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Press Release

Lifeline Ambulance Forced to Transfer Calls & Employees

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After 21 years of non-stop 24/7 reliability, Lifeline is left with no choice but to transfer the bulk of its business to a longtime colleague, Sentara Medical Transport (MTI), under a hopefully temporary arrangement to avoid service disruption in the communities we serve. We aim for as seamless a transition as possible for employees, who have been offered positions with MTI.

All of this will occur over the next three weeks after The Centers for Medicare and Medicaid Services (CMS) ejected Lifeline, along with others like United Ambulance, without notice in May 2008. CMS became non-responsive again in mid-September, after informing us in July that we were no longer in their system and needed to re-enroll due to a possible "Y2K glitch."

These moves cost Lifeline 80% of its cash flow overnight, blocking access to other insurers and direct patient billing. Simultaneously, diesel fuel prices doubled to \$4.99, compounding our financial challenges. The company was never prepared to float the Medicare Trust Fund for six months. Once MTI has absorbed the remaining employees, Lifeline's Communication Center will shut down, and all phone numbers will be transferred to MTI.

MTI is a service-oriented company with values aligned closely with Lifeline's, and we hope to weather this storm together without disrupting customer service. The current recession has caused credit to evaporate, making it impossible to sustain operations, particularly without Medicare reimbursements. I thank everyone who has made sacrifices to reduce costs, but continuing in these uncharted waters is unsustainable. Too many people depend on us—customers, governments, employees, and their families deserve better in this challenging era. Thank you once again for all your efforts to avoid this difficult decision.

We will continue to fulfill our non-insurance company contracts until their expiration. The state office and all healthcare facilities we serve across Virginia have been informed of this situation.