

**UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
RFP No. 2015-06
Pre Collection Self Pay Service**

July 16, 2015

ADDENDUM NO. 1

QUESTIONS / ANSWERS

- Q.1 Please confirm the due date for this procurement is 7/30/2015.**
A.1 July 30, 2015 is the due date to receive all RFP proposals.
- Q.2 Why is the Contract out to bid at this time?**
A.2 Current Agreement with incumbent expires December 7, 2015.
- Q.3 When is the anticipated Contract start date?**
A.3 The target date to begin implementation is October 2015 with a go live date of January 1, 2016. Given the complexity of IT involvement needed for file transfers and set up for inbound and outbound notes and transactions, this lead time is necessary.
- Q.4 Has the current Contract gone full term?**
A.4 Current Agreement with incumbent expires December 7, 2015.
- Q.5 Have all options to extend the current Contract been exercised?**
A.5 No. There is a remaining one 2-year renewal option.
- Q.6 Who is the incumbent, and how long has the incumbent been providing the requested services?**
A.6 RelayHealth, a Division of McKesson Technologies, Inc. Current Contract term is five (5) years with one 2-year renewal option.
- Q.7 To what extent will the location of the Proposer's proposed location or headquarters have a bearing on any award?**
A.7 The location of the headquarters is not significant to the award. However, the ability to hire and maintain onsite representation on a full time basis is necessary.
- Q.8 How are fees currently being billed by any incumbent(s), by category, and at what rates?**
A.8 Companies requesting such information will have to complete a Public Request Form and a fee will be assessed. Please submit your request to Kristine.sy@umcsn.com or call 702-383-2423.
- Q.9 What estimated or actual dollars were paid last year, last month, or last quarter to any incumbent(s)?**
A.9 UMC declines to answer this question.
- Q.10 How many vendors are you seeking to award this Contract?**
A.10 One (1).
- Q.11 Can you please provide greater details on how proposals will be evaluated and how the selected vendor(s) will be chosen?**
A.11 Scores will be based on answers provided in the Evaluation Criteria portion and if needed, during Oral Presentations. Contract will be awarded to the superior Proposer who can meet or exceed UMC's requirements.

Q.12 Please describe your level of satisfaction with your current vendor(s), if applicable.

A.12 UMC declines to answer this question.

Q.13 Can you please provide greater details regarding when accounts will be placed with the service Provider?

A.13 The goal for UMC is to have the self pay accounts placed five (5) days after discharge. This is not always possible due to upstream processes such as charging and coding prior to transfer to AR.

For the Self pay after insurance, the accounts are placed on the day following insurance resolution. The account moves to self pay at midnight and the following midnight it assigns to the early out agency.

Q.14 At the time of placement, are accounts considered delinquent accounts?

A.14 No

Q.15 What collection attempts are performed or will be performed internally prior to placement?

A.15 Payment and collection at time of services is attempted. The initial information statement is sent to patients on the day the account transfers to the AR. This may be a first bill or purely informational statement for insurance patients. The only other collection efforts at this early stage are through financial eligibility counseling dept. in determining if the patient may be eligible for Medicaid or SSI. These activities are done prior to discharge.

Q.16 What is the total number of accounts available for placement now by category?

A.16 One time placement of current vendor inventory approximately \$46,542,344.00.

Q.17 What is the average balance of accounts by category?

A.17 Hospital Pure Self Pay = \$5,543
Hospital Balance after Insurance = \$2,296
Clinic Pure Self Pay = \$179
Clinic Balance After Insurance = \$85

Q.18 What is the monthly or quarterly number of accounts expected to be placed with the vendor(s) by category?

A.18 Monthly Volumes:
Hospital Pure Self Pay = 2,136
Hospital Balance after Insurance = 2,094
Hospital Total = 4,230
Clinic Pure Self Pay = 2,169
Clinic Balance After Insurance = 3,439
Clinic Total = 5,608

Q.19 What is the monthly or quarterly dollar value of accounts expected to be placed with the vendor(s) by category?

A.19 Hospital Monthly Average: \$16,617,672.00
Clinic Monthly Average: \$680,566.00

Q.20 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?

A.20 No. Accounts will be returned at the end of the contract. There will be a one time placement of accounts with current payment arrangements and those less than 120 days since placement. All other will be resolved by UMC prior to placement.

Q.21 What is the average recovery rate?

A.21 UMC declines to answer this question.

Q.22 What is your current bad debt write off per month on that inventory?

A.22 UMC declines to answer this question.

Q.23 Aside from FCC calling restrictions, are there any facility restrictions or preferences on outbound calls days and times?

A.23 UMC is on Pacific Standard Time and calls should be made within the FCC standards.

Q.24 What is the small balance write off floor?

A.24 For STAR accounts 14.99 and for Ideal accounts 4.99.

Q.25 Describe the process for Insurance Discovery (If the vendor identifies a payer that was not previously billed)?

*** Is the vendor responsible for following up and billing the insurance carrier?**

*** Is the vendor required to close and return the account?**

*** What is the current volume of accounts (on a monthly basis) that have been identified as Self pay and later identified as covered by insurance (changed back over to Third Party Coverage)?**

A.25 If insurance coverage is identified, the onsite representatives will be responsible for updating UMC's system with this information to generate a claim. Training will be provided on how to perform this function. This cannot be done via remote access at this time. UMC will complete the billing to insurance carrier. For STAR accounts the system will automatically recall the account from the agency and this transaction will be reflected in daily transaction reports. For the Ideal system this will be a manual process performed by the onsite staff. At this time we are unable to provide the volume of accounts returned for insurance billing. UMC uses automated eligibility functions at time of registration as well as checking for Medicaid eligibility on self pay patients and CWF for all self pay patients over 65 for Medicare coverage. This limits the number of accounts requiring return for insurance.

Q.26 Describe the process for Financial Hardship (if the vendor is responsible to identify if the patient qualifies for financial hardship/charity care)

*** Is the vendor responsible for assisting the patient complete the application or screening?**

*** Is the vendor required to close and return the account?**

*** What is the current volume of accounts (on a monthly basis) that have been identified as financial Hardship?**

A.26 UMC utilizes a discount program approved by the Board of County Commissioners to offer self pay discounts to patients. The vendor will be responsible for working with UMC to learn the criteria for the discount and how to calculate this amount. This is not considered a "Hardship" discount but rather a self pay discount. Charity Care applications are processed by the Eligibility Financial Counseling Department at the time of service to determine the level of poverty and what federal poverty level applies. These accounts are not referred to the vendor since they are set up prior to discharge on a payment plan. The outpatient discount is a flat rate discount for uninsured patients that request it. UMC does not discount balances after insurance.

Q.27 Inbound Calls

*** How many incoming calls are registered in a typical day, week, month?**

*** What is the average talk time?**

*** What is the current average hold time?**

*** What is the current abandonment rate?**

*** What are the peak call times during the Day and Peek days within the Week?**

*** What percentage of calls represent calls for payment vs. calls for inquiry vs. calls for complaints?**

| A.27 | Direct To UMC | To Vendor Call Center |
|----------------------------|---------------|--|
| Inbound Calls Monthly Ave. | 4,129 | 4,664 |
| Inbound Calls Weekly Ave. | 1,032 | 1,166 |
| Inbound Daily Ave | 206 | 293 |
| Ave Hold Time | 2:08 | 6 min max (Transfer to message option) |
| Ave Abandonment Rate | 13% | 9% |
| Ave Talk Time | 3:15 | Unavailable |

Q.28 Is the work currently outsourced or performed in-house? If outsourced who is the incumbent and what are the current fees that are charged?

A.28 Outsourced. RelayHealth. For release of fees information, Companies requesting such information will have to complete a Public Request Form and a fee will be assessed. Please submit your request to Kristine.sy@umcsn.com or call 702-383-2423.

- Q.29 What placement category/program are the accounts (primary, secondary, tertiary)?**
A.29 All placements will be primary placement.
- Q.30 How long will the vendor have the accounts in each program (primary, secondary, tertiary)?**
A.30 Accounts are automatically recalled by the STAR system at 120 days and manually returned by vendor for Ideal system at 120 days.
- Q.31 What is the estimated monthly placement dollar amount to be placed per vendor per program (primary, secondary, tertiary)?**
A.31 All placements are primary. See Q.18.
- Q.32 What is the estimated monthly volume/number of accounts to be placed per vendor per program (primary, secondary, tertiary)?**
A.32 All placements are primary. See Q.18.
- Q.33 What is the historical 12 month liquidation rate for primary, secondary and tertiary placements?**
A.33 UMC declines to answer this question.
- Q.34 What is the average account balance for each program (primary, secondary, tertiary)?**
A.34 All are primary. See Q.17.
- Q.35 How many vendors serviced UMC's most recent Contract?**
A.35 One.
- Q.36 How many vendors will UMC select per program (primary, secondary, tertiary)?**
A.36 One.
- Q.37 Is there a Supplier Diversity spend goal established by UMC?**
A.37 UMC declines to answer this question.
- Q.38 What improvements would UMC like to see from the Proposers on this Contract versus the previous Contract?**
A.38 The proposal should outline how the vendor is equipped to improve self pay collections.
- Q.39 What are the specific collection steps (i.e. data mailers, phone calls, activity by balance, ect.) taken internally before accounts are referred over to the vendor? What specific collection steps will UMC take before assigning accounts to collection vendor and at what age, from date of service, will collection vendor expect to receive the accounts?**
A.39 These are placed immediately on becoming self pay so UMC is not making calls prior to placing. The self pay statement track starts on the date the account becomes self pay after insurance or on the date the account enters AR status. UMC will send the statements monthly while placed with the vendor. Selected vendor will be provided with UMC statement samples and will have access to view statements.
- Q.40 Under Exhibit A, Section 2.3 will the Proposer be disqualified if it does not meet the following: "Four onsite representatives will be required on a full time basis at UMC Patient Accounting Department."?**
A.40 This is a requirement for this contract. These representatives share the responsibility for answering phone calls directly into the department and for performing functions the vendor cannot perform remotely into the UMC systems. They also assist with coverage of the reception area for patient payments till 4:30 pm. The proposal should include a mechanism for reimbursement of services provided onsite. These will be the vendor's employees but UMC will consider reimbursement terms for their services.
- Q.41 What is the average monthly volume (number of accounts and dollars) for straight self pay/uninsured accounts?**
A.41 See Q.18.

- Q.42 What is the average monthly placement volume (number of accounts and dollars) for balances after insurance?**
A.42 See Q.18.
- Q.43 What, if any, is the minimum balance to be referred?**
A.43 For hospital based account, the minimum balance is \$15.00. For clinic accounts, the minimum balance is \$5.00. These smaller balances mainly represent the co-pays and deductibles.
- Q.44 What is the historical liquidation (prior year – January – December) on the true self pay accounts?**
A.44 UMC declines to answer this question.
- Q.45 What is the historical liquidation (prior year – January – December) on the balance after insurance inventory?**
A.45 UMC declines to answer this question.
- Q.46 Will a backlog be placed? If so, at what age? What is the expected volume of backlog accounts placed? What is the expected amount of backlog placed?**
A.46 The existing inventory or the current vendor will be a one-time placement. Please see Q.16.
- Q.47 Please define what is meant by vendors to provide “reconciliation of insurance payment(s)” – found in the first sentence on page 3.**
A.47 Disregard reconciliation of insurance payments. This RFP is only for pre collection self pay services.
- Q.48 Will all of the facilities listed under Background (page 4, number 3) contribute to the monthly placements or will UMC be the only facility placing accounts?**
A.48 Yes. This includes the hospital and all associated primary care, urgent care and clinic accounts.
- Q.49 In reference to Exhibit A, Section 7.3, will correspondence need to be available upon request or must vendor provide a copy of correspondence via flat file each month?**
A.49 The vendor should not be receiving much direct correspondence since the statements will be managed by UMC and payments received directly to UMC. However, in the event that documents are received, they should be sent to the onsite representatives to be scanned into UMC’s imaging system. There is no remote scanning or uploading functions available remotely at this time.
- Q.50 With respect to payments, would UMC be open to a batch process aimed at reducing associated costs?**
A.50 Payments are to be made using UMC’s Relay Health payment portal. All payments will be electronically posted to UMCs system within 48 hours of the transaction. These payments will show on the daily STAR transaction files and the daily Ideal Payment and Adjustment Reports. Since payments will not be made to the vendor, there will be no need for a batch file of payments.
- Q.51 Would all four (4) onsite representatives referenced in Exhibit A, Section 2.3 be at the same physical location in Nevada?**
A.51 Yes
- Q.52 In Exhibit A, Section 4.1.2, what do you mean when say that UMC reserves the right to “withdraw/withhold” certain accounts without obligation?**
A.52 If UMC has established a payment arrangement with the patient prior to services, these accounts will not be referred to the vendor for collections. In addition, if the account has been identified as having an incorrect patient responsibility identified, the account will be withdrawn and if applicable returned with the correct balance.
- Q.53 In Exhibit A, Section 4.4.2, is the Proposer authorized to send a single Training Manager for onsite training? This would be a train the trainer type scenario. If not, please define appropriate number of staff.**
A.53 A single manager is acceptable however UMC can accommodate several people for training if the selected

vendor choose to have more than one person attend. There will be remote access for payments, statement viewing and some limited remote access directly to the imaging systems and financial systems.

Q.54 Please identify each financial system referred to in Exhibit A, Section 8.1. Also, what is UMC's patient accounting system?

A.54 McKesson STAR and Cerner Ideal are the two current financial systems.

Q.55 With respect to Exhibit A, Section 6.0, is UMC open to Proposer using propensity to pay modeling/scoring for maximum work effort efficiency, understanding this may vary the protocol outlined?

A.55 This can be used however UMC expects that all accounts are worked with the same priority and expects that the outlined protocol be adhered to for all accounts regardless of propensity to pay or account balance.

Q.56 In Exhibit A, Section 10.1, what is the typical statement series sent by UMC, including frequency? Is a broken promise letter or payment plan reminder included in the series? If not, is the Proposer authorized to send?

A.56 Statements are sent monthly and a minimum of three (3) statements and one (1) final notice of intent to send to collections is provided. Patients on payment arrangements receive monthly statements for each account on an arrangement and if a payment is missed they will receive a delinquent amount notice on the next statement. Two (2) consecutive months of missed payment is considered default and the account will proceed with normal collection processes. If within the 120 days time frame the vendor may wish to pursue re-establishing the arrangement. If past 120 days will prelist for collections.

Q.57 In Exhibit A, Section 4.4.4, Is the Proposer permitted to process any Credit Card and ACH payments directly within our system, or are ALL payments routed through RelayHealth?

A.57 No, all payments are to go through Relay Health and posted automatically to UMC's system within 48 hours of the transaction. The payment must show to the patient as being made to UMC and not to the vendor. The vendor is to be transparent to the patient and appear as if they are UMC.

Q.58 In Exhibit A, Scope of Services, it states "Four (4) onsite representatives will be required on a full time basis at UMC Patient Accounting Department". Is it possible for the workload to be completed virtually from our offices and/or is the number of onsite personnel able to be adjusted based on workload?

A.58 No

Q.59 In Exhibit A, Scope of Services, it states "Onsite representatives will work the UMC direct lines for patient calls". We place our EBO phone number on letters/statements and they would be answered at our operations center on behalf of UMC. Is this acceptable?

A.59 The vendor call center numbers will be part of UMC statements. However, UMC receives over 5,000 calls per month directly to the Patient Accounting Department customer service lines. The staff will be supplementing these calls. These calls are not redirected to the vendor as part of ensuring timely responses and getting to speak with a person directly when transferred into our office.

Q.60 In Exhibit A, Scope of Services, it states "UMC calls may not be comingled with other vendor calls". Can you please clarify what this means?

A.60 UMC calls must be answered by dedicated representatives and not into a call center that handles multiple clients by the same staff. There may be no indication to our patients that they are contacting anyone other than UMC regardless if the vendor has other lines of business that involve the same patient.

Q.61 Payment Terms: Net 90 days. Will UMC consider anything less than 90 days? We generally work with Net 30.

A.61 Preference is Net 90.

Q.62 Please provide an ATB Report Summary by financial class for 2014 thru 2015 by month.

A.62 The ATB is not applicable to the scope of work for this contract. Please refer to the questions and answers related to the volume of placements and dollars to be placed.

- Q.63 Please outline the specific tasks that will be assigned to the four (4) required onsite representatives.**
A.63 Answers calls directly into the UMC phone system for patient payments, inquiries, complaints. Update UMC financial systems with insurance information received at the vendor's main call center and initiate the billing processes. Coordinate account audits request via the vendor's call center, process requests for itemized statements received by the vendor's call center, enter payment arrangements into UMC systems. These four (4) employees will work alongside UMC's customer service representatives in our onsite call center. UMC has four (4) full time employees on the phones and two (2) receptions to assist walk in patients.
- Q.64 On page 8, Section E, Items 1 and 2 – must commit specific people including resumes who will work the account. Is a submission automatically disqualified if resources are not specifically named?**
A.64 On that same Section it states "PROPOSER(S) need not indicate the actual names of employees when submitting resumes. Fictitious names or numbers may be used (e.g. employee #1). However, if selected as a finalist, PROPOSER(S) must disclose actual employee names matching the resumes submitted to OWNER upon verbal request to be used in performing background verifications. The successful PROPOSER(S) shall not change proposed project personnel for which a resume is submitted without OWNER approval." Thus if a vendor is selected as a finalist, that vendor must then be able to disclose actual employee names matching the resumes.
- As an alternative, UMC will accept the job descriptions and sample qualifications used in selecting candidates that will be assigned to UMC accounts in lieu of actual resumes. It is important that the Proposer is able to ensure that qualified professional staff are utilized for management of accounts.
- Q.65 Are onsite representatives required or will submissions where the A/R specialists are physically located at the PROPOSER's corporate offices/call center be considered?**
A.65 This is a requirement for this contract. These representatives share the responsibility for answering phone calls directly into the department and for performing functions the Vendor cannot perform remotely into the UMC systems. They also assist with coverage of the reception area for patient payments till 4:30pm. The proposal should include a mechanism for reimbursement of services provided onsite. These will be the Vendor's employees but UMC will consider reimbursement terms for their services. This RFP is for complete management of active AR self pay accounts and not solely for a remote call center.
- Q.66 Can you please provide a breakdown of call volume by language?**
A.66 The numbers are not readily available. However, UMC serves a high volume of Spanish speaking patients and has required that two (2) of the four (4) onsite people in our call center are bilingual.
- Q.67 In Exhibit A, Section 4.1.2, what is the typical nature of pulling back accounts from Proposer?**
A.67 If the account has been identified as having an incorrect patient responsibility identified, the account will be withdrawn and if applicable returned with the correct balance. In addition, there are times when an administrative decision is made and an account is returned.
- Q.68 In Exhibit A, Section 6.5, what is the calculation used for abandonment rate?**
A.68 $\# \text{ of calls dropped from the queue for the period} / \# \text{ of calls dropped from the queue for the period} + \text{total inbound calls answered for the period} = \text{abandonment rate}$
- Q.69 On page 15, Section A, Compensation, will UMC consider a contingency fee model versus a fixed fee model? (A contingency model aligns the incentives of the Proposer much more closely with the revenue goals of UMC and ensures that the Proposer only gets paid once UMC is paid.)**
A.69 Yes, UMC will consider a contingency fee model. This is the structure set up with the current vendor.
- Q.70 Can we please receive the following data from your ATB?**
A) **Current month-end Self Pay Aged Trial Balance (ATB) run with the following parameters (please provide Query Parameters in cover sheet):**
a. **By date of service**
b. **By current financial class (e.g., Self Pay, Self Pay After Insurance, etc.)**
c. **Dollars and associated counts (e.g., unique invoices, unique patients – please specify the parameter used)**
d. **The following date of service aging categories are preferred (if not date of service, please specify the report aging parameters):**
i. **0-30**

- ii. 31-60
- iii. 61-90
- iv. 91-180
- v. 181-365
- vi. 365 +

- B) **Gross collection rates by financial class for the last 12 months of activity. If available by date of service aging category, please include.**
- C) **Payments by payment code description (e.g., POS Payments, Co-Payments, etc.) by month for the last 12 months.**
- D) **Number of statements generated for the last 12 months broken down by month.**

- A.70
- A) UMC declines to provide the information as outlined above. However, please reference other questions providing placement volumes and dollars. Accounts remain with the early out vendor for 120 days from placement and if no payment arrangements have been secured, the accounts are returned to UMC for transfer to bad debt.
 - B) UMC declines to answer this question.
 - C) UMC declines to answer this question. Not relevant to the scope of this RFP.
 - D) Hospital Accounts = 32,421 average per month
Clinic Accounts = 20,720 average per month

Q.71 What is UMC's breakdown % of true self pay to self-pay post insurance? In other words, what percentage of total accounts placed with vendor are un-insured?

- A.71 Monthly Volumes
- Hospital Pure Self Pay = 2,136 = 51%
 - Hospital Balance after Insurance = 2,094 = 49%
 - Hospital Total = 4,230
 - Clinic Pure Self Pay = 2,169 = 39%
 - Clinic Balance after Insurance = 3,439 = 61%
 - Clinic Total = 5,608

Q.72 What percentage of accounts are physician business versus facility business?

- A.72 Monthly Average Accounts
- Hospital Total = 4,230 = 43%
 - Clinic Total = 5,608 = 57%
 - Total = 9,838

Q.73 Will Vendor receive a fee based on insurance discovery?

- A.73 If insurance coverage is identified, the onsite representatives will be responsible for updating UMC's system with this information to generate a claim. Training will be provided on how to perform this function. This cannot be done via remote access at this time. UMC will complete the billing to insurance carrier. For STAR accounts the system will automatically recall the account from the agency and this transaction will be reflected in daily transaction reports. For the Ideal system this will be a manual process performed by the onsite staff. At this time we are unable to provide the volume of accounts returned for insurance billing. UMC uses automated eligibility functions at time of registration as well as checking for Medicaid eligibility on self pay patients and CWF for all self pay patients over 65 for Medicare coverage. This limits the number of accounts requiring return for insurance. UMC would prefer a fixed rate for insurance finds to limit extensive administrative oversight required for other models.

Q.74 Will Vendor receive a fee based on insurance payments on amounts actually placed with Vendor that change the balance within Vendor's system?

- A.74 Vendor is to include this in its compensation proposal. As described previously, in the instances where the selected Vendor identifies insurance on a self-pay patient, the Vendor will enter the insurance information into the patient accounting system. In STAR this will trigger an auto-recall from the inventory. The UMC team will conduct all follow-up activities. The Vendor will be updated through the transaction file. Given the bulk of the

work would be conducted by UMC staff, a fixed fee for found insurance is preferred over a contingency model.

Q.75 What is the current contingency fee UMC pays to these vendors?

A.75 Companies requesting such information will have to complete a Public Request Form and a fee will be assessed. Please submit your request to Kristine.sy@umcsn.com or call 702-383-2423.

Q.76 What is the current monthly flat rate UMC pays to these vendors?

A.76 Companies requesting such information will have to complete a Public Request Form and a fee will be assessed. Please submit your request to Kristine.sy@umcsn.com or call 702-383-2423.

Q.77 What is the current arrangement regarding milestones and milestone payments?

A.77 A tiered payment structure is not being considered at this time.

Q.78 If vendor's financials are sent separately, does vendor need to include a letter from its Counsel?

A.78 Financial Statements are not a requirement for submission with this RFP however if Vendor wishes to include, they may and this may be accompanied with a letter from Vendor's Legal Counsel.

Q.79 How many patient complaints does UMC currently receive per month related to these services?

A.79 Formal customer complaints are handled by UMC Patient Advocate office and a response is coordinated with the departments involved. Patient Accounting receives approximately five (5) complaints per month from the advocates office to research and respond.

UMC declines to comment on complaints related to the current Vendor's performance.

Q.80 What is the main category of these complaints?

A.80 The majority of complaints are related to the patient thinking they have been charged incorrectly.

Q.81 Will UMC allow us to utilize Vendor's lockbox services for patient payments?

A.81 UMC does not use lockbox services at this time. All payments received via mail come directly to the Hospital for posting, In addition, all credit card payments are to be processed using UMC's payment portal with Relay Health.

Q.82 What is UMC's settlement policy, if any, regarding pre-collection self-pay accounts?

A.82 UMC utilizes a discount program approved by the Board of County Commissioners to offer self pay discounts to patients. The Vendor will be responsible for working with UMC to learn the criteria for the discounts and how to calculate this amount. This is not considered a "Hardship" discount but rather a self pay discount. Charity Care applications are processed by the Eligibility Financial Counseling Dept. at the time of service to determine the level of poverty and what federal poverty level applies. These accounts are not referred to the Vendor since they are set up prior to discharge on a payment plan or an application for assistance is completed by our staff. The outpatient discount is flat rate discount for uninsured patients that request it. UMC does not discount balances after insurance.

Q.83 Does UMC prefer to utilize its own statement vendor or our Vendor (we know UMC will control the process regardless)?

A.83 UMC will continue to use its established vendors for generating statements. The selected Vendor will be granted access to view the statements.

Q.84 What is UMC's current letter vendor?

A.84 Letters are generated and sent directly from UMC's systems. The patient statements are handled by two (2) vendors. Diamond Healthcare Services for STAR accounts and Emdeon for Ideal and MedSeries (legacy system) accounts.

Q.85 Does UMC require the winning vendor to have a physical office located in Clark County?

A.85 No but the agency must be licensed to conduct business in Nevada. Since onsite reps will be provided the Vendor does not need to maintain an office,

- Q.86 What will be the purpose of the above referenced location?**
A.86 N/A
- Q.87 Regarding statements, will Vendor have electronic access to statement views via UMC's portal or if UMC chooses to utilize the Vendor, through their available portal?**
A.87 Yes
- Q.88 Does UMC currently pay credit card pass through fees for these services?**
A.88 Payments will be made directly to UMC via our payment portal so the Vendor would have nothing to do with credit card fees.
- Q.89 Regarding onsite personnel whose payroll is preferred? UMC or Proposer?**
A.89 These will be employees of the selected Vendor and the proposal should contain payment terms for the services provided by these employees. UMC will consider payment for these employees as part of the compensation portion of this RFP.
- Q.90 Do you want Contract red lines included in our initial response or leave these out for future negotiations?**
A.90 Vendor may reline the sample Agreement if desired but any revisions may or may not be considered.
- Q.91 In Exhibit A, Section 4.1.2, please clarify what "accounts without obligation" mean?**
A.91 UMC may choose to not place certain self pay accounts for administrative reason and may also withdraw accounts for specific reasons.
- Q.92 In Exhibit A, Section 1.1, "To insure HIPAA compliance, UMC assignments must be maintained separately". Does UMC mean separate Client ID # or what is meant?**
A.92 Dedicated staff to work UMC accounts separately from any other client even if Vendor has accounts for the same person from another client.
- Q.93 What is the length of time UMC wants waive files (call recordings) stored for future access?**
A.93 The selected Vendor is to maintain call recordings for one (1) year. Recordings are to be made available via audio file to UMC at request. UMC will select accounts on a monthly basis to audit.
- Q.94 Does the following apply to less than 120 day old accounts? Section 4.2.3, Two (2) consecutive missed payments is considered delinquent and will initiate UMC to automatically remove the account for placement to bad debt or require Proposer to close and return the account(s) for bad debt placement based on financial system requirements.**
A.94 If passed the 120 day time frame, the account would be returned for bad debt processing. If the Vendor chooses to attempt to reengage the patient in a new agreement prior to 120 days they are encouraged to do so.
- Q.95 What are UMC's acceptable payment schedules? Section 4.2.4, Proposer agrees to follow UMC guidelines for acceptable payment schedules.**
A.95 The selected Vendor will receive daily transactions files for STAR and the payment and adjustment files for IDEAL. These are to be used to prepare monthly invoices. Since payments are made directly to UMC and not to the Vendor, a monthly payment reconciliation will be performed between UMC and the selected Vendor so that A/P can process payments
- Q.96 What do you mean by "our Data Processing Network wholly owned"?**
A.96 UMC does not allow for subcontracting of PHI information to an outside entity, the selected Vendor must have appropriate encrypted, secure software that is owned by the Vendor.
- Q.97 What is your first placement date for these services?**
A.97 As soon as possible following award of contract but no later than January 1, 2016.

Q.98 In General Conditions, Section 15, states:

PROPOSALS ARE NOT TO CONTAIN CONFIDENTIAL / PROPRIETARY INFORMATION

Proposals must contain sufficient information to be evaluated and a contract written without reference to any confidential or proprietary information. PROPOSER(S) shall not include any information in their proposal that they would not want to be released to the public.

How would vendors be able to differentiate themselves in the proposal without supplying confidential trade secrets?

A.98 According to NRS600A.030(5) definition of trade secret:

“Trade secret” means information, including, without limitation, a formula, pattern, compilation, program, device, method, technique, product, system, process, design, prototype, procedure, computer programming instruction or code that:

- (a) Derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by the public or any other persons who can obtain commercial or economic value from its disclosure or use; and
- (b) Is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

Q.99 What account segments are currently outsourced to external vendors?

A.99 This RFP is for self pay and self pay after insurance and these are currently handled by an external vendor. Any other business outsourced to vendors is not applicable to this RFP process.

Q.100 Does UMC have a vendor management program in place that monitors performance to hold vendors accountable?

A.100 Yes, UMC does have a vendor management program in place. UMC’s Vendor Management Office will work with the selected Vendor to do the following (among others): (i) audit accounts to ensure compliance with service level agreements, contractual provisions and regulations, (ii) validate invoice accuracy, (iii) conduct inventory reconciliation, and (iv) discuss qualitative and quantitative performance improvements.

Q.101 Are there current initiatives to improve internal efficiencies/performance to minimize the use of external vendors?

A.101 There is no organizational initiative to minimize the use of external vendors. There is also no intention to internalize this early-out self-pay initiative. That said, UMC is committed to continuous improvement, including point of service collections, financial counseling, Medicaid eligibility screening, etc. The effectiveness of these initiatives will obviously have an impact on this program.

Q.102 Does UMC have specific cash flow improvement targets that it is trying to achieve (i.e., patient collections as a % of net patient revenue improvement)?

A.102 Yes, UMC does have a cash flow and net liquidation improvement for this program in mind. Based upon the data shared, UMC is interested in receiving projected performance or cash targets from participating vendors.

The targets will be shared and discussed with the finalists.

Q.103 Would UMC consider partnering with a performance improvement vendor to develop best practice processes combining people, process, technology, and strategic vendor relationships to build a solution that will drive bottom-line improvement with measured ROI?

A.103 UMC is at this point interested solely in services outlined in the scope of work, and the bulk of the RFP response should reflect that. If a responding Vendor would like to provide pricing or proposals on additional services/technologies they may submit in an appendix to the response. Please ensure that the RFP response is geared towards the scope of work and not up-selling.

Q.104 How many days in patient A/R?

A.104 Self Pay and Self Pay after insurance without payment arrangements are transferred to bad debt at 121 days from time they account enter A/R as self pay.

Q.105 If early out Vendor discovers insurance, does Vendor submit the claim or provide the information back to UMC?

A.105 If insurance coverage is identified, the onsite representatives will be responsible for updating UMC's system with this information to generate a claim. Training will be provided on how to perform this function. This cannot be done via remote access at this time. UMC will complete the billing to insurance carrier. For STAR accounts the system will automatically recall the account from the agency and this transaction will be reflected in daily transaction reports. For the Ideal system this will be a manual process performed by the onsite staff. At this time we are unable to provide the volume of accounts returned for insurance billing. UMC uses automated eligibility functions at time of registration as well as checking for Medicaid eligibility on self pay patients and CWF for all self pay patients over 65 for Medicare coverage. This limits the number of accounts requiring return for insurance.

Q.106 Are there any requirements on payment plan methodologies established by UMC? Vendor has recommended policies and procedures, but seeks to understand any UMC policies already in place.

A.106 UMC has established guidelines for minimum payments accepted and the terms of repayment that work best for the organization. The guidelines include attempting to have accounts paid within 12 months and will consider up to 36 months for large balance accounts. Any arrangements for high dollar accounts that extend beyond this date are placed with a collection agency for management without negative credit reporting.

Q.107 What are the ranges of current performance metrics: 1) Previous fiscal year gross yield = collections by placement date divided by gross placements, 2) other measures of performance UMC currently tracks or are performance targets?

A.107 UMC declines to answer this question. Proposals should focus on the vendors approach to increasing yield.

Q.108 Does UMC have language in its patient documentation regarding consent to contact regarding compliance with the TCPA (Telephone Consumer Protection Act) for cell phone dialing?

A.108 Yes, they have an option to opt out for cell phone contact or email contact. This is part of the registration questions and the information is maintained in the financial systems.

Q.109 Will UMC allow the early out Vendor to pursue third-party liability accounts?

A.109 UMC normally retains these accounts and does not transfer them to the Vendor. However, if information is not obtained through our accident follow up procedures, it is possible that the account would be placed. These accounts would be returned to UMC for filing of liens and negotiated settlements. This RFP scope is specifically for self pay collections. The proposal should contain language related to compensation on a flat fee basis for information obtained for third party liability along with how this will be determined and managed.

Q.110 Vendor's standard operating procedure for third-party liability accounts is vendor places liens where possible and work with carriers / attorneys to resolve. Are there any restrictions in terms of how UMC desires it vendors to work third-party liability accounts?

A.110 These would be returned to UMC and a flat fee proposal for third party payer information included in the proposal. The scope of this RFP is for self pay collections only.

Q.111 What is UMC's current maximum term length for payment plans? Minimum payment thresholds (i.e. based on balance size).

A.111 The details of the discount and payment arrangement policies will be provided to the selected Vendor. However, UMC prefers to move accounts off the A/R within 36 months for large balance accounts and looks at these on a case by case basis. The standard is not longer than 24 months.

Q.112 How does UMC handle financial assistance today? Does UMC provide presumptive charity through a scrubbing process up front to identify eligible patients? Does UMC expect or have interest in its early out vendor(s) partnering with UMC in this effort?

A.112 Yes UMC has a fully developed Eligibility and Financial Counseling department that is also licensed to assist patients with purchasing insurance on the healthcare exchange.

UMC is at this point interested solely in services outlined in the scope of work, and the bulk of the RFP response should reflect that. If a responding vendor would like to provide pricing or proposals on additional

services/technologies they may submit in an appendix to the response. Please ensure that the RFP response is geared towards the scope of work and not up-selling.

Q.113 Does UMC have a patient financing (patient loan) program in place?

A.113 No

Q.114 If an early out vendor is used, what is the number of letters or contacts attempted while in the early out process?

A.114 Please see the requirements outlined in section 6.1 to 6.4 of the Scope of Work of this RFP.

Q.115 Is credit reporting utilized today?

A.115 Not for the scope of this project as these accounts are not considered to be delinquent or in collections.

Q.116 Is any legal action taken on any accounts?

A.116 Not for the scope of this project as these accounts are not considered to be delinquent or in collections. However, as a county owned Hospital, the District Attorney's office may receive notice of legal actions and may elect to represent UMC in the matter.

Q.117 On Page 8, Section 19.E, Items 1 & 2 – are resumes required or may bios be submitted?

A.117 UMC will accept the job descriptions and sample qualifications used in selecting candidates that will be assigned to UMC accounts in lieu of actual resumes. It is important that the proposer is able to ensure that qualified professional staff are utilized for management of accounts.

Q.118 Can UMC clarify the role of the required four (4) onsite FTEs as outlined under Scope of Services?

A.118 Answer calls directly into the UMC phone system for patient payments, inquiries, complaints. Update UMC financial systems with insurance information received at the vendors main call center and initiate the billing processes. Coordinate account audits request via the Vendor's call center, process requests for itemized statements received by the Vendor's call center, enter payment arrangements into UMC systems. These four (4) employees will work alongside UMC's customer services representative in our onsite call center. UMC has four (4) full time employees on the phones and two (2) receptions to assist walk in patients.

Q.119 What type/volume of calls comes in on UMC's direct line?

A.119 Direct To UMC

| | |
|----------------------------|-------|
| Inbound Calls Monthly Ave. | 4,129 |
| Inbound Calls Weekly Ave. | 1,032 |
| Inbound Daily Ave | 206 |

Q.120 Please clarify the preferred schedule of these FTE's needed onsite. Will UMC need five (5) day coverage or seven (7) day coverage? What are the preferred hours needed?

A.120 8:00AM – 4:30PM, Monday through Friday PST.
Office is closed on all legal holidays.

Q.121 If a patient is unable to pay their due balance, is UMC interested in having Proposer pre-screen and/or apply the patient for potential Medicaid assistance?

A.121 No

Q.122 What is the current collection percentage for this inventory?

A.122 UMC declines to answer this question.

Q.123 Is there any flexibility for the onsite staff requirement?

A.123 No

Q.124 In Exhibit A, specific call volumes are mentioned in Sections 6.1 through 6.4. This would be nine (9) phone attempts for every patient. While Proposer can do this, Proposer recommends using its advanced predictive analytics, segmentation, and patient satisfaction model, which is very sophisticated, and tailors the collection approach to get the best financial and service response from

each patient. It is also a cheaper solution, as some segments require fewer than nine (9) attempts. Please advise if UMC is interested in alternative methods.

A.124 UMC is at this point interested solely in services outlined in the Scope of Work, and the bulk of the RFP response should reflect that. If a responding Vendor would like to provide pricing or proposals on additional services/technologies they may submit in an appendix to the response. Please ensure that the RFP response is geared towards the Scope of Work and not up-selling.

The RFP due date of **Thursday, July 30, 2015 at 2:00:00 P.M.** remains the same. Should you have any questions, please contact me at (702) 383-2423 or via email at Kristine.sy@umcsn.com.

Issued by:

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