



Why EMS Matters to Auditors: EMS Chief Perspective

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CITY OF
**VIRGINIA
BEACH**



EMS 101: What is EMS?

- Prehospital healthcare delivery
- Treatment + transport
- Integrated with hospitals

EMS is not just public safety, but a complex, regulated healthcare system with real financial risk.



Delivery Models in Virginia: Common Models

- Volunteer-based systems
- Career/municipal EMS
- Combination systems (Virginia Norm)
- Private/contract EMS
- Regionalized/shared services

Virginia's hybrid system creates governance complexity you don't see elsewhere.

Delivery Models in Virginia: Virginia-Specific Shifts

Heavy reliance on volunteer rescue squads
(historically)



Declining volunteers -> increasing transition
to:

Career Staffing

Contracted services due
to workforce shortage

EMS Funding Mechanisms: Traditional Funding Sources

- EMS is funded through different avenues:
 - Local general fund a
 - State funding (4 for life)
 - Grants
 - Donations
 - Billing Revenue

***Fragmented funding streams create audit challenges!**

EMS Funding Mechanisms: Billing Reality

Insurance-Based

Transport-driven revenue

High denial risk

Politically sensitive

Implications for Auditors

- Governance complexity (nonprofits + municipalities)
- Asset Ownership (vehicles, equipment, pharmaceuticals)
- Contract oversight risks
- Variable financial transparency across models



Virginia Beach adopts Emergency Medical Services Compassionate Billing program

Story by Leila Cox • 10mo • 🕒 2 min read



EMS Compassionate Billing

No resident will ever be denied care because of lack of insurance or inability to pay.

Learn more at EMS.VirginiaBeach.gov



EMS Compassionate Billing

Ensures our unique EMS system continues to thrive and deliver exceptional prehospital care.

Learn more at EMS.VirginiaBeach.gov



VB RESCUE
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EMS Funding Mechanisms: Cost and Cost Drivers

~\$800K–\$1.5M per unit/year

70–75% personnel

Revenue < cost

Requires subsidy

Cost drivers include

- Personnel
- Equipment
- Pharmaceuticals
- Training/compliance

EMS Pharmacies



Agency-managed medications



Controlled substance rules



High audit risk



Pharmacy risk areas include

Drug tracking
Diversion prevention
Storage compliance
Inventory control

Virginia OEMS Challenges

- Funding instability
- Delayed payments
- Oversight concerns





Top Audit Findings: What Should Auditors Ask?

- Billing documentation gaps
- Weak drug controls
- Revenue leakage
- Volunteer oversight issues
- Contract gaps

Simple but powerful questions:

- Who governs EMS?
- Where does money flow?
- Are controls strong?
- Is billing compliant?



Future of EMS/Closing

- Future of EMS:
 - More healthcare integration
 - Non-transport models
 - More regulation
- Closing
 - EMS = healthcare system
 - High risk, high impact
 - Auditors are key partners



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Questions?

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