

Affidavit of Carol Wilson

Carol Wilson being first duly sworn, states as follows:

1. My name is Carol Wilson. I am over the age of 18 and have personal knowledge of the matter set forth in this affidavit.
2. I live in Blacksburg Virginia next to my elderly parents whom I take care of as needed.
3. I am / was employed by Lifeline Ambulance Service, Inc primarily in the billing department and HR in Christiansburg.
4. I worked a regular full time schedule at Lifeline Ambulance during 2008.
5. I continued helping Mr. Jones with paperwork after the company stopped its daily transportation of patients.
6. I was with my immediate supervisor of the time, Sarah Midkiff, when Medicare contractor Trailblazer Health Enterprises informed us our Medicare Provider Number was lost in May 2008 in late June 2008.
7. I was working the morning of May 27, 2009 in the billing office on a complete had inventory regarding information in the accounting system. I was also working with Mr. Jones reconciling the 941 information for the year. We realized there was a problem after the filing deadline.
8. Marsha Simpson, Jessica Foster, and Chris Sachs were there also and it was raining.
9. Susan Meador from the IRS showed up shortly after 9 AM followed by a building guy. We had a roof leak and minor flooding in the main hallway.
10. Mr. Jones and I visited with Ms. Meador in my billing office and Mr. Jones explained to her what happened regarding Trailblazer Health Enterprises and our provider number.
11. Next to my office was Marsha Simpsons and the billing office was open to the classroom and back half of the building where others were working on patient records.
12. I had run many reports and they lay in the billing office on just about every flat surface.

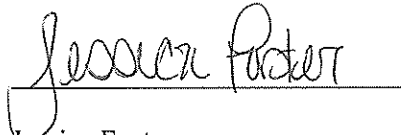
Affidavit of Jessica Foster

Jessica Foster being first duly sworn, states as follows:

1. My name is Jessica Foster. I am over the age of 18 and have personal knowledge of the matters set forth in this affidavit.
2. I live in Christiansburg Virginia with my husband and children.
3. I am / was employed by Lifeline Ambulance Service, Inc as a dispatcher and additionally in the billing department during my many years there.
4. I worked a fairly regular full time schedule at Lifeline Ambulance during 2008.
5. I continued to work as needed cleaning up patient accounting after the company stopped the daily transporting of patients. Dispatchers were part of the billing process on the front end.
6. It is my understanding from my immediate supervisor of the time, Sarah Midkiff, that Medicare contractor Trailblazer Health Enterprises had lost our Medicare Provider Number in May 2008.
7. I was helping out the morning of May 27, 2009 with an inventory of the patient accounting system known as Amazon in the classroom and adjacent to the billing office.
8. Carol Wilson, Jim Jones, Chris Sachs, and Marsha Simpson were there and it was a drizzly day.
9. A building inspector and IRS official visited the building that morning within minutes of each other.
10. I was not party to any specific conversation with either visitor.
11. Mr. Jones and Ms. Wilson visited with IRS Official in the billing office closest to the classroom where I was and not behind any closed doors.
12. The door between the two rooms was generally chocked opened and the classroom was a thoroughfare to the back half of the building. It was open all morning.
13. Our patient records were kept in the dispatch room in the front of the building, the billing department, and a hall closet on the other side of the classroom in the back half of the building.
14. I was using paper reports from Amazon to reconcile medical records.

15. There were many piles of these reports throughout the billing office.
16. I was retrieving records from the lateral cabinet at the classroom door in the billing office as the IRS Official was leaving when she asked "Oh, are there any records of who owes you money, I'll help you collect those." I thought to myself there are plenty of piles to go around, just grab one. It was policy to hand or leave us a list and have us "work them" for whatever reason as work assignments. I was "working" off a similar type report I expect.
17. Ms. Wilson and Mr. Jones got a report off of Ms. Wilson's overhead shelf above her desk and gave it to her. I did not see that report in detail but was told later she left with over \$300,000 of patient accounts. I was within several feet when this occurred.
18. These statements are true and correct.

And further the affiant says not.


Jessica Foster

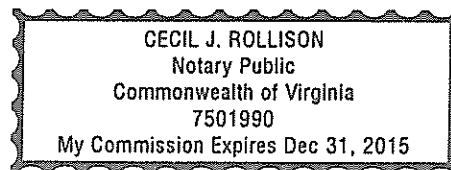
State of Virginia
County of Montgomery

This day appeared before me, the undersigned notary public, Jessica Foster, being duly sworn, stated the foregoing affidavit is true to the best of her knowledge, information and belief.

Subscribed and sworn before me this 29 day of October 2014.


Notary Public

My commission expires: 12-31-15



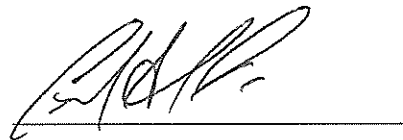
Affidavit of Christopher Sachs

Christopher Sachs being first duly sworn, states as follows:

1. My name is Christopher Sachs. I am over the age of 18 and have personal knowledge of the matter set forth in this affidavit.
2. I live in Christiansburg Virginia with my wife and children.
3. I am / was employed by Lifeline Ambulance Service, Inc primarily as a dispatcher in Christiansburg and occasionally worked in the billing department as needed.
4. I worked a fairly regular full time schedule at Lifeline Ambulance during 2008.
5. I continued on as needed on a patient records accounting project after the company stopped its daily transportation of patients. Dispatchers began the billing process by completing the dispatch record after paperwork came in.
6. I had been informed by my immediate supervisor of the time, Sarah Midkiff, that Medicare contractor Trailblazer Health Enterprises had lost our Medicare Provider Number in May 2008.
7. I was helping out the morning of May 27, 2009 researching and matching patient records from the accounting system in the classroom which is adjacent to the billing office.
8. Carol Wilson, Jim Jones, Jessica Foster, and Marsha Simpson were there and it was a rainy day.
9. A lady from the IRS shortly followed by a building inspector showed up at the building around 9 that morning. I was asked by Jim Jones to walk the inspector around the premises; he and Ms. Wilson were busy with the IRS lady.
10. I was not party to any specific conversation with the IRS lady.
11. Mr. Jones and Ms. Wilson visited with IRS lady in the billing office.
12. I had to pass through the billing office and classroom to access the back half of the building a few times. The classroom was open all morning and the inspector was in and out about 45 minutes, sooner than the IRS lady. Afterwards, I went back to the classroom.

13. Most recent patient records were kept in dispatch in the front of the building, then migrated to the billing department as time passed, and ultimately to a hall closet on the other side of the classroom in the back half of the building.
14. I was reconciling a report with physical medical records.
15. There were many piles of these reports in the billing office, all to be reconciled.
16. I was back in the classroom next to the billing office as the IRS lady was leaving when I heard her asked "Are there any records of who owes you money, I'll help you collect those." I saw Jim Jones and Carol Wilson step back to Carol's desk. We customarily worked from a list left by a supervisor to have us "work it" for various reasons.
17. Ms. Wilson handed Mr. Jones a report off her overhead shelf above her desk then they shared it with the IRS lady. I would not have seen that report but was later told the IRS lady left with over \$300,000 of accounts receivables. I would was about 10 - 15 feet away from them working at a classroom table.
18. These statements are true and correct.

And further the affiant says not.



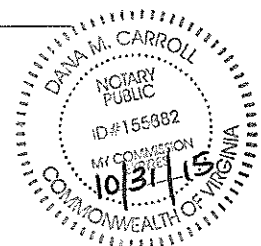
Christopher Sachs

State of Virginia
County of Montgomery

This day appeared before me, the undersigned notary public, Christopher Sachs, being duly sworn, stated the foregoing affidavit is true to the best of her knowledge, information and belief.

Subscribed and sworn before me this 28th day of October 2014.

My commission expires: 10/31/15


Notary Public

Affidavit of Marcia Simpson

Marcia Simpson being first duly sworn, states as follows:

1. My name is Marcia Simpson. I am over the age of 18 and have personal knowledge of the matter set forth in this affidavit.
2. I live in Christiansburg Virginia with my husband and children.
3. I am / was employed by Lifeline Ambulance Service, Inc primarily in the billing department in Christiansburg.
4. I worked a somewhat routine but flexible schedule at Lifeline Ambulance during 2008.
5. I continued on as needed answering the phones after the company stopped its daily transportation of patients.
6. I had been informed by my immediate supervisor of the time, Sarah Midkiff, that Medicare contractor Trailblazer Health Enterprises had lost our Medicare Provider Number in May 2008.
7. I was working the morning of May 27, 2009 answering the telephones and answering questions with information from the accounting system.
8. Carol Wilson, Jim Jones, Jessica Foster, and Chris Sachs were there and it was raining.
9. A lady from the IRS named Susan Meador showed up around 9 AM followed by a building guy. I was asked by Jim Jones to travel to Prices Body Shop and pick up a check and pay the light bill so we could keep the lights on at the office.
10. I was not party to any specific conversation with the IRS lady other than greeting her and left a few minutes later.
11. Mr. Jones and Ms. Wilson were visiting with the Ms. Meador in the billing office when I left and returned.
12. The billing office was open to the classroom and back half of the building. My office was the first one in the billing office, next to Ms. Wilson's.
13. There were many piles of reports in the billing office attempting to reconcile an inventory.

14. While sitting / standing in my billing office we were saying bye to Ms. Meador as she was leaving when I heard her asked "Are there any records of who owes you money, I'll help you collect those." I looked at Jim Jones and Carol Wilson and thought to myself just grab one of those pile but Ms. Wilson stepped back to her desk with Jim.
15. Ms. Wilson handed Mr. Jones a report off her overhead shelf above her desk then they reviewed it with Ms. Meador. I would not have seen that particular report. Ms. Wilson told me afterwards she left with over \$330,000 of accounts receivables and seemed satisfied.
16. These statements are true and correct.

And further the affiant says not.

Marcia Simpson

Marcia Simpson

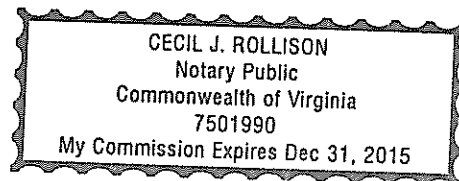
State of Virginia
County of Montgomery

This day appeared before me, the undersigned notary public, Marcia Simpson, being duly sworn, stated the foregoing affidavit is true to the best of her knowledge, information and belief.

Subscribed and sworn before me this 7 ^{november} day of ~~October~~ 2014.

Cecil J. Rollison
Notary Public

My commission expires: 12-31-15



13. Ms. Meador interviewed us then Jim answered questions she had from a form she traveled with. I did not sit with them for that part of the visit but he did tell her he wanted to continue on the business when she asked him what he wanted to do. We did provide her with some accounting documents indicating our A/R of the time. He also mentioned we were not sure the 941 totals were correct because we had computer problems during the year relating to payroll. That was having to be recompiled by hand unfortunately.
14. Jim did ask her if she had worked with a healthcare provider before to which she answered "no." He explained how billing for services worked. He also shared with her he was in an unusual divorce whereas his wife was the former CFO for the company and we were highly suspicious of an accounting system issue at this point in time. She had been the sole administrator for the system and the last billing supervisor quit over system issues and frustration with the computer reporting. That supervisor knew there were more claims in the system she was unable to access and being reported.
15. While saying goodbye to Ms. Meador as she leaving she asked "Are there any records of who owes you money, I'll help you collect those." I looked at Jim Jones and found a report with all the information one would need to collect funds off of. Name, address, SSN, and individual amounts were on each line of the report. We expected with her powers she would collect those amounts without any problems.
16. Ms. Meador left with over \$330,000 of accounts receivables and left Jim with some homework. He did forget to give her a privacy act release but I had him send it to her. We got back on the projects at hand and I heard nothing else until all these tax lawyers started calling Jim.
17. These statements are true and correct.

And further the affiant says not.

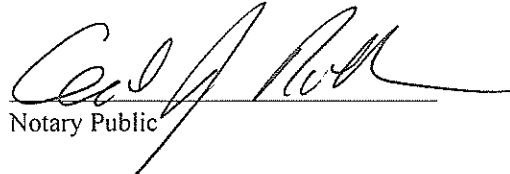


Carol Wilson

State of Virginia
County of Montgomery

This day appeared before me, the undersigned notary public, Carol Wilson, being duly sworn, stated the foregoing affidavit is true to the best of her knowledge, information and belief.

Subscribed and sworn before me this 3rd day of November ~~October~~ 2014.


Notary Public

My commission expires: 12-31-2015

