

BILLING SERVICES AGREEMENT

THIS BILLING SERVICES AGREEMENT (the "Agreement") is made and entered into effective as of the _____ day of _____, 20__ (the "Effective Date") by and between the **City of Parma**, a Municipal Corporation ("Provider") and GREAT LAKES BILLING ASSOCIATES, INC., an Ohio corporation ("Great Lakes").

RECITALS:

A. Provider is a municipal corporation that directly provides emergency medical service ("EMS"), ambulance and related services to patients (each, a "Patient" and, collectively, the "Patients"), including the provision of mutual aid to Patients in neighboring jurisdictions.

B. Great Lakes is engaged in the business of providing third party ambulance and EMS billing, consultation and related services to providers.

C. Provider desires to engage Great Lakes as an independent contractor to provide third party EMS and ambulance billing and related services and support to Provider on the terms and conditions hereinafter set forth; and Great Lakes is willing to do so.

AGREEMENTS:

In consideration of the foregoing Recitals and the mutual covenants and agreements hereinafter set forth, Provider and Great Lakes hereby agree as follows:

1. SERVICES. Provider hereby engages Great Lakes to perform third party EMS and ambulance billing, consultation and related services (collectively, the "Services") during the Term (as hereinafter defined) on behalf of Provider, on the terms and conditions set forth herein. Great Lakes agrees to perform the Services as set forth under this Agreement in a professional and diligent manner, consistent with industry standards and in accordance with applicable law. In the performance of the Services, Great Lakes shall:

(a) utilize its computer system and billing programs to bill Patients and/or other responsible parties for the EMS and ambulance services provided to Patients based upon information supplied by the Provider, and as directed by Provider pursuant to this Agreement;

(b) provide comprehensive initial billing processes, including the preparation of claims with appropriate codes and charges (with charge rates for ALS and BLS to be established by the Provider and communicated to Great Lakes in writing) and the submission of electronic and/or paper claims to third party payers;

(c) provide continued billing processes which will include: (i) furnishing follow-up statement to Patients and/or other responsible parties approximately every four (4) weeks after initial billing until claim is resolved, subject to the write-off procedure selected by Provider under Section 2(f) hereof, (ii) responding to inquiries or correspondence from Patients, insurance companies or

other responsible parties, (iii) providing Patient billing support via a toll free number (1-800-845-GLBA), Monday through Friday 8:00am to 5:00pm, and (iv) contacting Medicaid, Medicare, and other appropriate third party payers for claim status reports within 30-45 days of last claim submission;

(d) provide cash posting services which will include: (i) posting of payment to appropriate Patient accounts, (ii) posting of appropriate contractual allowances to accounts, and (iii) posting of necessary write-offs in accordance with the provisions of Section 2(f) hereof; and

(e) provide monthly reports to Provider as reasonably agreed upon by the parties, including charge summary, payment and adjustment, and accounts receivable reports in such form as mutually agreed upon by Provider and Great Lakes.

2. BILLING AND WRITE-OFF PROCEDURES. Provider hereby makes the following elections in respect of its desired billing and write-off procedures, and directs Great Lakes to bill the applicable Patients, and pursue collection of payments from such Patients, in accordance with the following procedures elected by Provider [the authorized representative of Provider shall indicate Provider's desired billing procedure and related elections by inserting his or her initials on the applicable blanks below]:

(a) Non-Resident Billing Only/All Patient Billing. Provider hereby directs Great Lakes to bill:

- (i) _____ non-resident Patients only ("Non-Resident Patients"); or
- (ii) _____ all Patients, including Patients who are *bona fide* residents within the jurisdiction of Provider or dependents of *bona fide* residents within the jurisdiction of Provider ("Resident Patients").

(b) Insurance Only Billing. Provider hereby makes the following elections in respect of Insurance Only Billing:

- (i) _____ Provider hereby directs Great Lakes to bill, charge and require payment from Resident Patients only if such Resident Patients have Medicare, Medicaid or other insurance providing coverage for the EMS or ambulance services provided, and only to the extent that such Resident Patient's Medicare, Medicaid or other insurance coverage provides for the payment or reimbursement of EMS or ambulance service charges arising from the treatment of such Resident Patients (hereafter, "Insurance Only Billing"). Accordingly, Great Lakes shall not bill or require Resident Patients with no form of insurance to pay for EMS or ambulance service, and shall not bill or require Resident Patients with insurance to pay any co-payments, deductibles or the like, as Provider desires to waive its right to collect such amounts in consideration of the real property, income and other taxes required to be paid by Resident Patients to or on behalf of the Provider. Insurance Only Billing

shall apply only to Resident Patients who substantiate their residency in the Information (as hereinafter defined), or independently, based on reasonable criteria established and uniformly applied by Provider, and shall not in any event apply to Non-Resident Patients (subject, however, to an election pursuant to Section 2(b)(ii) below as to Employee Residents). Provider hereby acknowledges and agrees that it has made this election to direct Great Lakes to conduct Insurance Only Billing independently and without any advice, representations or assurances from Great Lakes whatsoever, it being expressly understood by Provider that the Office of Inspector General of the Department of Health and Human Services (“OIG”) has not promulgated any definitive rulings or regulations permitting Insurance Only Billing, that any advisory opinion(s) issued by OIG permitting such billing arrangements have no application to, and cannot be relied upon by, Provider, and that Insurance Only Billing under this Agreement or as directed by Provider may be construed by the OIG or other governmental entity to constitute grounds for the imposition of sanctions under certain state or federal anti-kickback statutes, such as Sections 1128(b), 1128A and/or 1128B of the Social Security Act (the “Act”). Provider hereby further acknowledges and agrees that Great Lakes shall not be held responsible or liable for any claims, damages, liabilities or expenses that may be incurred by Provider in respect of this election or any violation of the Act arising from Provider’s election hereunder. Notwithstanding this election, Great Lakes shall cease conducting Insurance Only Billing, without any advance notice to Provider, in the event the OIG or other governmental entity issues any guidance, rulings or regulations that prohibit Insurance Only Billing as implemented or conducted by Provider. Provider may rescind its election to conduct Insurance Only Billing at any time upon providing written notice to Great Lakes.

- (ii) _____ In the event Provider has directed Great Lakes to conduct Insurance Only Billing as provided in Section 2(b)(i) above, Provider hereby instructs and directs Great Lakes to treat employees of employers located within the jurisdiction of Provider (“Employee Residents”) as “Resident Patients” for purposes of the preceding paragraph, notwithstanding that such individuals do not reside within the jurisdiction of the Provider. Accordingly, Great Lakes shall not bill or require Employee Residents with no form of insurance to pay for EMS or ambulance service, and shall not bill or require Employee Residents with insurance to pay any co-payments, deductibles or the like; Provider desires to waive such amounts in consideration of real property, income and other taxes required to be paid by Employee Residents and/or their employers to or on behalf of Provider. If Provider makes this election, Great Lakes shall conduct Insurance Only Billing to Employee Residents on the same basis as Resident Patients so long as the Information substantiates that the Patient is a *bona fide* Employee Resident based on reasonable criteria established and uniformly applied by Provider. Provider hereby acknowledges and agrees that it has made this election to direct Great Lakes

to conduct Insurance Only Billing to Employee Residents independently and without any advice, representations or assurances from Great Lakes whatsoever, it being expressly understood by Provider that the OIG has not promulgated any definitive rulings or regulations permitting Insurance Only Billing in respect of Employee Residents, that any advisory opinion(s) issued by OIG permitting such billing arrangements have no application to, and cannot be relied upon by, Provider, and that Insurance Only Billing in respect of Employee Residents under this Agreement or as directed by Provider may be construed by the OIG or other governmental entity to constitute grounds for the imposition of sanctions under certain state or federal anti-kickback statutes, such as Sections 1128(b), 1128A and/or 1128B of the Act. Provider hereby further acknowledges and agrees that Great Lakes shall not be held responsible or liable for any claims, damages, liabilities or expenses that may be incurred by Provider in respect of this election or any violation of the Act arising from Provider's election hereunder. Notwithstanding this election, Great Lakes shall cease conducting Insurance Only Billing with respect to Employee Residents, without any advance notice to Provider, in the event the OIG or other governmental entity issues any guidance, rulings or regulations that prohibit Insurance Only Billing as implemented or conducted by Provider. Provider may rescind its election to direct Great Lakes to conduct Insurance Only Billing with respect to Employee Residents at any time upon providing written notice to Great Lakes.

(iii) _____ Provider elects not to conduct Insurance Only Billing.

(c) Prisoners. Provider hereby makes the following elections as to billing for EMS, ambulance and related services performed for prisoners in the custody of Provider ("Prisoners"):

(i) _____ Provider directs Great Lakes to bill Prisoners (regardless of whether the Prisoner is a Resident Patient or a Non-Resident Patient); or

(ii) _____ Provider directs Great Lakes not to bill Prisoners.

(d) Employees of Provider. Provider hereby makes the following elections as to billing for EMS, ambulance and related services performed for employees of Provider ("Provider Employees"):

(i) _____ Provider directs Great Lakes to bill Provider Employees (regardless of whether the Provider Employee is a Resident Patient or a Non-Resident Patient); or

(ii) _____ Provider directs Great Lakes not to bill Provider Employees.

(e) P.O Box or Lockbox. Provider hereby elects to process payments from Patients and third party payors in respect of EMS and ambulance services performed by Provider, as follows:

- (i) _____ Great Lakes will provide a Post Office Box, at its sole cost and expense, to be used as the mailing address for all Patient and third party payer written billing inquiries, correspondence and payments; or
- (ii) _____ Provider, at its sole cost and expense, will utilize a lockbox procedure with a bank of its choice. Provider will require the bank to mail to Great Lakes, on a daily basis, a complete copy of all checks, payments and other envelope contents received at the lockbox.

In the event a Patient or third party payer remits payment on a claim directly to Provider rather than to the indicated P.O. Box or lockbox address, Provider agrees to forward the payment to the P.O. Box or lockbox, as applicable, along with the envelope and all documents and other contents of the remittance in order to permit Great Lakes to account for the payment as required hereunder.

(f) Write-Off Procedures. Provider hereby directs Great Lakes to [select one by initialing the appropriate space]: (i) _____ “write-off” as uncollectible or (ii) _____ refer to a collection agency to be designated by Provider, all accounts receivable of Provider in respect of its EMS or ambulance billings that remain unpaid after one hundred twenty (120) or more days in “private pay” status, provided Great Lakes theretofore expended its usual and customary efforts in respect of billing and collecting such past due accounts receivable from the third party payers and the Patients (the “Aged Accounts Receivable”). Provider shall review a list of Aged Accounts Receivable furnished by Great Lakes from time to time, and may require Great Lakes to continue billing efforts in respect of certain accounts receivable (on a reasonable case by case basis) for an additional reasonable period of time not to exceed ninety (90) days. If Provider elects to refer Aged Accounts Receivable to a third party collection agency, Provider directs Great Lakes to refer [select one by initialing the appropriate space] (x) _____ all Aged Accounts Receivable or (y) _____ only Aged Accounts Receivable of non-residents of Provider to the collection agency. At such time as the Aged Accounts Receivable are written off or referred to a collection agency, Great Lakes shall cease providing Services in respect of such accounts receivable, but shall nonetheless be entitled to Commissions on any such Aged Accounts Receivable subsequently collected on behalf of Provider by Provider, any collection agency, attorney or other party as provided herein or as otherwise agreed to by the parties in writing.

The foregoing notwithstanding, Provider reserves the right in its sole discretion to “write-off” or cease collection efforts in respect of certain Patients based on financial hardship. Provider hereby designates _____, the _____ of Provider, as the responsible representative of Provider to make decisions regarding account adjustments due to financial hardship and to direct Great Lakes accordingly.

3. TRANSPORT REPORTS. Provider desires to obtain the right and license to access and use a web-based computer patient charting system (the “System”) in connection with its record keeping related to the provision of EMS, ambulance and related services. Provider and Great Lakes contemplate that the use of the System will facilitate the transmission of required billing information to Great Lakes (collectively, the “Information”) and assist Great Lakes in performing the Services under this Agreement. If required by the software provider, Provider will enter into the standard

license agreement required by the software provider. Provider further will provide Great Lakes access to the System by virtue of Provider's right and license under such software Agreement. Provider acknowledges and agrees that Great Lakes is not a party to the software agreement, and shall not be responsible for the operation or performance of the System. In the event the software provider invoices Great Lakes directly for the monthly access or other license fee or charge payable under the software agreement (the "Monthly Fee"), Great Lakes shall pay the Monthly Fee directly to the software provider on behalf of Provider, and Great Lakes shall include i the Monthly Fee on each monthly invoice sent to Provider. Provider agrees to reimburse Great Lakes for the Monthly Fee.]

Provider acknowledges that Great Lakes will rely on the accuracy and completeness of the Information for the provision of the Services hereunder. Great Lakes shall not be responsible for the failure to invoice, bill, file a claim, or collect payment on claims due to the inaccuracy of any Information or Provider's negligence in failing to timely provide Information.

4. COMMISSIONS AND FEES. Provider agrees to pay Great Lakes, on a monthly basis, a commission in the amount of five percent (5.00%) of the total gross collections procured by Great Lakes on behalf of Provider (collectively, the "Commissions"). Provider further agrees to reimburse Great Lakes for (i) the Monthly Fees (if applicable) and (ii) any certification, re-certification or similar fees or charges required by Medicare, insurance companies, or other third parties as a condition to accepting claims of Provider. Provider agrees to pay all Commissions to Great Lakes and reimburse all expenses within twenty (20) days of receipt of an invoice for same from Great Lakes. Provider further agrees to pay interest at the rate of one and one-half percent (1-1/2%) per month on any invoices that remain unpaid more than twenty (20) days after the date of invoice.

5. MUTUAL AID PROCEDURES. Provider acknowledges and agrees that Great Lakes shall bill all mutual aid transports or services rendered by Provider on behalf of a neighboring jurisdiction at the rate established by Provider; provided, however, that Great Lakes shall follow the billing policies and procedures established by the neighboring jurisdiction in respect of the provision of EMS, ambulance and related services, to the extent Great Lakes is aware of or can reasonably determine such policies and procedures. By way of example, in the event that a neighboring jurisdiction conducts Insurance Only Billing, Great Lakes will bill the Patient accordingly regardless of whether Provider has elected to conduct Insurance Only Billing.

6. PATIENT CONFIDENTIALITY: HIPAA COMPLIANCE. Great Lakes shall hold all Information transmitted to it by the Provider confidential, and shall take all reasonable steps to preserve the confidentiality of such Information. In furtherance of such obligations, Great Lakes agrees to perform the Services in compliance with Public Law 104-191 (1996), commonly known as the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"). For purposes of compliance with HIPAA, Great Lakes' relationship with the Provider shall be deemed that of a "Business Associate." As used in this Section 6, the terms "Business Associate," "Protected Health Information," "use" and "disclosure" shall have the meanings ascribed to such terms in 45 C.F.R. Section 160.103 and 164.501, except that the term "Protected Health Information" shall be limited to individually identifiable individual information that is subject to HIPAA.

Disclosure by Provider to Great Lakes of any Protected Health Information will be made for

the purpose of helping Provider to carry out its health care functions and to allow Great Lakes to perform the Services and otherwise complete its contractual obligations to Provider as set forth under this Agreement. Protected Health Information will not be used or disclosed by Great Lakes other than as permitted by this Agreement or as required by law. Great Lakes may not use any Protected Health Information for any purposes or activities not related to the Agreement. Great Lakes represents and warrants that it will use Protected Health Information only to perform the Services and complete its obligations pursuant to this Agreement, and as may otherwise be required by law.

In conformity with the foregoing, Great Lakes agrees to:

(a) safeguard and protect all Protected Health Information from use or disclosure other than as provided by this Agreement. Upon knowledge of any misuse or improper disclosure of such Protected Health Information, Great Lakes will take immediate steps to stop such impermissible use or disclosure and prevent further dissemination and misuse of such Protected Health Information;

(b) report to Provider any use or disclosure of Protected Health Information not provided for by this Agreement of which it has knowledge;

(c) enter into an agreement with any third party, agent, or subcontractor to whom it provides Protected Health Information received from Provider pursuant to which such third party agrees to be bound by the same restrictions that apply to Great Lakes under Section 6 of this Agreement;

(d) make Protected Health Information available upon request by Provider. If any individual requests access to Protected Health Information directly from Great Lakes, Great Lakes shall provide such information as required by 45 C.F.R. § 164.524;

(e) make its internal practices, books, and records relating to the use and disclosure of Protected Health Information available to the Secretary of the Department of Health and Human Services for purposes of determining compliance with HIPAA;

(f) make available to Provider an individual's Protected Health Information for amendment upon request by Provider. Great Lakes further agrees to incorporate any such amendments to the Protected Health Information in accordance with the requirements of 45 C.F.R. § 164.526;

(g) make available to Provider any Protected Health Information and related information in Great Lakes' possession that is required for Provider to make an accounting of disclosures in accordance with the requirements of 45 C.F.R. § 164.528, other than Protected Health Information related to treatment, payment or, health care operations or included in disclosures made earlier than six (6) years prior to the date on which the accounting was requested. If any individual makes a request for an accounting of Protected Health Information directly to Great Lakes, Great Lakes shall forward such request to Provider; and

(h) upon the termination of the Agreement, return to Provider or destroy all Protected Health Information except to the extent any Protected Health Information is required to be kept by Great Lakes in order to continue to collect Provider's accounts receivable and/or as may otherwise be

required by law.

The foregoing notwithstanding, Provider and Great Lakes acknowledge and agree that Great Lakes shall be permitted to use and disclose Protected Health Information in connection with the performance of the Services, including the preparation of invoices for payment or reimbursement, submission of supporting documentation to insurers and other responsible payers to substantiate EMS, ambulance and other health care services provided to Patients or to appeal denials of payment for same, and for other uses required for the proper management of Great Lakes or as otherwise permitted by HIPAA.

7. TERM AND TERMINATION. The term of this Agreement (the "Term") shall commence as of the Effective Date and continue until terminated by either party by providing the other party with thirty (30) days' prior written notice. Upon termination of this Agreement, Great Lakes will continue to collect and/or resolve all outstanding accounts receivable balances arising from EMS and ambulance services provided by the Provider on or before the date of termination. Provider will continue to pay Great Lakes all Commissions with respect to accounts receivable arising from EMS and ambulance services provided by the Provider on or before the date of termination. Sections 6, 10 and 11 shall survive any termination of this Agreement.

8. INDEPENDENT CONTRACTOR. The parties hereby stipulate and agree that Great Lakes is an independent contractor, and that there shall be no relationship arising between them that may be considered that of an employer/employee or may otherwise be considered under the doctrine of *respondet superior*. Nothing in this Agreement or elsewhere shall be construed to constitute Great Lakes as a partner, joint venturer, agent or employee of Provider other than for purposes of providing the Services, and Great Lakes shall have no authority to create any obligation or responsibility on behalf of or in the name of Provider, or to otherwise bind Provider in any manner whatsoever.

9. NO COMPETITIVE SERVICES. Provider agrees during the Term not to employ, hire, or retain any other ambulance billing service, whether as an independent contractor, employee or otherwise, to perform the Services to be provided by Great Lakes hereunder or otherwise compete with Great Lakes, it being the express intent of the parties hereto that Great Lakes shall be Provider's sole and exclusive provider of Services as set forth hereunder.

10. NON-SOLICITATION. Unless agreed to by the parties in writing, during the Term and for a period of time of two (2) years thereafter, Provider and Great Lakes each agrees that it shall not directly or indirectly, hire, retain, solicit, or otherwise contact for the purpose of soliciting, any employee or independent contractor of the other with which either party has had contact during the course of Great Lake's engagement by Provider.

11. INJUNCTIVE RELIEF. Each of Great Lakes and Provider understands that the remedy at law for any breach of Sections 6 or 10 of this Agreement will be inadequate and the damages flowing from such breach are not readily susceptible to being measured in monetary terms. Accordingly, each party hereby acknowledges that the other shall be entitled to injunctive relief in enforcing these provisions of the Agreement without notice or bond. Such injunctive relief shall be

in addition to any other remedy such party may have at law or in equity. At such time as the party alleging a breach of these provisions files for injunctive relief, the other party agrees to adhere to the terms of this Agreement until such hearing for injunctive relief is held and the issues therein are resolved.

12. BINDING EFFECT. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto, their respective successors, permitted assigns, or other legal representatives.

13. ASSIGNMENT. Neither party may assign or delegate any right or obligation hereunder to a third party without the express written consent of the other party, and any attempted assignment or transfer without such consent will be considered null and void. Notwithstanding the above, this Agreement may be assigned to and assumed by an affiliate of Great Lakes.

14. LEGAL FEES. In the event either party brings action for any relief, declaratory or otherwise, arising out of this Agreement, or on account of any breach or default hereof, the prevailing party shall be entitled to receive from the other party its reasonable attorneys, costs, and expenses incurred by it in connection with such action.

15. SEVERABILITY. If any portion or portions of the Agreement shall be for any reason invalid or unenforceable, the remaining portion(s) shall be valid and enforceable and carried into effect unless to do so would clearly violate the present legal and valid intention of the parties hereto.

16. NOTICES. Any notice required or permitted by the terms of this Agreement shall be in writing and shall be sent to the addresses set forth below or to such other addresses as either party hereto may specify by written notice to the other. Notices shall be sent by certified mail, return receipt requested, by overnight delivery service, by facsimile transmission, confirmed promptly by certified mail or overnight delivery service, and shall be effective upon receipt. Notices shall be sent as follows:

To Provider: _____

Attention: _____
Fax: _____

To Great Lakes: Great Lakes Billing Associates, Inc.
850 Brainard Road, Suite 1F
Highland Heights, Ohio 44143
Attention: Katie Rahill
Fax: (440) 442-4443

17. ENTIRE AGREEMENT. This Agreement constitutes the entire agreement and

understanding between the parties with respect to the subject matter hereof and supersedes any previous agreement or understanding, whether oral or otherwise. No modification of this Agreement shall be valid unless in writing and signed by each of the parties hereto.

18. COUNTERPARTS. This Agreement may be executed in several counterparts, each of which shall be an original, but all of which shall constitute one and the same instrument.

19. GOVERNING LAW. This Agreement shall be subject to and governed according to the laws of the State of Ohio, irrespective of the fact that either party is or may become a resident of a different state.

20. AUTHORITY. The undersigned representative of the Provider hereby represents and warrants that he/she is the duly authorized officer, agent or official of the Provider, and that this Agreement constitutes a valid and binding contract and agreement properly undertaken and binding upon the Provider.

21. LIMITATION OF LIABILITY. Provider agrees to maintain copies, originals or electronic files of all transport reports, Information, records of deposits, and related data and materials submitted to Great Lakes so that at no time will Great Lakes possess data generated by Provider that is not simultaneously maintained at Provider's own office or within its computer systems.

Great Lakes agrees to use reasonable good faith efforts to minimize the possibility of any damage or loss of Provider-related data stored in Great Lakes' computer system. To this end, Great Lakes agrees to regularly back up all Provider-related data files and to maintain one weekly back-up offsite. Great Lakes shall have no liability to Provider if data or records are destroyed by fire, strike, theft, acts of God or any other cause, including computer malfunction. Provider agrees that all information supplied to Great Lakes in connection with this Agreement and the Services (including but not limited to the Information) is true and accurate to the best of Provider's knowledge.

22. NO THIRD PARTY BENEFICIARIES. This Agreement is intended solely for the benefit of Provider and Great Lakes and their respective successors and permitted assigns, and no Patient or other third party shall have any rights or interest in this Agreement or the Services performed hereunder.

(signature page follows)

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their authorized representatives on the Effective Date.

PROVIDER:

By: _____

Its: _____

GREAT LAKES:

GREAT LAKES BILLING ASSOCIATES, INC.

By: _____

Its: _____