

ADDENDUM NUMBER ONE

THE UNIVERSITY OF NEW MEXICO HOSPITALS

Purchasing Department
933 Bradbury Dr. SE Ste 3165
Albuquerque, New Mexico 87106

Date: August 29, 2017

Proposal Number: P372-17

Name of Procurement Specialist: Jennifer Sanchez

Due Date: September 6, 2017 @ 2:00 pm MST/MDT

Notice to all respondents:

Amend the Proposal: **RFP P372-17 – OUTSOURCING ACCOUNTS RECEIVABLE (EXTENDED BUSINESS OFFICE)**

This addendum becomes part of the Proposal Documents and modifies, as noted below, the original Bidding Documents.

WRITTEN RESPONES – QUESTIONS AND ANSWERS

- 1) Please confirm the due date for this procurement is **9/6/2017**.
UNM/HSC Response: UNM/HSC confirms that the due date is Wednesday, September 6, 2017.
- 2) Will the contract resulting from RFP P372-17 be replacing the contract that resulted from RFP 174-11 due April 14, 2011?
UNM/HSC Response: Yes, the contract resulting from RFPP372-17 will replace the contract that resulted from RFP 174-11
- 3) Will the contract resulting from RFP P372-17 also be replacing the contract from RFP P310-14 due December 17, 2014?
UNM/HSC Response: No, the contract resulting from RFP P372-17 will not replace the contract from RFP P 310-14.
- 4) When is the anticipated contract start date?
UNM/HSC Response: The anticipated contract start date is November 2017.
- 5) What is the maximum number of renewal options by policy or statute?
UNM/HSC Response: Pursuant to NMSA 13-1-150 (Multi-Term Contract), the term shall not exceed eight years, including all extensions and renewals. Has the current contract gone full term?
- 6) Have all options to extend the current contract been exercised?
UNM/HSC Response: The UNM/HSC does not believe the question is relevant to the RFP process.
- 7) What estimated or actual dollars were paid last year, last month, or last quarter to any incumbent(s)?
UNM/HSC Response: UNM/HSC does not believe the question is relevant to the RFP process.

- 8) Please describe your level of satisfaction with your current vendor(s), if applicable.
UNM/HSC Response: UNM/HSC does not believe the question is relevant to the RFP process.
- 9) What is the total dollar value of accounts available for placement now by category, including any backlog?
UNM/HSC Response: To date the UNM/HSC is placing accounts with its current vendor; therefore, there is no backlog. It is difficult to provide a total dollar value as the qualification and placements occur daily.
- 10) What is the total number of accounts available for placement now by category, including any backlog?
UNM/HSC Response: To date the UNM/HSC is placing accounts with its current vendor; therefore, there is no backlog. It is difficult to provide a total dollar value as the qualification and placements occur daily.
- 11) If applicable, will accounts held by any incumbent(s) or any backlog be moved to any new vendor(s) as a one-time placement at contract start up?
UNM/HSC Response: Accounts placed with our current Extended Business Office Vendor may eventually be moved to the new successful vendor; however, that is still under discussion. Account placement will begin on a specified date established between UNM/HSC and the vendor the contract is awarded to. These will be new placements.
- 12) What computer software system do you use to manage your accounts/inventory?
UNM/HSC Response: Soarian Financials is used for UNM Hospitals and all its entities as well as Sandoval Regional Medical Center. UNM Medical Group currently uses GE IDX.
- 13) Do you have any plans of changing that system in the future, and why/why not?
UNM/HSC Response: For UNM Hospitals and Sandoval Regional Medical Center, no, we don't plan to change. Soarian is a relatively new system and we do not have any need to change. UNMMG is currently on GE IDX.
- 14) Do you subscribe to any offset programs?
UNM/HSC Response: The UNM/HSC does not know what you are referring to as "offset" programs.
- 15) How many current agencies are you currently working with for your existing EBO solutions?
UNM/HSC Response: The UNM/HSC is currently working with One (1) agency for its existing EBO Solutions.
- 16) Can you provide current recovery numbers for your incumbent agencies?
UNM/HSC Response: Approximately 8-17%
- 17) Can you please provide your current agency's rate to your organization for services being performed? As for the RFP, did I miss the contingency fee?
UNM/HSC Response: The UNM/HSC is requesting a best offer from each participant based on the current RFP SOW.

- 18) Exhibit A – Section 2, Purpose – The document refers to “true” self-pay. Is it the intent to outsource accounts that include true patient responsibility as well as balance after insurance accounts? If so, please provide the split in dollars between Balance after Insurance and True Self Pay?
UNM/HSC Response: Yes, that is the intention. Approximately 70% of dollars are true self pay, 30% is balance after insurance.
- 19) Does UNM/HSC have the proper cell phone consent to allow auto dialing?
UNM/HSC Response: The successful vendor will be acting as an extension of UNM/HSC therefore cell phone contact is allowed if the patient has provided their cell phone number.
- 20) Will the vendor have access to UNM/HSC patient accounting system?
UNM/HSC Response: Yes, the vendor will have access to UNM/HSC patient accounting system.
- 21) Are credit card payments processed through the UNM/HSC merchant account?
UNM/HSC Response: Yes, credit card payments are processed through the UNM/HSC merchant account.
- 22) Does the proposed program include both Self-Pay-after insurance and Self-Pay- at the time of service?
UNM/HSC Response: Yes, the proposed program includes both Self-Pay-after insurance and Self-Pay- at the time of service.
- 23) Is an aging report(s) available for the past 24 months, which includes dollars recovered per month and % of recovery on the self-pay financial classes?
UNM/HSC Response: That information is not available at this time.
- 24) Is the program going to be sole-sourced or split among multiple vendors
UNM/HSC Response: This program is being procured via RFP; therefore, the procurement vehicle “Sole Source” is n/a. It is anticipated that an award will be made to one (1) vendor. However, pursuant to NMSA 13-1-153 “Multiple Source award”, if UNM/HSC determines that it is necessary for adequate delivery or services, multiple source awards may be awarded.
- 25) Is Self-Pay being outsourced at the present time or worked internally?
UNM/HSC Response: At UNMH/SRMC Self-Pay is worked internally for 60 days and then is outsourced. At UNMMG it is outsourced on day (1) one.
- 26) Are there any other requirements/credentialing that we need to be aware of prior to submitting our questions and responses to your RFP?
UNM/HSC Response: No, there are no other requirements/credentialing prior to submitting questions and responses to the RFP.
- 27) Please confirm this this is an RFP for first-party services, and that letters and phone calls should be designed such that the vendor presents itself as UNMH.
UNM/HSC Response: Yes, that is correct.
- 28) Section 3.1 indicates that “offerors must include a copy of their preference certificate with their proposal.” Please confirm that this is only true for resident bidders, and that non-resident bidders who are not seeking either preference needn’t include this form.
UNM/HSC Response: If resident preference is not applicable, on your table of contents please put “n/a” or you may submit a blank form and put a notation at the top that this form is N/A.

- 29) Regarding Item 3.13, if a firm utilizes a third-party service for mailing and/or skiptracing, would they qualify as agents or subcontractors?
UNM/HSC Response: UNM/HSC will allow agents/subcontracts provided such agent/subcontractor meets any and all UNM/HSC requirement at its sole discretion.
- 30) Under section 2, Purpose, the RFP reads that “all accounts identified as true self-pay ... will be outsourced.” What steps are taken to identify accounts as true self-pay?
UNM/HSC Response: UNMH and its entities run eligibility checks on patients. In addition, we place calls to patients with a balance over \$8,000 prior to assigning to an Extended Business Office. For UNM Hospitals, we also send 2 statements to patients prior to placing with an Extended Business Office.
- 31) Scope of Work, Part A, item xx indicates a requirement for onsite staff. How many onsite staffers are expected?
UNM/HSC Response One (1) onsite staffer(s) are expected.
- 32) What has historically been the rate of liquidation for the accounts to be placed? In other words, what percentage is collected on average? What is the current liquidity of the accounts?
UNM/HSC Response: An Average of 8-17%.
- 33) What is the proposed Award Date?
UNM/HSC Response: A proposed award date 10/26/17.
- 34) What is the proposed Start Date for the project?
UNM/HSC Response The start day can be as early as 11/1/17 for UNM Medical Group however, the start day will be staggered for until early 2018 for UNM Hospitals and Sandoval Regional Medical Center due to a system upgrade. This is also contingent upon an approved security plan and contracting.
- 35) What day will the accounts be placed? Day 1? Day 15?
UNM/HSC Response: Day 1 for UNM Medical Group, day 61 for UNM Hospitals and all its entities as well as Sandoval Regional Medical Center.
- 36) Would you share the current work flow?
UNM/HSC Response: UNM Medical Group assigns accounts day one to the current vendor. UNM Hospitals and Sandoval Regional Medical Center assigns day 61. The current vendor works accounts for 180 days. During that time they are the place 4 calls to the patient as well as send 6 statements or letters. The vendor maintains accounts for longer than 180 days if the patient is on a payment arrangement and remains current with their payments.
- 37) Please provide a current ATB with 30 day buckets that include volume of accounts and total dollars
UNM/HSC Response: All accounts are currently placed with our vendor therefore, we cannot provide an ATB.
- 38) May we see a current sample statement?
UNM/HSC Response: Statement samples will be provided to the successful vendor that is selected to receive an award.
- 39) What is the current write off policy?

UNM/HSC Response: The policy will be reviewed and shared with the successful vendor. The policy is not relevant with regard to the RFP.

40) Is a patient portal currently provided for electronic payments?

UNM/HSC Response: Yes, we have a patient portal for payments.

41) (2. Purpose) Please provide a general breakdown of the estimated 31,000 accounts for \$14 million per month?

UNM/HSC Response:

- a. **Hospital vs Professional -Professional averages approximately 19,300 accounts per month, \$3.8 Million per month; Hospital averages approximately 11,500 accounts per month, \$10.6 Million per month**
- b. **Hospital true self pay vs balance after insurance – Approximately 70% of dollars are true self pay; 30% of dollars are balance after insurance**
- c. **Professional true self pay vs balance after insurance – Approximately 70% of dollars are true self pay; 30% of dollars are balance after insurance**

42) (3.A.v) Your requirements list 6 letters and 4 contacts per account. Would you entertain a process where the vendor purchases external data in order to score and segment accounts based on propensity to pay and assign various workflows to each segment of accounts based on score?

UNM/HSC Response: Yes; however, UNM/HSC would like to review and approve segmentation and workflows.

43) (3.A.vi) For credit balances, are you asking the vendor to manage credits by applying misapplied patient cash or processing refunds to patients?

UNM/HSC Response: The UNM/HSC is requesting both.

44) (3.A.xii) Please further define the requirement of “tagging” UNM/HSC’s phone system.

UNM/HSC Response: Basically, the UNM/HSC wants the ability to transparently transfer patient calls to the selected vendor.

45) Do your facilities present TCPA language at registration?

UNM/HSC Response: No, however the vendor will present themselves as UNM Hospitals and it’s entities. Recommendations regarding TPCA language may be made by the selected vendor.

46) Regarding Exhibit J, page 29 – The Information Systems Security Plan Information states that the Security Plan will be initiated in the early phases of a project. Is this something that should be included with our response or completed if awarded the business?

UNM/HSC Response: Yes, the completed Security Plan is required to be submitted with its proposal response.

47) Can you clarify if the accounts covered in this RFP includes co-pay/deductible balances for follow-up? I understand that if insurance needs to be billed/rebilled that is not covered by this RFP, but does this RFP only cover true self pay balances for uninsured patients or does it include co-pay/deductibles for patients with coverage?

UNM/HSC Response: This RFP includes self pay as well as any balance after insurance, coinsurance, copay or deductible, due from the patient. Basically, any balance due from a patient.

48) Exhibit 1, page 23 – Do the Minimum Wage Rates and Payroll Submittals referenced on Exhibit 1, page 23, apply to this project?

UNM/HSC Response: No, they do not apply to this project.

49) Exhibit A, page 3, Section v. – Is it correct to interpret the minimum 4 telephone contacts should be defined as telephone call attempts?

UNM/HSC Response: Yes, that is correct.

50) Exhibit A, page 6, Section ii.vii – Regarding dedicated staff, will UNM/HSC permit representatives to work more than just their accounts?

UNM/HSC Response: The preference is to have staff dedicated to UNM/HSC.

51) Is UNM/HSC currently outsourcing this function?

UNM/HSC Response: Yes, the UNM/HSC is currently outsourcing this function.

52) Will the selected vendor take over old A/R also or just start with new?

UNM/HSC Response: Accounts placed with our current Extended Business Office may eventually be moved to the new vendor however, that is still under discussion. Account placement will begin on a specified date established between UNM/HSC and the vendor the contract is awarded to. These will be new placements.

53) If taking over old A/R, how much is that old A/R and will it include payment plans?

UNM/HSC Response: Reassignment of old A/R is still under discussion.

54) What is the percentage of the self-pay accounts that are in payment plans?

UNM/HSC Response: Approximately 21.5% of accounts are in payment plans.

55) Will the selected vendor also process the Charity applications?

UNM/HSC Response: No. The selected vendor will screen for charity and schedule appointments.

56) Is there currently a patient portal where patients can make payment or set up their payment plan on line?

UNM/HSC Response: Yes, there is a patient portal for payments.

57) Can off-shore services be utilized?

UNM/HSC Response: Response will be forthcoming thru an additional addendum to this RFP.

58) Will the selected vendor need to screen patients for Medicaid every month?

UNM/HSC Response: Yes, the vendor should screen patients for Medicaid; however, the frequency can be further discussed with the selected vendor.

59) Will the selected vendor need to check with county/state for deceased patients?

UNM/HSC Response: Yes, the selected vendor will need to check with county/state for deceased patients.

60) Does UNM/HSC include a statement on your admission forms asking if contact can be made to cell phone?

UNM/HSC Response: No; however, since the vendor will represent as UNM Hospitals, you are able to call cell phone numbers if the patient provides it.

61) Will UNM/HSC allow selected vendor to call patients on cell phones once permission is obtained from patient?

UNM/HSC Response: Yes, UNM/HSC will allow selected vendor to call patients on cell phones once permission is obtained from patient.

62) Does UNM/HSC allow electronic delivery of patient statement?

UNM/HSC Response: Currently we do not electronically deliver patient statements. This can be further discussed with the vendor that is selected.

63) Is bankruptcy management included in the scope?

UNM/HSC Response: Yes, bankruptcy management is included in the scope.

64) A patient account will be worked across all facilities, however, does each facility send a statement or can it be combined?

UNM/HSC Response: UNM Hospitals entities are currently combined; however, UNM Medical Group must be handled on a separate statement. In addition, UNM Sandoval Regional Medical Center must also be handled on a separate statement.

65) Do patients' have one medical record number across the facilities, or each facility assign its own?

UNM/HSC Response: Patients are assigned one medical record number across the facilities.

66) What is UNM/HSC current collection percentage on this book of business?

UNM/HSC Response: Approximately 8-17%

67) Will reconsideration be made to allow selected vendor to bill on insurance discovery accounts?

UNM/HSC Response: That can be discussed further with the successful vendor selected; however, any reconsideration would need to include not only billing but adequate insurance follow-up.

68) Will you provide a self-pay ATB that indicates the spread of AR by aging over the most recent 180 day period?

UNM/HSC Response: The UNM/HSC is not able to provide this information as at this time as we are still placing accounts with our current vendor. The average number of accounts and balances were provided in the RFP.

69) Are the 36 offsite clinics, as well as the 36 hospital based clinics, part of this scope?

UNM/HSC Response: Yes, the 36 offsite clinics, as well as the 36 hospital based clinics, are part of this scope.

70) Will selected vendor post transactions (live and electronic payments/adjustments) directly into UNM/HSC systems?

UNM/HSC Response: This is separate from a transaction report/file from UNM/HSC that selected vendor will upload into EBO system in order to maintain balance integrity. Yes, the selected vendor will post transactions into the UNM HSC system. Yes, it is a separate file from UNM HSC.

71) Will the due date for this be extended? Do you know if there would be a possibility of an extension of the due date?

UNM/HSC Response: No, the due date will not be extended. The RFP due date remains the same as stated in the RFP, September 6, 2017.

72) Is there a registration process that potential vendors need to follow, which will allow us to submit a response to the RFP? If so, please provide us instructions on the that process.

UNM/HSC Response: There is not registration necessary to submit a proposal response.