances" which are facilitated through settled policies such as:
 - > Claim balances not covered by insurance companies are discharged w/o customary collection efforts.

As purported by EMS management, approval to discharge the claim receivables is in alignment with the direction of the BOS. The following statement from a May 2004 Public Hearing Notice was provided by EMS management to support the above assertion: "It should be noted that ability to pay would not in any circumstances preclude medically-required transports nor would residents unable to pay be subjected to extraordinary collection efforts." While this statement refers specifically to "extraordinary collections efforts," it is unclear if this statement is designed to mean EMS staff should forgo customary collection efforts.

1. EMS County Resident Ground Transports (Claim Billings Analysis (Cont'd)



BOS Settled Policy Item Description (Cont'd)

Other settled policies include:

- > Claims not covered by insurance companies and not billed to constituents are discharged in full, and
- The County's Collection Agency (NCC-Nationwide Credit Corporation) is not engaged to participate in the collection efforts for aged claims.
- Average annual discounts and uncollected monies: ~\$11.6M or 41% of Gross Charges.
- Five-year discounts and uncollected monies: ~\$58.2M or 41% of Gross Charges.

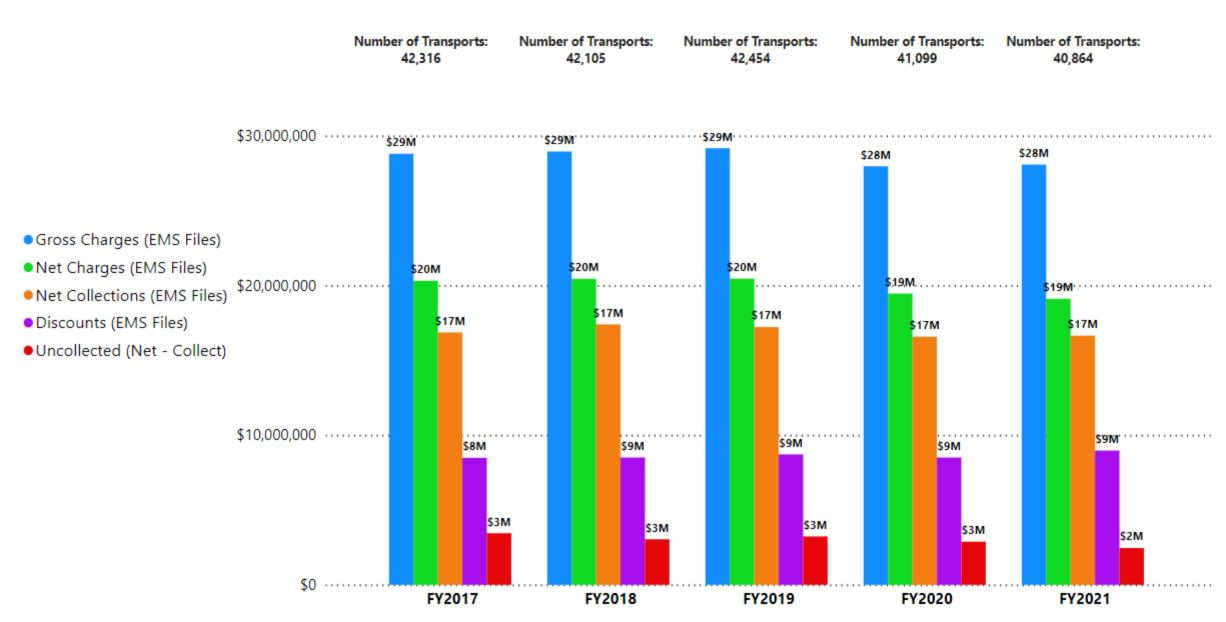
These data are further highlighted in the table and graph below.

EMS County Re	sident G	round Tra	ansport*	Claim Bil	lings Ana	alysis
Number of Transports	42,316	42,105	42,454	41,099	40,864	208,838
Financial Activity	FY2017	FY2018	FY2019	FY2020	FY2021	Total
Gross Charges (EMS Files)	\$28,802,948	\$28,953,864	\$29,173,942	\$27,966,805	\$28,079,550	\$142,977,110
Discounts (EMS Files)	(\$8,486,647)	(\$8,507,362)	(\$8,715,648)	(\$8,506,688)	(\$8,969,413)	(\$43,185,759)
Net Charges (EMS Files)	\$20,316,301	\$20,446,502	\$20,458,294	\$19,460,117	\$19,110,137	\$99,791,351
Net Collections (EMS Files)	\$16,866,136	\$17,400,615	\$17,225,715	\$16,578,225	\$16,648,831	\$84,719,523
Uncollected Balance (Net - Collect)	\$3,450,165	\$3,045,887	\$3,232,579	\$2,881,892	\$2,461,305	\$15,071,829
Discounts / Gross Charges	29%	29%	30%	30%	32%	30%
Net Collections / Net Charges	83%	85%	84%	85%	87%	85%
Uncollected Balance / Net Charges	17%	15%	16%	15%	13%	15%

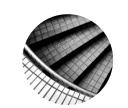
^{*}Footnote: Based on patient's resident status Data Provided by EMS, Aggregated by OFPA

EMS County Residents Ground Transports Claims Billing Analysis

\$40,000,000

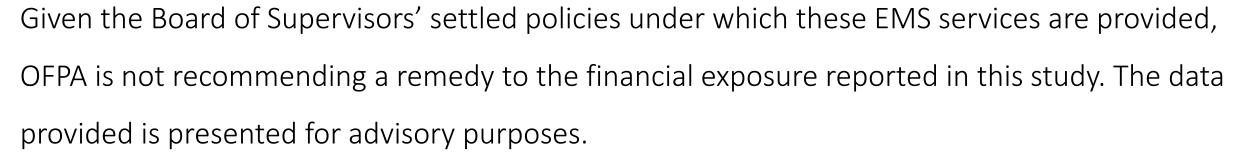


EMS County Resident Ground Transport Claim Billings Analysis (Cont'd)





BOS Settled Policy Item Discussion



While keeping in view our constituents' contribution to the general fund through various levied taxes, I respectfully mention (without recommendation) the consideration of a modified billing mechanism for receivables currently abated through our write-off process. This could also be facilitated through added efforts from our contracted collections vendor NCC. These considerations could reduce revenue leakage.

2. EMS Non-Billed County Resident Transports





Observation:

Our review revealed **22,431** ground transports from FY2017-FY2021 which were never billed to County residents for whom the services were provided.

Management asserts these non-billed transports were a combination of:

- PII could not be obtained, or
- Patient did not meet medical necessity for transport, or
- Worker's compensation, or
- Other reasons not specified.

A demarcation between these items could not be provided.

2. EMS Non-Billed County Resident Transports (Cont'd)

Observation:

Financial data for the non-billed transports are below:

- Gross charges for these transports were ~\$14 million.
 - > All of these charges were uncollected.
 - ➤ Net charges not available.

Transports to Inova Fairfax Hospital: **8,130** transports and gross charges were **~\$5.2 million** between FY2017-FY2021.

Financial and count data for other service providers are detailed in the following slides.

EMS County Residents* Ground Transports w/o Billings Due to Unidentifiable Patient Information or Other Designations as Asserted by EMS

Hospital	Total (FY2017-FY2021)				
	Amount (\$)	Count			
INOVA FAIRFAX HOSPITAL	\$5,215,462.80	8,130			
MOUNT VERNON HOSPITAL	\$2,219,138.00	3,690			
RESTON HOSPITAL CENTER	\$1,955,421.60	3,166			
INOVA FAIR OAKS HOSPITAL	\$1,671,110.80	2,635			
INOVA ALEXANDRIA HOSPITAL	\$1,144,410.40	1,906			
SPRINGFIELD HEALTHPLEX	\$566,023.60	937			
VIRGINIA HOSPITAL CENTER	\$579,498.00	931			
INOVA LORTON HEALTHPLEX	\$279,702.00	461			
FORT BELVOIR COMM HOSPITAL	\$85,158.00	132			
FAIRFAX EMERGENCY CARE CTR	\$78,039.20	129			
STONE SPRING EMERGENCY CTR	\$71,728.40	104			
WASHINGTON HOSPITAL CTR	\$27,584.00	31			
SENTARA NORTHERN VA MED CTR	\$18,200.00	28			
RESTON EMERGENCY CARE CTR	\$15,289.60	26			
CHILDRENS NATIONAL MEDICAL	\$16,688.80	23			
DEWITT ARMY HOSPITAL	\$11,144.00	18			
PRINCE WILLIAM HOSPITAL	\$12,393.60	16			
GEORGE WASHINGTON UNIVERS	\$12,120.80	16			
LOUDOUN HOSPITAL CENTER	\$10,842.80	13			
SIBLEY HOSPITAL	\$7,402.40	11			
GEORGETOWN HOSPITAL	\$5,888.80	8			
CAREFLIGHT	\$4,779.20	8			
FREEFORM	\$5,170.40	7			
INOVA HEALTHPLEX ASHBURN	\$2,546.40	3			
VETERANS AFFAIRS MED CTR	\$1,894.00	2			
Grand Total	\$14,017,637.60	22,431			

EMS County Residents* Non-Billed Ground Transports				
Fiscal Year	Amount (\$)	Count		
FY2017	\$3,067,428	4,981		
FY2018	\$3,038,640	4,939		
FY2019	\$2,859,476	4,634		
FY2020	\$2,696,898	4,120		
FY2021	\$2,355,195	3,757		
Total	\$14,017,638	22,431		

^{*}Footnote: Based on patient's resident status Data Provided by EMS, Aggregated by OFPA

2. Action Plan

OFPA Recommendation:



We recommend staff develop a process to analyze the gaps between patient intake, discharge, and collection of PII. The results of these analyses should be used to identify the root causes for the PII collection failures.

OFPA Data Scientists data-mined the records to identify and rank the providers that are contributing to this revenue leakage. We further recommend the staff start the analysis by focusing on the top 5 service providers.

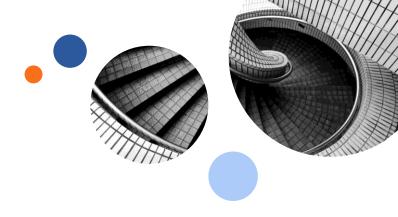
2. Action Plan

Management Response:

The billing information collection and contract monitoring activities in place are the same for both County residents and non-residents with only one exception on the payment receiving end. The sole exception is when County residents provide insurance information, FRD accepts whatever the patient's insurance pays as payment in full and waives any remaining out-of-pocket co-payment or deductible requirements. Consequently, FRD's response to this recommendation is the same as in slide 12 above.

22,431 of 208,838 (or 10.7%) of County resident incidents that were deemed unbillable during the coding and claim submission process.

FRD will immediately reinforce the daily billing information collection and contract monitoring activities already in place to further ensure errors are minimized to the greatest extent possible.



- Target Implementation Date:
 - 10/31/2022
- Agency Process Owners:
 - Arsenio DeGuzman
 - Chinaka Barbour
 - EMS Deputy Chief Mark Kordalski
 - Assistant Chief Daniel Shaw

3. EMS Contractors Data Entry Errors for County Residents' Transports (Med3000 FY17-FY19/Change Healthcare FY20-FY21)

Observation:

EMS management outsources the billing functions for EMS services provided by the County. Our review of the billing process revealed several notable data entry errors. OFPA Data Scientists mined the files provided by EMS management to aggregate these errors. These errors ultimately affect the billings and contribute to revenue leakage if not caught and corrected. The Data Scientists aggregated the data entry errors to stratify the count.

The following slides provide details in bullets, tables and graphs.

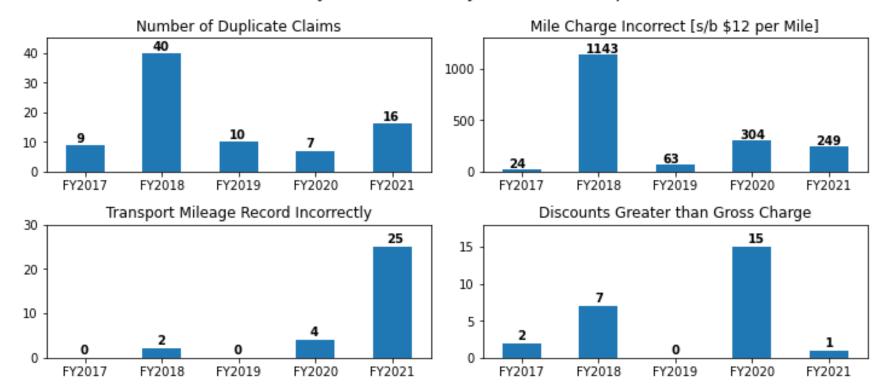
3. EMS Contractors Data Entry Errors for County Residents' Transports (Med3000 FY17-FY19/Change Healthcare FY20-FY21) Observation:

The files submitted to EMS management which were forwarded to OFPA and mined by the Data Scientists revealed four types of data entry errors:

- ➤ Duplicate transports: **82** from FY2017-FY2021.
- Incorrect mileage charge (should be \$12/mile): **1,783 transports** from FY2017-FY2021.
- ➤ Incorrect transport mileage: **31** from FY2017-FY2021.
- > Discounts exceeding gross charges: **25 transports** from FY2017-FY2021.
- ~62% of 1,921 total errors occurred in FY2018 (staffing changes at billing vendor).

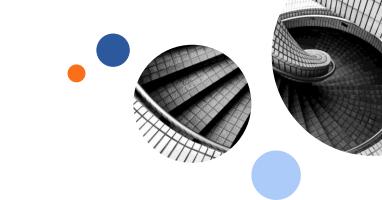
EMS Contractors [Med3000 FY2017-FY2019/Change Healthcare FY2020-FY2021] **Data Entry Errors for County Resident Transports** FY2018 FY2019 FY2020 FY2021 **Error Types** FY2017 Total **Number of Duplicate Claims** 40 10 16 82 Mile Charge Incorrect [s\b \$12 per Mile] 24 1,143 63 304 249 1,783 Transport Mileage Record Incorrectly 2 25 31 0 0 4 Discount Greater than Gross Charges 2 7 0 15 25

EMS Contractors [Med3000 FY2017-FY2019/Change Healthcare FY2020-FY2021] Data Entry Errors for County Residents Transports



3. Action Plan

OFPA Recommendation:



Based on our review of the contract, no performance measures for this contractor could be identified. In the absence of performance measures, we recommend that staff liaise with Change Healthcare to develop a process to track errors and identify root causes.

This information should be used to implement processes to reduce errors and staff rework. Rework by staff comes at a financial cost and additional labor hours.

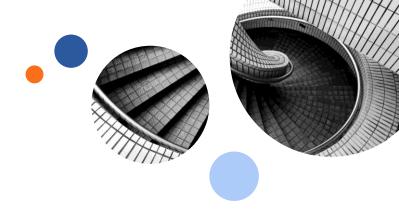
3. Action Plan

Management Response:

The billing information collection and contract monitoring activities in place are the same for both County residents and non-residents with only one exception on the payment receiving end. The sole exception is when County residents provide insurance information, FRD accepts whatever the patient's insurance pays as payment in full and waives any remaining out-of-pocket co-payment or deductible requirements. <u>Consequently, FRD's response to this</u> recommendation is the same as in slide 17 above.

1,921 out of 208,838 (or 0.9%) of data entry errors for County resident transports which exit in a multi-source summary report.

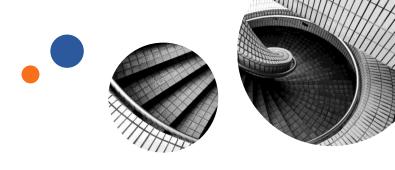
FRD will reinforce the existing daily billing information collection and contract monitoring activities to further ensure errors are minimized to the greatest extent possible.



Target Implementation Date:

- 10/31/2022
- Agency Process Owners:
 - Arsenio DeGuzman
 - Chinaka Barbour
 - EMS Deputy Chief Mark Kordalski
 - Assistant Chief Daniel Shaw

4. EMS Billing Contractors County Resident Processing Time Analysis Observation:



EMS management outsources the billing functions for these services provided by the County. OFPA Data Scientists analyzed the files provided by EMS management for County Resident EMS Transports. These analyses were used to aggregate claims based on billing processing times. *This analysis was performed only on claims with adequate billing information.* Claims for which billing information could not be obtained were not included in this analysis.

Our review revealed the following:

- ~86% of bills were processed between 0-30 days.
- Less than 1% of bills were processed over 180 days.

OFPA finds this process acceptable. We Pass Further Audit Work (PFAW).

The following table and chart provide more details.



EMS Billing Contractors County Residents Processing Time* (Med3000 FY17-FY19/Change Healthcare FY20-FY21), Contractor Billing Between FY17-FY21

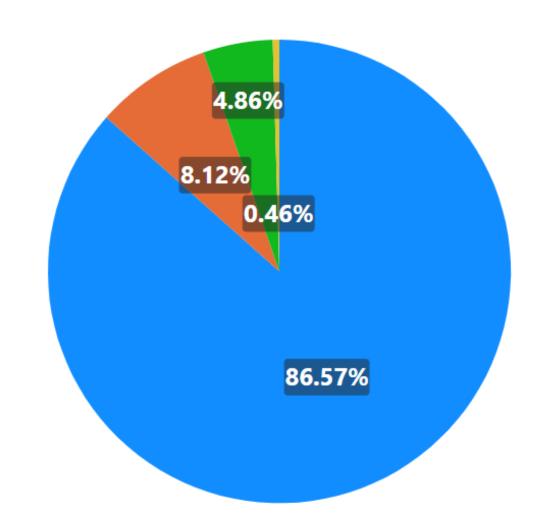
Bill Processing Time	Counts	Percentage
0-30 days	158,382	86.6%
31-60 days	14,853	8.1%
61-180 days	8,884	4.9%
180+ days	843	0.5%

^{*}For claims with adequate billing information

EMS County Residents Bill Processing Time*, FY2017-FY2021

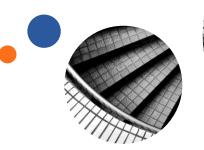
Bill Processing Time

- 0-30 days
- 31-60 days
- 61-180 days
- 180+ days



^{*}For claims with adequate billing information

5. EMS Vehicle Replacement Analysis





Observation:

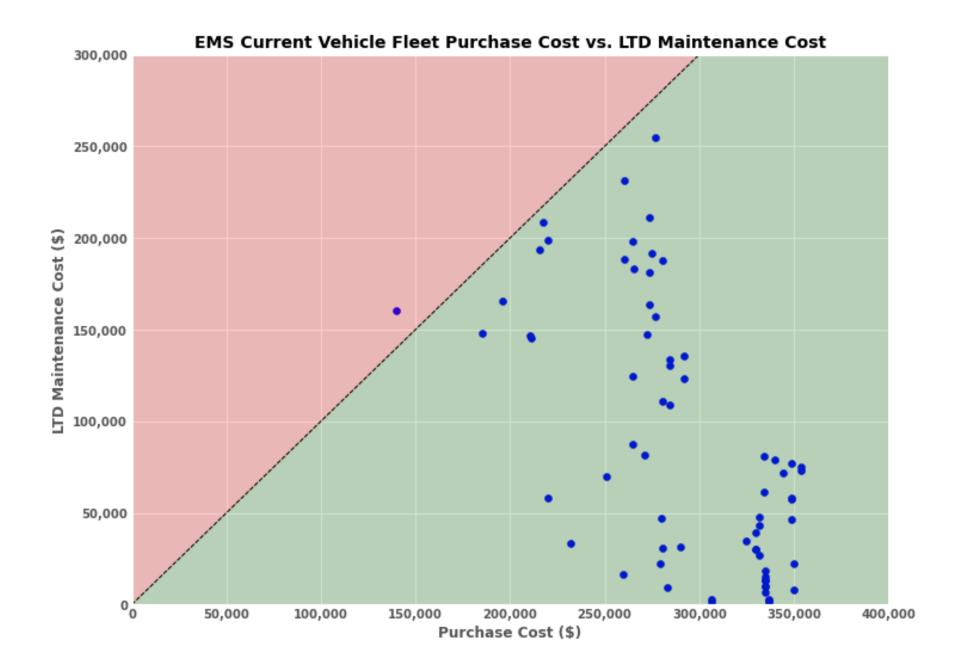
OFPA reviewed the EMS vehicle fleet to identify rolling stock exceeding useful life, mileage, or other criteria which would warrant replacements. Based on EMS management reporting, the transport units have a 10-year life cycle. We were also informed that there are no minimum mileage requirements for vehicle replacement.

OFPA analysis revealed the following:

- 8 out of 69 (or 12%) of the fleet has been in service over 10 years.
 - These 8 vehicles have been in service between 11 and 18 years.
- 1 vehicle with maintenance cost (~\$160k) exceeding purchase price (~\$140k).

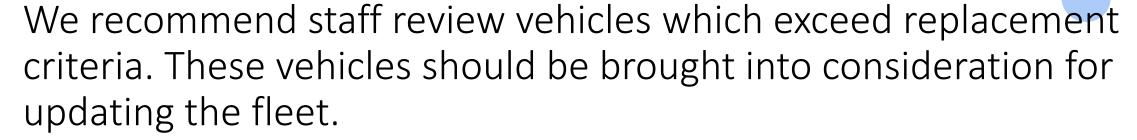
EMS Fleet Maintenance v. Purchase Price Analysis EMS Replacement Criteria is 10-Year Life Cycle- 8 Identified

Vehicle ID	Model Year	Purchase Price	Parts Exp.	Labor Exp.	Total Maint.	Maint./Pur.	Years In Service
V070	2003	\$140,000.00	\$56,666.33	\$84,361.32	\$160,066.22	114.33%	18
V802	2006	\$196,175.00	\$65,492.52	\$79,733.90	\$165,698.69	84.46%	16
V382	2007	\$210,231.85	\$66,971.90	\$73,586.77	\$146,729.90	69.79%	15
V504	2009	\$215,809.00	\$85,852.76	\$86,783.62	\$193,505.72	89.67%	13
V383	2011	\$277,000.00	\$77,000.17	\$71,976.45	\$157,095.61	56.71%	11
V805	2011	\$260,548.00	\$120,762.05	\$101,830.22	\$231,606.97	88.89%	11
V231	2012	\$260,548.00	\$102,084.44	\$80,487.74	\$188,303.36	72.27%	11
V804	2012	\$277,000.00	\$120,462.48	\$97,285.65	\$254,578.48	91.91%	11



5. Action Plan

OFPA Recommendation:



General Services Administration/Office of Inspector General minimum fleet replacement standards' guidance for:

- Non-Diesel Ambulances 7 years or 70,000 miles.
- Diesel Ambulances 7 years or 100,000 miles.

While the years-in-service requirements exist; given the criticality of the functions provided by our fleet, we also recommend the consideration of employing mileage replacement standards.



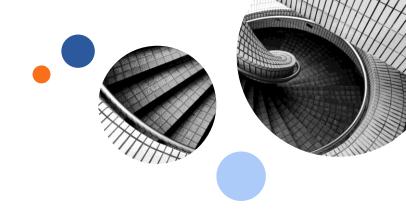
5. Action Plan

Management Response:

The vehicles included in slide 51 are volunteer owned and do not maintain the same replacement standard as County-owned vehicles

FRD will continue to evaluate the current replacement plan with Department of Management and Budget and Department of Vehicle Services.

The current replacement plan of 10 years includes 5 years in front line service and 5 years in reserve status. While a mileage standard for vehicle replacement does not exist, we will work with leadership on the recommendation.



- Target Implementation Date:
 - 10/31/2022
- Agency Process Owners:
 - Chinaka Barbour
 - Battalion Chief George Robbins
 - Assistant Chief Daniel Shaw

6. Helicopter Division County Resident Medevac Transports





Observation:



OFPA reviewed the Helicopter Division Medevac trips made in support of FCFRD's EMS services when air support is necessary.

There were **27** flight hours of Medevac trips within the County between FY2019-FY2021. Only **2.6%** of County Resident flight hours were associated with Medevac trips.

The Helicopter Division does not bill for Medevac transports. Purported by FCPD Helicopter Division management, "the County does not have the 14 CFR Part 135 Air Carrier and Operator Certification which is needed to bill for these transports." We've reviewed this assertion with the FCPD Helicopter Division; they concur with our conclusion.

OFPA finds incorporating Medevac billing to be cost prohibitive.

We Pass Further Audit Work (PFAW)

Operating Expense (Helicopter Medevac Trips) Fairfax County¹ Fiscal Year FY2019 FY2020 FY2021 FY2019-FY2021 Totals **Total Flight** Operating Operating Operating **Total Operating** Flight Hours Flight Hours Jurisdictions **Flight Hours** Expense Expense Expense Hours Expense Alexandria 2.9 \$2,837 0.7 \$685 0 \$0 3.6 \$3,522 \$0 Annandale 0.7 \$685 1.8 \$1,761 \$2,446 0 2.5 \$0 Burke \$0 0.8 \$783 0.8 \$783 0 0 Centreville 2.6 \$2,543 1.5 \$1,467 0 \$0 4.1 \$4,011 \$0 \$0 Chantilly \$978 0 \$978 0 1 1 \$293 \$0 Clifton \$685 \$978 0.7 0.3 0 1 **Fairfax** 1.4 \$1,370 \$1,956 1 \$978 4.4 \$4,304 2 \$0 **Fairfax Station** 1.4 \$1,370 0 \$0 0 1.4 \$1,370 \$0 \$0 \$587 0 0 \$587 Falls Church 0.6 0.6 **Great Falls** \$0 \$0 0.6 \$587 \$587 0 0 0.6 \$0 Herndon 1.2 \$1,174 1.5 \$1,467 0 2.7 \$2,641 Lorton \$0 \$0 \$293 \$293 0 0 0.3 0.3 \$0 McLean 0 0.7 \$685 0 \$0 0.7 \$685 \$0 \$0 Oakton \$783 \$783 0 0.8 0 0.8 \$0 \$0 Reston 0.7 \$685 0 0 0.7 \$685 \$0 \$978 \$783 Springfield 0 1 0.8 1.8 \$1,761 Woodbridge \$0 \$587 \$0 \$587 0 0.6 0 0.6 Total \$12,423 \$2,641 12.2 \$11,934 12.7 2.7 27.6 \$26,999

Footnote (1):Data compilation based on patient residency

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Fairfax County Office of Financial and Program Audit



LIST OF ACRONYMS

AC	Audit Committee		
ALS	Advanced Life Support		
BLS	Basic Life Support		
BOS	Board of Supervisors		
CFR	Code of Federal Regulations		
DIT	Department of Information Technology		
DOF	Department of Finance		
DR	DR Disaster Recovery		
EMS	MS Emergency Medical Service		
FCFRD	Fairfax County Fire and Rescue Department		
FCPD	Fairfax County Police Department		
FOCUS	Fairfax County Unified System		
LLC	.C Limited Liability Company		
MAA	MAA Mutual Aid Agreement		
NCC	NCC Nationwide Credit Corporation		
OCA	OCA Office of County Attorney		
OFPA	PA Office of Financial and Program Audit		
PFAW	/ Pass Further Audit Work		
PII	Patient Identifiable Information		

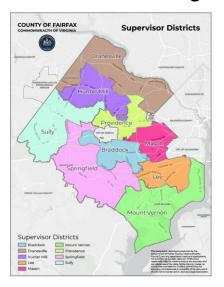
Draft Fairfax County Office of Financial and Program Audit



Allowance for Vote by Audit Committee to Adopt September 2022 Draft Quarterly Report

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Fairfax County Office of Financial and Program Audit





FAIRFAX COUNTY BOARD OF SUPERVISORS AUDITOR OF THE BOARD

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Office of the Financial and Program Audit 12000 Government Center Parkway, Suite 233 Fairfax, Virginia 22035 **End of Presentation**

Office of Financial and Program Audit

AuditoroftheBoard@fairfaxcounty.gov