OFFICE OF THE DIRECTOR

September 17, 2020

MEMORANDUM

TO: Greg W. Pease, Chief of Procurement Division

FROM: Christel Burgos, EMS Billing Manager
April Mitchell, JFRD Finance Manager

RE: **RFP P-35-20; Medical Collection Services**

Jacksonville Fire Rescue Department (JFRD) has negotiated with the number one ranked vendor that submitted a proposal, and was selected, to provide the Medical Collection Services for EMS Ambulance transports for JFRD resulting in the attached Scope of Service, Exhibit A and Contract Fee Schedule, Exhibit B.

Accordingly, we are recommending that the City of Jacksonville enter into a contract with **Applied Business Services, Inc. d/b/a Security Collections Agency** to provide medical collection services that incorporates the attached Scope of Services identified as Exhibit A and Fee Schedule identified as Exhibit B. The initial contract period will be for one year from date of execution of contract thru **September 30, 2021**, with three (3) one-year renewable terms mutually agreeable. The maximum indebtedness is a not-to-exceed amount of **$922,780.00.** All other terms and conditions of the Contract are per the City's standard contract language and as provided in the Request for Proposals.

Attachments: Exhibit A & B

CC: Alex Baker, PSEC Specialist

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Exhibit "A"

SECTION 4

DESCRIPTION OF SERVICES & DELIVERABLES

CONTRACTOR. Must have the ability to perform all functions in a Revenue Cycle Process as it relates to Medical Collections. Functions are to include but not limited to: Skip Tracing, Credit Bureau Reporting, Submitting claims to insurance plans for Collections, and Administrative reporting to Buyer.

Historical Data:

2017 – Placements =	$15,866,186	Collections $ 414,174
2018 – Placements =	$16,798,418	Collections $ 711,890
2018 – Placements =	$14,949,705	Collections $ 582,340
2019 – Placements =	$15,056,928	Collections $ 1,073,076

A. Contractor must have a computer system with the capability to transmit, receive and support transmission between Buyer's billing company and/or Buyer for the following tasks:

1. Contractor must be able to receive patient account(s) electronically from the current Billing company and provide a Confirmation Report of received accounts on a monthly basis to both the Billing company and Buyer.
2. If insurance coverage is identified during collection activities, Contractor must be able to submit medical claims via electronic transmissions where feasible, to Medicare, Medicaid, and Commercial Insurance plans.
3. Contractor must be able to post payments received from the bank on a daily basis.
4. Contractor must have the capabilities to perform "Skip Tracing" functions.
5. Contractor must have the ability to send and receive information regarding patient accounts to responsible 3rd parties, attorney's, credit bureaus, and/or patients, via electronic media.
6. Contractor must provide HIPAA compliant secure website(s) to transmit and receive data. (164.308(a)). Contractor must provide a secure access via the Web to allow the designated BUYER Administrators access to real time billing information and payment information for quality management purposes.
7. Contractor must use a HITECH compliant EMR software system for claims submissions.
8. Contractor must be able to adhere to "Red Flag" compliance requirements.
9. Any account recommended for Legal Action must be discussed with COJ-JFRD liaison prior to initializing any proceedings.
10. Contractor must provide monthly collection activity reports as specified by the Buyer.

B. Have qualified Personnel:
   1. Contractor must provide ample personnel to support the full collection cycle and provide excellent customer service in a timely manner.
   2. Contractor must adhere to all Fair Debt Collection Practice Act requirements, both in verbal and written collection practices. Undue intimidation or threats to secure collections will not be tolerated.

C. Provide documentation as written proof of; validated data transmission speeds, security / encryption license, written validation on your HIPAA compliant secure website, and a copy of the most current SSAE 16 Report.

D. Have in place by the implementation date all necessary supplies, connections, equipment, etc. to fully support this contract.

Exhibit "B"

City of Jacksonville REF# P-35-20, Medical Collection Services

Response Format
3. Required Forms
a. Price Sheet

Form 1 - Price Sheet

NAME OF CONSULTANT: APPLIED BUSINESS SERVICES / SECURITY COLLECTION AGENCY

Proposal Number: P-35-20

SCHEDULE OF PROPOSED PRICES/RATES

1. Flat Fee (payable upon completion of project or upon completion of listed deliverables):

_____

2. If charges are based on hours worked, the hourly direct labor rates (without Fringe Benefits) are:

   Principal (Partner or Senior Officer): $_____ hr.

   Project Manager (Responsible Professional): $_____ hr.

3. Other Direct Project Costs per Unit (please specify)

   18% OF COLLECTIONS

4. Estimated percentage of total fee to be performed by sub-contractors _____ %

5. Please provide any other relevant rates that may apply to this project including average direct hourly labor rates for other categories of proposed personnel

_____

E. At a minimum provide the BUYER with a HITECH self-assessment report (completed within the past 18 months) that addresses Security Standards 164.308, 164.310, and 164.312.

F. Disclose present procedures for daily, weekly and monthly backups, off-site storage locations and the safeguarding of the database information. Provide Buyer with a contingency plan for disaster recovery for various states of emergency, to include natural and man-made, as well as, a contingency plan for staffing levels during these situations.

G. At the BUYER's discretion, the CONTRACTOR, at no cost to the BUYER, shall convert all active and inactive files from the prior Collection company to their prospective format as required and maintain such records as specified by the BUYER, with updates as needed on an on-going basis in accordance with the contract requirements.

H. Accepting current forms of payments including credit card and check payments by phone and online.

I. Include Buyer's website payment link on all patient communications.

J. The CONTRACTOR will be solely responsible for obtaining all necessary patient demographics and insurance information necessary for collection purposes. The CONTRACTOR will utilize multiple sources, including but not limited to the billing company's claim, skip tracing, patient correspondence, etc. The city at a minimum, will attempt to obtain name and DOB however, failure to obtain this information does not relieve the CONTRACTOR of their responsibility as stated above.

K. Provide accurate coding as supported by medical record documentation IF insurance is found and no diagnosis has been assigned by primary Billing Company. NOTE: The CONTRACTOR will be responsible for any penalties or charges due to miss-coding of data. Contractor is not allowed to change any diagnosis unless approved by JFRD – EMS Billing Manager or designated certified coder.

L. Produce an initial claim to process Indigent/Charity patient(s) within the normal processing time established after receiving the rescue report and adjust in accordance with Chapter 158.302 of the City of Jacksonville Ordinance Code if the Primary Billing company has not previously indicated so. The CONTRACTOR shall provide a monthly report, in Microsoft Excel format, to the Fire/Rescue Division as well as the Finance Department/Accounting Division of the BUYER detailing the number of indigent patient claims processed or canceled, as well as all other related information or statistics as deemed necessary by the BUYER.

M. If insurance information is found during the collection process CONTRACTOR must undertake frequency of Billing as follows:

- Submit claims to Medicare, Medicaid, and third-party payers on a daily basis via electronic transmission where applicable.
- Unless otherwise instructed by the BUYER, CONTRACTOR shall file a claim with the appropriate insurance carrier within three (3) working days after receipt of the necessary information to do so.
- Provide a toll free telephone number and e-mail address that is specifically for City of Jacksonville accounts and place that phone number and e-mail address on all statements directly under the balance of the account, and at the top of each statement.
- Display account payment and balance information on the patient accounts.

N. Provide collections including but not limited to the following:

1. Self-pay accounts will be reviewed and worked by the CONTRACTOR as follows in accordance with ACA International's Code of Conduct:

    i. An initial statement will be sent to the patient indicating the account is in a "Pre-Collection Status" included will be the total bill amount, amount paid if applicable and patient balance.
    ii. Additional statements will be sent to the patient every 30 days from the last patient statement date or last claim filed date, whichever is later, until such time as the account is paid in full.

2. Third – party payers shall be monitored for payments. Follow up shall occur if payment is not received within 30 days of the billing date. If payment from the third-party is not received within 30 days CONTRACTOR will perform Collection follow-up activities using industry standards including, but not limited to; filing timely Appeals and reporting account to the credit bureau(s).

O. Contractor will keep a log with back up of all unidentifiable payments and report unmatched payments to Buyer on a monthly basis.

P. Contractor will provide the BUYER with the following management reports, transmitted electronically in a format agreeable to both parties, in addition on a Microsoft Excel spreadsheet on a monthly basis by the 10th of the following month and other certain reports as may be needed:
    1. Accounts Receivable reconciled Summary including detail to support the Summary report.
    2. Accounts Receivable Aging Summary (30, 60, 90, 120, 180, and 210+ days from date of receipt) and detail to support the Aging Summary report.
    3. Monthly payments summary indicating the percentage of total collection attributable to each financial class and a total dollar amount collected for each class.
    4. Monthly adjustments summary and detailed adjustments by incident date. These reports will show the amount billed, the adjustment (if any), reason for the adjustment, net billing, amount collected, and remaining balance.
    5. Provide ad hoc report specific to CMS Ground Ambulance Survey requirements as it relates to collections by insurance carrier or/and patient payments.
    6. End of fiscal Year summary reports as requested.
    7. Provide ad hoc reports and or other information that may be requested by the Buyer. These reports are to be made ready for Buyer within 5 business days of the request to the Contractor.
    8. Reports must be received at the BUYER's Fire Rescue Division and the Accounting Division no later than the 10th of each mon for all services provided e prior month
    9. It is requested that reports for the period ending 9/30 (the end of the BUYER's fiscal year) be received as soon as possible, but no later than 10/15.

Q. Maintained accounts in the database system for the life of the account and shall recall / retrieve any account when requested by the BUYER.

R. Submit in writing to BUYER all overpayments and identified refunds no later than 45 days from the time the overpayment was made. A report of all identified refunds will be sent to the BUYER'S Fire Rescue Division on a monthly basis

    1. The CONTRACTOR will submit (along with the identified refund due), all necessary research and documentation the BUYER needs to process and pay said refund.
    2. The CONTRACTOR will record the check number and date of refund (as provided by the BUYER), to patient account.

S. Comply with the privacy regulations pursuant to Public Law 104-191 of August 21, 1996, known as the Health Insurance Portability and Accountability Act of 1966 (HIPAA). Subtitle F – Administrative Simplification, Sections 261, et seq., as amended ("HIPPA"), to protect the privacy of any personally identifiable protected health information ("PHI") that is collected, processed or learned as a result of the collection service provided. In conformity therewith, it will:

1. Not use or further disclose PHI except as permitted by the City or required by Law.
2. Use appropriate safeguards to prevent use or disclosure of PHI except as permitted by this agreement.
3. To mitigate, to the extent practicable, any harmful effect that is known to the CONTRACTOR of a use or disclosure of PHI by the CONTRACTOR in violation of this agreement.
4. Report to BUYER any use or disclosure of PHI not provided for by this agreement of which the CONTRACTOR becomes aware.
5. Ensure that any agents or subcontractors to whom the CONTRACTOR provides; PHI or who have access to PHI agree to the same restrictions and conditions that apply to the CONTRACTOR with respect to such PHI. Make PHI available to BUYER and to the individual who has a right of access as required under HIPAA within 30 days of the request by the BUYER regarding the individual.
6. Incorporate any amendments to PHI when notified to so by the BUYER. Provide an accounting of all uses or disclosures of PHI made by the CONTRACTOR as required under the HIPAA privacy rule within sixty (60) days. Make their internal practices, books and records relating to the use and disclosure of PHI available to the Secretary of the Department of Health and Human Services for purposes of determining CONTRACTOR's and the BUYER's compliance with HIPAA.
7. At the termination of the Agreement, return all PHI created or received by the CONTRACTOR on behalf of the BUYER and if return is infeasible, the protections of this agreement will extend to such PHI.
8. Comply with the following: Among the specific uses and disclosures of PHI that may be made by the CONTRACTOR on behalf of the BUYER includes:
    a. The preparation of invoices to patients, carriers, insurers and other responsible for payment or reimbursement of the services provided by the BUYER to its patients.
    b. Preparation of reminder notices and documents pertaining to collections of overdue accounts;
    c. The submission of supporting documentation to carriers, insurers and other payers to substantiate the health care services provided by the BUYER to its patients or to appeal denials of payments for same.

T. Prepare and present for approval "Business Associate" agreement in accordance with HIPPA guidelines.

U. CONTRACTOR shall comply with all applicable laws, rules and regulations pertaining to the 2003 Fair and Accurate Credit Transactions Act, to include but not limited to the Federal Trade Commissions "Red Flag Rules". This is to include all revisions and

updates since the 2003 law passage as it pertains to creditors, billing agencies, covered entities, fire and rescue agencies, EMS agencies, ambulance services, etc.

1. Red Flag Rules - CONTRACTOR acknowledges its obligations as your Business Associate under the requirements of the Identity Theft Red Flag Rules promulgated under the Fair and Accurate Credit Transactions Act of 2003 ("Red Flag Rules") found in 16 C.F.R. Part 681. In accordance with these obligations, CONTRACTOR agree:
    a. to ensure that activities are conducted in accordance with reasonable policies and procedures designed to help detect, prevent, and mitigate the risk of identity theft;
    b. to have in place policies, procedures, and training to help detect relevant Red Flags that may arise in the performance of services on BUYER's behalf;
    c. that CONTRACTOR will use reasonable efforts to help ensure that any agent or third party who performs services on CONTRACTOR'S behalf in connection with BUYER accounts, including a SUB-CONTRACTOR, agrees to implement reasonable policies, procedures, and training designed to help detect, prevent, and mitigate the risk of identity theft; and
    d. to alert BUYER to any Red Flag incident in which CONTRACTOR becomes aware and the steps CONTRACTOR takes to mitigate any potential security compromise that may have occurred, and provide a report of any threat of identity theft as a result of the incident.

V. Provide support to the BUYER for all EMS billing audits and other administrative and judicial proceedings relating to the CONTRACTOR's scope of services including, but not limited to, the following:
    1. Account information via electronic medium, including:
        a. PCR information that has been captured.
        b. Transaction history.
        c. Explanation of benefits (EOB) images.
    2. Documentation supporting services provided, including level of service.
    3. All documentation and information reasonably requested by the BUYER.
    4. Non-legal review of accounts being audited to assist BUYER in properly analyzing auditors' findings, including, but not limited to:
        a. Research, investigate, identify and verify recipients of services, claims for reimbursement, and payments received.
        b. Provide BUYER with detailed explanations and justifications of claims submitted and levels of services, in a format as specified by BUYER; review of all explanations and justifications by the CONTRACTOR's compliance officer, a senior coder, and CONTRACTOR personnel having a previous or current certification of paramedic, or higher, and having EMS experience.
    5. Participate in discussions to facilitate the audit process and ultimate resolution.
    6. On site access to BUYER and/or audit personnel, as necessary, for the review of documentation and billing processes.
        a. Cooperate with any administrator or judicial proceeding including, but not limited to, providing testimony and responses to discovery requests.
    7. One annual on-site visit to the Contractors processing center that

processes the Buyers claims at the expense of the Contractor.

W. All patient billing / collection and report information will be on one database platform. Should the CONTRACTOR change hardware or software platforms, the CONTRACTOR will be responsible for the movement and / or conversion on the data to the updated platform at no cost to the BUYER.

X. Provide, within thirty (30) days after termination of the contract and at no cost to the BUYER, a detailed listing of all accounts and continue to provide the BUYER with maintenance for the life of the credit file (7 years) on every account processed, including but not limited by the following;
   1. Posted payments received from the primary and secondary insurance plans.
   2. Payments designated by BUYER to the individual's account.
   3. Turn over unpaid accounts to the new collection agency designated by the BUYER as directed.

(End of Section 4 - Remainder of page intentionally left blank)

Exhibit "B"

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