

DM Medical Billings, LLC

BILLING AND ACCOUNTS RECEIVABLE SERVICE AGREEMENT

This Billing and Accounts Receivable Service Agreement ("Agreement") is made and entered into this day by and between Williamson County, Texas, a political subdivision of the State of Texas, (the "Provider") and DM Medical Billings, LLC, 20 East Taunton Road, Suite 500, Berlin, New Jersey 08009 (the "Contractor").

BACKGROUND

WHEREAS, Provider proposes to obtain services for the billing of ambulance services provided to Williamson County including, but not limited to treatment and EMS transportation, and utilize expertise and knowledge to collect from all sources, whether from third party insurers, governmental agencies, or any other person or entity responsible or otherwise liable for payment or reimbursement for the services rendered by the Provider;

WHEREAS, the Contractor has the experience and expertise to provide the services requested by the Provider.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the parties hereto intend to be legally bound and hereby agree as follows:

1. RELATIONSHIP OF THE PARTIES

1.1 Independent Contractor: It is understood that this Agreement shall not create a partnership or any other type of joint venture between the Parties but rather the only relationship which will exist as a result of this Agreement will be that of independent contractors with relationship to each other. All decisions with reference to the operations of the Parties shall be strictly under the control of their respective managements. All employees of each Party will remain such and under no circumstances will be considered to be employees of the other as a result of this Agreement. For purposes of the Health Insurance Accountability and Portability Act of 1996, Contractor shall be considered a Business Associate as required by the Act.

2. OBLIGATIONS OF CONTRACTOR

2.1 Production: Contractor shall provide a minimum of four (4) designated full time employees to the production of Provider account. Contractor shall electronically transmit or mail claims for patients treated and/or transported by Provider. The production of invoices or transmission of claims shall be executed within five (5) working days of receipt from Provider of a Clean Patient Care Reports. Clean Patient Care Reports are those reports that meet the criteria established in Exhibit 'A'.

2.2 Follow-Up Phone Calls and Dunning Notices: Contractor shall execute follow-up phone calls and dunning letters to insurance carriers, Guarantors of Payment and Patients as appropriate. Follow-up Phone calls and Dunning Letters shall be executed in accordance with the Billing and Accounts Receivable Process described in Exhibit 'B'. If efforts on an outstanding account are exhausted in accordance with the Accounts Receivable Process delineated in Exhibit 'B', and the account does not currently indicate a pending payment the account shall be forwarded to Provider for determination. The Provider shall designate the desired disposition of the account and provide electronic or written notification to Contractor with in twenty (20) working days of the request for disposition by Directors or designated assignee.

2.3 Final Dunning and Warning Letters: Contractor shall execute warning letters to insurance carriers, Guarantors of Payment and Patients as appropriate prior to recommending to Provider the writing off of account from accounts receivable balance.

2.4 Rejected or Denied Claims: Processing of denied or rejected claims shall be processed within ten (10) business days of Contractor's notification of rejection or denial of such claim. This does not apply to claims rejected for not meeting medical necessity guidelines. Those claims rejected for lack of medical necessity may take additional time to re-process as a result of waiting for additional supporting documentation.

2.5 Reconciliation of Receipts: Contractor shall reconcile cash deposits with cash posted to billing system and the report of reconciliation shall be forwarded to Provider, on a weekly basis.

2.6 Routine Reports: Contractor shall provide to Provider those reports listed in Exhibit 'C'. These reports shall be forwarded to Provider on a monthly basis. The reports shall also be provided electronically if requested by Provider.

2.7 Specialized Reports: From time to time, Provider may request a specialized report; such reports may not be unreasonably withheld and provided within five (5) business days after request is made. The reports shall also be provided electronically if requested by Provider.

2.8 Costs of Production and Follow-up: Contractor shall provide all postage, printing and paper at its sole expense as necessary to carry out its obligations under this agreement.

2.9 Staff Training: Contractor shall provide to Provider initial on site quarterly training for first year to include field staff shifts A, B, C and Administrative Staff, then each year following, when requested, two (2) in service training sessions per year on documentation, Federal, State and HIPAA Compliance as well as any other issues related to reimbursement to Provider's staff. Travel and training expenses will be covered by the Contractor.

2.10 Patient Confidentiality: Contractor agrees that it shall be considered as a Business Associate of Provider as defined by the Privacy Regulations promulgated under the Health Insurance Portability and Accountability Act of 1996. Contractor agrees to abide by the Privacy Regulations and all Policies and Procedures established by Provider to ensure compliance with the Privacy Regulations. Contractor shall notify Provider of any known or potential violations of the Privacy Regulations as well as the Privacy Related Policies and Procedures of the Provider. Failure to notify Provider of any known or potential violations of the Privacy Regulations as well as the Privacy Related Policies and Procedures of the Provider would be a material breach of this Agreement and could result in immediate termination of this Agreement in accordance with section 4.0.

All files and records received by Contractor for claim processing as well as the billing records shall remain in the possession of Contractor during the term of this Agreement and for an additional period of five (5) years after the date of service and termination, unless otherwise agreed to in writing by and between the Parties.

Each party agrees that all medical records and Protected Health Information are to be treated as confidential so as to comply with all Local, State, and Federal laws regarding the confidentiality of such records including the Red Flag Compliance and Health Insurance Portability and Accountability Act.

Each party agrees to permit access by the other to each party's respective books and records as they relate to billing and reimbursement for services hereunder. The parties agree to share all patient care and billing information necessary to properly submit Medicare claims, including patient care reports and billing slips. All information or documents exchanged between the parties related to personal health information of a patient shall be exchanged in compliance with all privacy laws and rules, including the privacy rule established under Red Flag Compliance and the Health Insurance Portability and Accountability Act.

2.11 Insurance: Contractor shall maintain professional and general liability insurance with coverage of no less than 1 million (1,000,000.) dollars. In addition coverage shall include acts of dishonesty and forgery on the part of Contractor's employees or agents. Furthermore, Contractor shall name Provider as certificate holder and additionally insured.

2.12 Invoicing: Contractor shall invoice Provider on or about the fifteenth (15) of each month at the established rate.

2.13 Electronic Charting: Contractor will accept claims that are produced in an electronic environment as long as they meet the requirements set forth in Exhibit A. Contractor must extract patient care data from an electronic patient care record provided by Provider.

2.14 Telephone Access: Billing Service shall provide a toll free telephone number for patients to call with any complaints, insurance information, and any other reason necessary.

2.15 Billing Registration Certificate: Contractor is registered with the State of New Jersey as a business enterprise and possesses a Business Registration Certificate in accordance with P.L. 2004 c.57. Provider may request this documentation at any time during the contract period.

2.16 Requests for Medical Records: Any request or subpoena for the release of Provider's billing records shall be addressed or forwarded to Contractor and Contractor shall be responsible therefore, and any request for medical and related records of a patient shall be addressed or forwarded to Provider and Provider shall be responsible therefore.

2.17 Web site access: Contractor will provide patient access to website with the ability to input encrypted billing information or credit payment information as necessary to process claim.

2.18 Billing Procedure and Rate Guidelines: A separate Billing Procedures & Rates agreement will be attached to the final agreement once completed and agreed upon by both parties. Both parties agreed to negotiate an amendment to be incorporated in the contract once agreed upon by both parties.

2.19 Non-sufficient Funds Procedure: In the event payment is posted to an account and the check is later returned for insufficient funds, the Provider will assume collection activity on the NSF balance. If this process occurs after the commission has been paid to Contractor for that account, Contractor will return the commission payment to Provider as an adjustment. When Provider or Contractor collects on the patient balance, commission will be paid on the amount of cash collected.

2.20 Claims Payment Procedure: Contractor will receive checks at the address designated by Contractor and such checks shall be logged to patient account. Payments will be forwarded weekly to the Provider via traceable courier for deposit by Provider. Contractor will notify Provider of delivery of such checks via email and provide tracking information to Provider.

In the event the Provider is able to establish a bank account in New Jersey for the Contractor to make financial deposits in, the following procedure will be implemented: the Contractor will deposit checks directly to Provider bank account, remittances will be downloaded electronically by Contractor and cash posted.

The Contractor will establish direct deposit for electronic direct deposit payments by Medicare, Texas Medicaid and any other large payor that the Provider deems necessary in order to minimize paper checks and other remittances.

3. OBLIGATIONS OF PROVIDER

3.1 Clean Patient Care Reports: Provider shall provide Clean Patient Care Reports to Contractor in accordance with the criteria established in Exhibit 'A'. Provider understands that

Contractor shall review Patient Care Reports prior to executing Production. If a claim is determined not to be a Clean Patient Care Report, the claim shall be held up from Production and the Patient Care Report shall be returned to Provider for remediation within five (5) business days.

3.2 Payment: Contractor shall invoice Provider on a monthly basis on or about the fifteenth (15) of each month at the rate of six percent (6%) of the total billing reimbursements collected, less adjustments deposited into Provider's bank account during the preceding month, herein referred to as Billing Rate. Provider shall remit payment to Contractor within 30 days of the receipt of invoice.

3.3 Deposit Information: Contractor shall make copies of all deposit slips itemizing all receipts and explanation of benefits or remittance advices, deposit monies into Provider account, and forward electronic copies to Provider on a weekly basis.

3.4 Claims Availability. Provider shall make completed patient care records available electronically (claims). Source documents will be forwarded to Contractor on a weekly basis.

3.5 Billing Procedure and Rate Guidelines: A separate Billing Procedures & Rates agreement will be attached to the final agreement once completed and agreed upon by both parties.

4. TERM AND TERMINATION

4.1 Term and Renewal: This Agreement shall become effective on the date of execution of contract by both parties and shall continue for a period of one (1) year thereafter ("Agreement Term"), unless earlier terminated as provided herein. At the end of the initial Agreement Term, this Agreement may be renewed for two additional one year periods if mutually agreed upon by the Parties pursuant to NJSA 40A:11-15.

4.2 Mutual Termination: Notwithstanding anything to the contrary, the parties, by mutual agreement may terminate this Agreement at any time.

4.3 Termination for Cause/Provider: Provider may terminate this Agreement in the event of any of the following:

4.3.1 Insolvency: The insolvency of Contractor.

4.3.2 Suspension: Suspension or Exclusion of Contractor from the Medicare/Medicaid Programs.

4.3.3 Material Breach: In the event of a Material Breach, Provider may terminate this agreement with thirty (30) days written notice.

4.4 Termination for Cause/Contractor: Contractor may terminate this Agreement in the event of any of the following:

4.4.1 Non-payment: Non-payment of fees due from Provider provided said non-payment continues to exist after receipt of sixty (60) days written notice of said delinquency from Contractor to Provider.

4.4.2 Insolvency: The insolvency of the Provider.

4.4.3 Suspension: Suspension or Exclusion of Provider in the Medicare/Medicaid Programs.

4.5 Termination without cause: Either Party may terminate this Agreement for any reason as long as a sixty (60) day written notice as described in section 6 is provided.

4.6 Post Termination Follow-up Period: The Parties agree that all accounts still in Contractor's system as of the date of termination of this agreement will be subject to the provisions of this agreement, including payment schedule for a period of one hundred and twenty (120) days after the Effective Termination Date. All Providers' records and applicable billing information shall be returned to Provider within ten (10) days of the receipt of final payment.

5. GENERAL PROVISIONS

5.1 Headings: The headings used to identify a paragraph have been included only for the convenience of the Parties and are not intended to constrain or completely identify the contents of said paragraph.

5.2 Governing Law: The validity, enforceability and interpretation of any of the clauses of this Agreement shall be governed by the laws of the State of New Jersey and Texas.

5.3 Indemnification: To the extent permitted by law, Provider agrees to hold Contractor harmless from all claims, losses, expenses, fees including attorney Fees, costs, and judgments that may be asserted against Contractor that result from the acts or omissions of Provider, Provider's employees, if any, and Provider's agents. Contractor agrees to indemnify and hold Provider harmless from all claims, losses, expenses, fees including attorney fees, costs, and judgments that may be asserted against Provider that result from the acts or omissions of Contractor, Contractor's employees, if any, and Contractor's agents.

5.4 Entire Agreement: This Agreement contains the entire understanding of the Parties and there are no representations, warranties, covenants or undertakings other than those expressly set forth herein.

5.5 Modification or Waiver: A modification or waiver of any of the provisions of this Agreement shall be effective only if made in writing and executed with the same formality as this Agreement. The failure of either Party to insist upon strict performance of any of the provisions of this Agreement shall not be construed as a waiver of any subsequent default of the same or similar nature.

5.6 Severability: If any term, condition, clause or provision of this Agreement shall be determined to be void in law or otherwise then only that term, condition, clause or provision shall be stricken from this Agreement and unless it is of a material nature, this Agreement shall be valid and continue in full force, effect and operation.

5.7 Successors in Interest: This Agreement and all of the provisions hereof shall be binding upon and inure to the benefit of the successors and assigns in interest of the parties hereto.

5.8 Assignment of Account/Interest: Contractor will not assign any interest on this contract and shall not transfer any interest in the same without the prior written consent of the Provider.

5.9 Documents: Each of the parties agree to execute, in recordable form, if necessary, any and all documents, agreements, filings, etc., as may be necessary or usable in order to effectuate and carry out the terms and purposes of this Agreement.

5.9.1 Back-Up: Contractor will be responsible for providing redundancy and back-up systems to protect the financial records once entered or imported into the billing software to protect against the loss of records.

5.9.2 emsCharts, Inc. Back-Up: Contractor will not be responsible for emsCharts, Inc., a third party vendor's software application as provided by emsCharts.

5.10 Dispute Resolution: The parties to this Agreement will work together in good faith to resolve any controversy, dispute or claim between them which arises out of or relates to this Agreement, whether stated in tort, contract, statute, claim for benefits, bad faith, professional liability or otherwise ("Claim"). If the parties are unable to resolve the Claim within thirty (30) days following the date in which one party sent written notice of the Claim to the other party, and if a party wishes to pursue the Claim, such Claim shall be addressed through non-binding mediation under the Commercial Mediation Rules of the American Arbitration Association ("AAA"). A single mediator engaged in the practice of law, who is knowledgeable about subject matter of this Agreement, will conduct the mediation under the then current rules of the AAA. Any mediation under this Agreement shall be conducted in Williamson County, Texas. All costs involved in the mediation shall be borne equally between the parties, except that each party shall bear its own attorneys fees. Nothing herein is intended to prevent either party from seeking any other remedy available at law including seeking redress in a court of competent jurisdiction. This provision shall survive the termination of this Agreement.

The parties hereby expressly agree that no claims or disputes between the parties arising out of or relating to this Agreement or a breach thereof shall be decided by any arbitration proceeding, including without limitation, any proceeding under the Federal Arbitration Act (9 USC Section 1-14) or any applicable state arbitration statute.

5.11 Confidentiality: Each party agrees that all medical records and Protected Health Information are to be treated as confidential so as to comply with all Local, State, and Federal laws regarding the confidentiality of such records including the Red Flag Compliance and Health Insurance Portability and Accountability Act. Each party agrees to permit access by the other to each party's respective books and records as they relate to billing and reimbursement for services hereunder. The parties agree to share all patient care and billing information necessary to properly submit Medicare claims, including patient care reports and billing slips. All information or documents exchanged between the parties related to personal health information of a patient shall be exchanged in compliance with all privacy laws and rules, including the privacy rule established under Red Flag Compliance and the Health Insurance Portability and Accountability Act.

5.12 Successor Agreement: This Agreement supersedes and succeeds all existing agreements between the Parties. All previous agreements between the Parties are hereby declared null and void.

5.13 Regulatory Changes: The parties recognize that this Agreement is at all times subject to applicable state, local, and federal laws and shall be construed accordingly. The parties further recognize that this Agreement may become subject to or be affected by amendments in such laws and regulations or to new legislation or regulations. Any provisions of law that invalidate, or are otherwise inconsistent with, the material terms and conditions of this Agreement, or that would cause one or both of the parties hereto to be in violation of law, shall be deemed to have superseded the terms of this Agreement and, in such event, the parties agree to utilize their best efforts to modify the terms and conditions of this Agreement to be consistent with the requirements of such law(s) in order to effectuate the purposes and intent of this Agreement. In the event that any such laws or regulations affecting this Agreement are enacted, amended or promulgated, either party may propose to the other a written amendment to this Agreement to be consistent with the provisions of such laws or regulations. In the event that the parties do not agree on such written amendments within thirty (30) days of receipt of the proposed written amendments, then either party may terminate this Agreement without further notice, unless this Agreement would expire earlier by its terms.

5.14 Sharing of Information and Documentation and Respect of Privacy: The parties each agree to permit access by the other to each party's respective books and records as they relate to billing and reimbursement for services hereunder. The parties agree to share all patient care and billing information necessary to properly submit Medicare claims, including patient care reports and billing slips. All information or documents exchanged between the parties related to personal health information of a patient shall be exchanged in compliance with all privacy laws and rules, included the privacy rule established under the Red Flag Compliance and Health Insurance Portability and

Accountability Act (HIPAA). Both parties agree to maintain policies to protect the confidentiality of patient information to the extent required by law and to educate and enforce such policies with their respective personnel.

5.15 Right to Audit: Contractor agrees that Provider or its duly authorized representatives shall, until the expiration of three (3) years after final payment under this Agreement, have access to and the right to examine and photocopy, as necessary, any and all books, documents, papers and records of Contractor pertinent to the services to be performed under this Agreement for the purposes of making audits, examinations, excerpts, and transcriptions. Contractor agrees that Provider shall have access during normal working hours to all necessary Contractor facilities, except computer systems and software, and shall be provided adequate and appropriate work space in order to conduct audits in compliance with the provisions of this section, at Provider's own cost and expense. Provider shall give Contractor reasonable advance notice of intended audits.

Provider may request of Contractor certain statistics and computer generated records normally maintained by Contractor to be produced for inspection and record keeping of Provider, but no more often than twice per year. In compliance with Statement on Auditing Standards (SAS) No. 70, Contractor will provide Provider with a copy of the annual Independent Service Auditor's Report with an opinion on the internal control structure.

6. NOTICES

6.1 Notices: Notices required to be given under this Agreement shall be in writing and will be deemed to have been given when personally delivered to the party to whom addressed, or on the third day after deposit in any United States post office or mailbox, and such notices shall be made to the parties at the following addresses:

Provider
Williamson County EMS
303 MLK
Georgetown, TX 78626

Contractor
DM Medical Billings, LLC
20 E Taunton Road, Suite 500
Berlin, NJ 08009

IN WITNESS WHEREOF, the Parties hereto have set their hands and seals the day and year first above written.

CONTRACTOR: DM Medical Billings, LLC
20 E Taunton Road, Suite 500
Berlin, New Jersey 08009

PROVIDER: Honorable Dan A. Gattis (or successor)
Williamson County Judge
301 SE Inner Loop, Suite 109
Georgetown, Texas 78626

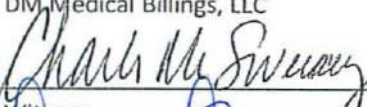
With copy to: Honorable Jana Duty (or successor)
Williamson County Attorney
405 M.L.K. Street, Box #7
Georgetown, Texas 78626



Dina Mueller, President
DM Medical Billings, LLC

11/4/09

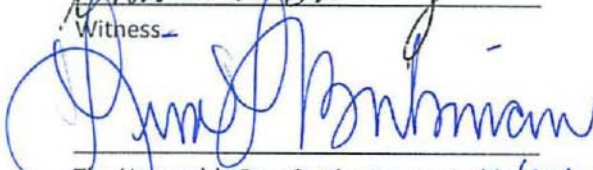
Date



Witness

11/4/09

Date



The Honorable Dan Gattis, County Judge
Williamson County

11-7-09

Date

Witness

Date

Exhibit A

Criteria for Clean Patient Care Report

The following information shall be furnished for the dunning process to begin:

1. Dispatch run number
2. Date of Service
3. Patient information, to include as much as possible:
 - a. Full name,
 - b. Address,
 - c. Date of birth,
 - d. Social security number (if applicable), and
 - e. Phone number.
4. Patient pickup location including zip code,
5. Patient drop off location,
6. Documented odometer mileage:
 - a. At pick up location,
 - b. At hospital, and
 - c. Total loaded mileage.
7. Patient chief complaint and History of Present Illness,
8. Services rendered to patient,
9. Patient or representative of patient signature Authorizing treatment and Benefits,
10. Mobile Intensive Care Unit Number and if they administered care or not,
11. EMS staff members name, preparer's name and signature,
12. Agency vehicle recognition number,
13. Time log to include:
 - a. Dispatch
 - b. Responding
 - c. On Location
 - d. Depart Location, and
 - e. Arrive at hospital.
14. Hospital Face Sheet, when available.

Exhibit B

Accounts Receivables Process (Dunning)

Private Pay Schedules:

- Day 1-4** Information will be entered into DM Medical Billing System. We will contact all hospitals for missing patient demographical and insurance information. Additional phone calls to patient requesting necessary information if not available from EMS or hospital.
- Day 4-8** First Guarantor letter requesting insurance info.
- Day 20-22** Second guarantor letter requesting insurance info.
- Day 30** Private pay invoice sent.
- Day 35-45** Patient contact to get insurance info, or to make payment arrangements.
- Day 46-60** Second dunning past due invoice sent out.
- Day 70-75** Third and final patient invoice sent out.
- Day 85-90** Patient referred backs to client for potential write off.

Insurance Claims:

- Day 1-5** Insurance Company sent 1st bill either via paper claim or electronic submission.
- Day 30** Second Insurance Company submission.
- Day 45** First Insurance Collection Call for payment. Instruction of insurance Company followed.
- Day 60** Second paper or electronic claims sent
- Day 70-75** Follow up on with insurance company will continue until claim paid or denied. If claim denied erroneously we will appeal it for the patient. If claim is flatly denied as non-covered the bill will be dropped to a private pay insurance denial schedule. Protocol as stated above will be followed.

Medicare Claims:

- Day 1-5** Ensure all proper information is gathered to submit clean claim to Medicare. If information is missing, Billing Service will try to obtain to the best of ability.
- Day 5-8** Electronic Submission to Medicare normally paid within 25 days of claim submission. If denied or rejected Billing service will appeal, or gather any additional information needed to submit clean claim.

Exhibit C

Reporting Services

A. Contractor will grant Provider access to its billing services system. Such reporting includes but is not limited to; master files, receivable tracking, receivable reporting, financial scoreboard and system reporting.

Routine Reports

The following reports will be created and supplied to the client:

1. Aged Trial Balance Sorted And Sub-Totaled By Major Financial Classification (Payer) To Be Run By Cycle Date And Date Of Service (2 Reports)
2. Billing Receivables Report, Which Shall Include Charges, Contractual Allowances, Adjustments, Bad Debt Write Off, Payments And Balance Due. This Report Shall Be Sorted And Sub-Totaled By Major Financial Class.
 - a. For Current Month
 - b. For Current Fiscal Year To Date (January 1- December 31)
3. Trip Transaction Log By Date Range
4. Credit Detail Report
5. Payor mix every six months with detail.

Additional reports can be created as requested.