**University of New Mexico Hospitals**

Request for Proposals

**Addendum No. 4**

**Project Number:**

**RFP 455-22**

# Bad Debt Collections



**Due Date: June 13, 2022:00 p.m. MST**

The time and date proposals are due shall be strictly observed.

**RFP 455-22 Bad Debt Collections**

**ADDENDUM NO. 4**

**THE UNIVERSITY OF NEW MEXICO**

**HOSPITALS**

**Purchasing Department**

The purpose of this Addendum is to notify all potential respondents of any changes to the original RFP and to answer questions regarding the RFP. The answers provided in this Addendum hereby amend and/or modify the original RFP Document and Specifications. All offerors are subject to the provisions of this addendum.

**Questions Received from Vendors and the Associated Answers**

1. Why has this bid been released at this time? The current collection agency has met the maximum contract term.
2. Are bidders permitted to deviate in any way from any manner of quoting fees you may be expecting? For example, if there is a pricing page in the RFP, can bidders submit an alternate fee structure? If there is no pricing page in the RFP, do you have any preference for how bidders should quote fees or can bidders create their own pricing categories? You are welcome to quote fees in whatever manner you choose.
3. Please describe your level of satisfaction with your current or recent vendor(s) for the same purchasing activity, if applicable. We have been very satisfied with our current vendor.
4. Has the current contract gone full term? Yes
5. Have all options to extend the current contract been exercised? Yes
6. Who is the incumbent, and how long has the incumbent been providing the requested services? This information isn’t generally shared with prospective vendors as it can foster resentment amongst vendors. Our job is to ensure that we garner best available pricing and the most efficient vendor to meet the hospital need(s).
7. To what extent will the location of the bidder’s proposed location or headquarters have a bearing on any award? Bidders location does not bear any weight on award however, must be in the USA. All staff working accounts also need to be located in the USA.
8. How are fees currently being billed by any incumbent(s), by category, and at what rates?
What estimated or actual dollars were paid last year, last month, or last quarter to any incumbent(s)? Fees are currently billed at a percentage of collections. We will not provide information on dollars paid.
9. To how many vendors are you seeking to award a contract? One
10. Will accounts be primary placements, not having been serviced by any other outside collection agency, and/or will you also be referring secondary placements? If so, should bidders provide proposed fees for secondary placements also? These will be primary placements in terms of Bad Debt however, we do outsource to an Extended Business Office who work the accounts for approximately 180 days prior to transitioning to bad debt.
11. What collection attempts are performed or will be performed internally prior to placement? For UNMH and SRMC, accounts are worked in-house for 60 days and then referred to an Extended Business Office for 180 days. The Extended Business Office works as an extension of our customer service office. For UNMMG, accounts are referred to the extended business office day 1 and are worked at the extended business office for 180 days.
12. Will the selected vendor be allowed to litigate balances exceeding a certain dollar amount on your behalf, with your explicit approval? No. Any liens needing to be placed on accounts will be returned and handled by UNMHSC.
13. What is the total dollar value of accounts available for placement now by category, including any backlog? We are currently placing our accounts with our current agency so there isn’t a backlog. We likely won’t stop placements until an award is given and contract is in place.
14. What is the total number of accounts available for placement now by category, including any backlog? We are currently placing our accounts with our current agency and will continue to do that until an award is given and contract is in place.
15. What is the average age of accounts at placement (at time of award and/or on a going-forward basis), by category? The average age of accounts at time of placement is approximately 373 days
16. What has been the historical rate of return or liquidation rate provided by any incumbent(s), and/or what is anticipated or expected as a result of this procurement? The combined liquidation rate is at about 4.48%. We, of course, would always like to see an increase in collections.
17. What billing servicer do you utilize? All billing is done in-house. UNMH and SRMC utilize the SSI billing software; UNMMG uses IDX for billing.
18. Have all cases been fully adjudicated by the time of placement? Yes, however, there may be instances where we are unaware of insurance coverage and the vendor may be able to bill insurance.
19. 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? We don’t anticipate there being any backlog. We are currently placing accounts with our current vendor.
20. What is your case management/accounting software system of record? UNMH and SRMC use Soarian Financials for Patient Accounting; UNMMG uses GE IDX.
21. How many agencies currently work primary placements / the business to be included in this contract? One
22. Who is your electronic payment/credit card processing vendor? Instamed/Wells Fargo
23. Exhibit A: 1. Background: are there any major variances/changes in the statistics for 2021 compared to those provided for the year ending 6/30/2020? IE greater than 15% change up or down No, there aren’t any major variances greater than 15% change up or down.
24. Exhibit A: section Bxv: is onsite staff required and or desired for this project regardless of technology/connectivity solutions? If so, is there a certain number of staff expected? Yes, one Onsite staff is required. The number of staff working the inventory should be dependent upon the number of accounts placed and work flow established between UNMHSC and the selected vendor.
25. General: what was the liquidation by product or overall for placements over the last two years? The combined liquidation rate is approximately 4.48%

Are agencies able to add interest (as allowed by law) for netback/negotiation purposes? No. Patient accounts are not permitted to have interest added to their accounts if it takes them time to pay off the balance of the account.

1. Are there any minimum statement requirements throughout the collection process? Yes however, this will be further discussed with the vendor selected
2. What process should a vendor follow, or which individual(s) should a vendor contact, to discuss budget-neutral services outside of the scope of this procurement, but related to it, designed to recover more debt prior to outside placement and lower collection costs? At this time we are only seeking the services outlined in the Scope of Work as written by the end-user/department. If the selected vendor would like to offer more budget friendly or efficient solutions to the needs as outlined in the SOW, then the vendor can initiate those conversations after the RFP has been awarded.
3. How do your current processes and/or vendor relationship(s) systematically determine if the death of a responsible party has occurred? Normally proof of death such as a death certificate is provided to either UNMH/SRMC/UNMMG or the vendor. A determination is made by the facility once the information is received. This will be discussed further with the vendor awarded.
4. How do your current processes and/or vendor relationship(s) handle the death of a responsible party? If the vendor is provided proof of death, such as a death certificate, the facility is notified. A decision is made by the facility on how the account will be handled.
5. Do you have a designated process or policies around deceased accounts today, and what is envisioned in the future? Yes. In the future, we will follow the same process and work with the vendor to enhance the process. See question 30.
6. Do you currently search and file probated estate claims? Have you considered an automated tool to identify and file probated estate claims? No, we don’t search and file probate estate claims and do not have an automated tool however, we would be interested in that technology.
7. Section D in the Scope of Work: System Technological Specification (Page 13), (Items i-iv): Is this type of integration really necessary or appropriate for a bad debt service contract? This entire section appears to apply to companies providing technical hardware/software or full revenue cycle services or systems. In our history of providing bad debt services, we have not ever been asked to have our system the “FULLY integrates” with a hospital HER nor provide outside third parties with IT Admin access to our collection system. In most cases, we simply ‘connect’ to client systems through VPN or other secure methods (if we connect at all to your system) and just exchange data files rather than fully integrate our systems. This seems far reaching for a bad debt collection service project. Please clarify the intention/meaning of these requirements. Please disregard the integration piece of this section. That will not be required. We will utilize and SFTP for file transfers. All connectivity will be via VPN or another secure method.
8. Exhibit B, Section B (iv) “Information Technology Capabilities”: Please answer/clarify the following questions/items.
	1. “Question 2”: Please advise what you are looking for here and why our host system, dialing system hardware and software configurations are relevant to a bad debt service contract? We would like to know what systems you will use for working our accounts especially when it comes to outbound dialers, inbound calls, etc.
	2. “Question 11”: Please define what is the meant by ‘tag’ the facilities phone system. Are you asking about our capabilities to transfer call form our lines to UMH’s lines? Please clarify as it is unclear what you mean by ‘tagging you phone system’ and why we would need to do that on a bad debt service contract. Yes, we are referring to the ability for the facility to do an immediate transfer from our phone lines to the vendor’s phone line. We like to have the ability to do a “soft” transfer so that the patient does not have to redial or wait through call prompts. Although rare, there also may be instances where the vendor would transfer a call back to us.
9. Exhibit B, Section 1 (e) “IT SECURITY REQUIREMENTS” (Pages 23-25): As with the Section D questions, this entire section appears to apply to companies providing software/hardware and/or full revenue cycle solutions. Many of the questions are not applicable to a service contract and are far over reaching with regard to vendors revealing security details about their host system that will in no way be connected to the UNMH systems. We are unsure how these questions about our system are relevant to receiving bad debt files and servicing them from our host system/environment. Specifically, we have concerns and/or are unclear about the following requirements:
10. We are unsure what ‘workflow’ diagram you are seeking in this item. Do you want our dataflow diagram? Yes, we would like your dataflow diagram
11. (xxxii): please clarify what server you are referring to in this question. Please disregard
12. How many agencies currently work primary placements / the business to be included in this contract? Currently we have one agency
13. Exhibit A: 1. Background: are there any major variances/changes in the statistics for 2021 compared to those provided for the year ending 6/30/2020? IE greater than 15% change up or down There were not changed greater than 15% change up or down for 2020 and 2021
14. Exhibit A: section Bxv: is onsite staff required and or desired for this project regardless of technology/connectivity solutions? If so, is there a certain number of staff expected? Yes, one onsite staff is required.
15. References: This section requires that we submit “Exhibit R – Organizational Reference Questionnaire” to all references listed. However, no such Exhibit R or Questionnaires exists in this RFP. Is this still a requirement? If Yes, then please provide the proper questionnaire that must be used/submitted. See RFP4522 on the Bids-Proposal website. It is listed as Exhibit L.
16. General: what was the liquidation by product or overall for placements over the last two years? For the last two years, the combined liquidation is approximately 4.53%

Are agencies able to add interest (as allowed by law) for netback/negotiation purposes? No. Patient accounts are not permitted to have interest added to their accounts if it takes them time to pay off the balance of the account.

1. Are there any minimum statement requirements throughout the collection process? Yes however, this will be discussed with the vendor selected
2. To how many vendors does the UNMH anticipate awarding under this contract/RFP? One
3. Who are the incumbents currently or previously providing these services? This information isn’t generally shared with prospective vendors as it can foster resentment amongst vendors. Our job is to ensure that we garner best available pricing and the most efficient vendor to meet the hospital need(s).
4. How long have the incumbents been providing these services to UNMH? 10 years
5. What are the contingency rates charged by the incumbents, by bucket (i.e., Bal after Insurance vs. Pure Self-Pay, Hospital vs. Physician, etc.) The contingency rates charged by the incumbent is the same for each line of business. We generally don’t share the rates amongst vendors as it can foster resentment.
6. What is the collection success rates (Recovery/liquidation rates) achieved by the incumbents? The combined liquidation rate is at about 4.48%
7. Is there a backlog of accounts that would move from the incumbents to any new agencies? If yes, please provide the following: We do not have a backlog. We are currently placing accounts with our vendor.
8. Number of backlog accounts. We do not have a backlog of accounts. We are currently placing accounts with our vendor.
9. Dollar value of backlog accounts. We do not have backlog of accounts. We are currently placing accounts with our vendor.
10. Approximate age of backlog accounts. We do not have a backlog of accounts.
11. UNMH provided the estimated volume; however, please breakdown that volume by debt type (I.e., Self-Pay vs. Balance after Insurance, Hospital vs. Professional, etc.? This information will be provided to the selected vendor upon request
12. With what frequency will the accounts be referred (i.e., weekly, monthly etc.)? Accounts are referred weekly
13. With what frequency will UNMH provide payment/adjustment/update files (i.e., daily, weekly, etc.)? Update files are sent daily
14. How long will the supplier keep/work the accounts referred? Accounts referred are kept permanently
15. Please provide actual dollar amounts of monies paid last year to any incumbent(s), if applicable. Sorry, this information will not be provided.
16. What is the average age of accounts at the time of referral (i.e., 30, 60, 90 days from date of service, etc.)? The average age of accounts at the time of referral is approximately 375 days from date of service. There are different circumstances that effect placement age.
17. What collection activities are taken/pursued by the UNMH on cases prior to referral? For UNMH, accounts are worked in house for 60 days from the time the balance is due from the guarantor, they are then assigned to an Extended Business office for 180 days. For UNMMG, accounts are assigned day one after the balance is due to an Extended Business Office where they remain for 180 days prior to being sent to collections. Accounts that are included in a payment plan may remain with the EBO for longer prior to being referred to collections.
18. Will UNMH continue collection efforts post referral to the agency? If yes, please describe those efforts. No, we do not continue collection efforts post assignment. There may be exceptions however, they are rare.
19. Page 2, Item #6: Please define what UNMH considers to be “readily separable” for confidential information. Does this mean submitted separately, on a distinct and separate page(s) so that they can be easily removed, etc.? It is unclear what is meant by this term. For the purposes of this RFP readily separable is going to be covered under the confidentiality agreement.
20. Page 6, Section II, Item #2.2.2(C)(3) “Cost Proposal”: Please clarify what pricing format UNMH desires. For example, bad debt contracts are typically contingency based; thus, are you wanting a single contingency rate, a legal contingency rate, contingency rates for hospital vs. physician, contingency rates for insured vs. uninsured, etc.? Or, is the bidder at liberty to propose contingency rates as it sees fit? Bidder is at liberty to propose rates as they desire
21. Page 6, Section II, Item #2.2.2(C)(2b) “Facility Support”: Please confirm that the information you are seeking in this section is synonymous with Exhibit B, Section 1(D) “…Ongoing Support Model”. If not, then please define what kind of information UNMH is looking for in this section. Please disregard facility support because we don’t expect your company or your staff to support our staffing needs outside the scope of this RFP.
22. Page 12, Exhibit A, Item #3(B)(xiv & xv) “…on-site staff..”: Is there mandatory number or minimum number of staff that are required onsite (i.e., minimum of 1 onsite staff, or is all work required to be performed onsite at UNMH)? We require 1 onsite staff member
23. Page 17, Exhibit B, Section (A), Item #(iv)(6): This section asks for percentages of aged A/R and by payer mix. This does not seem applicable to a bad debt collection service contract. Please clarify what you are seeking in this request: We want to become familiar with your business and the type of accounts you work. Bad debt vendors sometimes have other lines of business where they do work A/R.
24. Are you wanting to know how many accounts, by age, are still open/active in our bad debt collection buckets? Yes as well as other lines of business your organization works.
25. How are you calculating days (i.e., days for DOS? Days from Date of assignment?, etc.). We calculate days based on when the account balance is due from the guarantor. This date is variable based on when the patient’s insurance adjudicates. For straight self pay, this is based on discharge date.
26. Medical bad debt collection accounts only? Yes
27. This section also asks about payer mix. We do not often get that information on bad debt accounts. Is this applicable to this service contract? See question 63
28. Page 17, Exhibit B, Section (A), Item #(iv)(7): This section references ‘claims’. Is claims processing/Insurance billing a part of this contract? Do you mean the number of bad debt, medical accounts we process in a year? Please clarify the information you are seeking in this section. There may be instances where the vendor identifies insurance and may bill. Yes, please provide the number of bad debt medical accounts processed in a year.
29. Page 17, Exhibit B, Section (A), Item #(iv)(7): This section asks for our company revenue volume. Are you seeking our actual, total revenue earned? Only on similar contracts? Or, are you looking for gross collection statistics vs. our fee/revenue earned? Or, are you looking for volume information? And, for what buckets/services (i.e. medical bad debt only, etc.) and what time frame are you wanting this information (i.e. average annual)? It is unclear exactly what information UNMH is asking for in this section. Please clarify. Please provide total revenue earned and volume for the last 3 years. This should include all lines of business.
30. Page 18, Exhibit B, Section (A), Item #(iv)(16): For what time frame (i.e., last 5 years, 10 years, etc.) are you seeking this information. Going back to the start of our company would be challenging. Typically, RFP’s request this information going back a certain time frame. Please advise. If you have had any legal action or judgements against you in the last 5 years, please disclose that information.
31. Page 18, Exhibit B, Section (A), Item #(v)(1 and 3): This section references Exhibit R “Organization Reference Questionnaire” yet no such Exhibit or questionnaire is included. See RFP4522 on the Bids-Proposal website. It is listed as Exhibit L.
32. Page 18, Exhibit B, Section (B), Item #(i)(3): This section asks for charge capture and coding solutions. That does not seem applicable to a bad debt collection service project but instead implies a billing/claim process. Please clarify if this information is required. Please disregard, charge capture and coding is not included in this project.
33. Page 19, Exhibit B, Section (B), Item #(i)(4)(d): This request appears to be an implementation plan request. This would duplicate of Exhibit B, Section (C) “INTEGRATION/IMPLEMENTATION WORK PLAN” on page 22. Please advise if this is duplicative and/or clarify if you are seeking something different in Item (i)(4)(d). This is generally the same. We would like a general implementation plan.
34. Page 19, Exhibit B, Section (B), Item #(i)(4)(e): This section ask for a plan to integrate the provider pool. We are unsure what this means, how it is applicable to a bad debt contract and how does this request differ form the immediate request (d) above asking for a phased roll out project plan (i.e., implementation plan)? Please disregard this question.
35. Page 19, Exhibit B, Section (B), Item #(ii)(2): This section asks us to describe our unique billing and collections system. Is billing/claims management part of this project? If no, then please clarify this request and how does it differ form the immediate, previous request in item (ii)(a) where we are to describe our collection system? It seems this Item 2 is either not applicable or it is duplicative of Item 1. Please advise. There may be times when billing is needed however, that can be handled in the UNMHSC systems. In this item we want to know if there is anything unique about your system that may assist in this project.
36. Page 19, Exhibit B, Section (B), Item #(ii)(5 & 9): These two requests seem to be duplicates of one another. Please clarify. These are not duplicates. Question 5 is asking for instances when you may return an account to UNMHSC during the normal account flow. Question 9 is asking how and when you normally close accounts for bad debt. Question 5 is about returns; question 9 is about close.
37. Page 23, Exhibit B, Section (E), Item #(i): This section states that we must complete and submit Exhibit J; however, Exhibit J is marked as a “Cost Proposal”. In addition, as described in the previous Section 1.7 on page 7, it states that the “successful Awardee may be required to complete this plan”; it does not state that all bidders must complete this plan; in addition, this Section (E) (Page 23) and all associated questions are written as if we are providing system services or installing hardware/software components, which seems to be a requirement of this “security plan”. Because this is a service contract and we are NOT installing software/hardware and are only exchanging data files, is this section (and associated questions) as well as the “Information Security Plan” applicable? If yes, then please provide a copy of the Information Security Plan that we must compete and submit with the proposal. A security plan will be required of the selected vendors.
	1. Much of the information requested in this IT section is included in our system audit reports. Will providing a Soc 2 Type 2 audit report (or something similar) suffice to satisfy this section? A Soc 2 will likely be requested from the selected vendor however, we appreciate if you answer the questions in this section.
38. 2.2.2,C.2.b Facility Support – Does this refer to Exhibit B.1.D UNMHSC Services, Ongoing Support Model that begins at the bottom of Page 22? Please disregard facility support because we don’t expect your company or your staff to support our staffing needs outside the scope of this RFP.
39. Section 3.B.xv on Page 12 asks for on-site staff. Does the incumbent vendor currently provide on-site staff? If so, how many vendor FTEs are on-site? Yes, we have one on-site liaison
40. Exhibit B.1, Section B.i.3 on Page 18 asks offerors to address charge capture and coding for both professional and facility. Is this applicable for this bad debt collection proposal? Please disregard. You will be responsible for charge capture and coding for this project.
41. Exhibit B.1, Section B.i on Page 18 requests agreement and summary of Exhibit A, Scope of Work while Exhibit B.1, Section B.ii requests a point-by-point answer to Exhibit A, Scope of Work along with the questions in section B.ii, Account Processes:
42. Can you please clarify which sections of Exhibit A, Scope of Work we are to detail? Just Subsection 3 or the entire Exhibit? Please detail the entire exhibit
43. Exhibit B.1.C Integration/Implementation Work Plan on Page 22 – Can you clarify what is being asked in item i vs. item ii? Please provide your standard implementation plan to include a timeline for implementation.
44. What is driving this RFP (expiration of current contract, deficient performance with existing agencies, etc.)? This RFP is being driven by expiration of current contract.
45. When will the bid award and initial placement be made? We hope to award the bid as soon as possible. Initial placement is dependent upon implementation.
46. What is the annual volume and average balance for accounts in each placement stage? We are not sure of what you mean by each placement stage. Annual volume and dollars are listed in the scope of work.
47. What is the liquidation rate for accounts in each tier at 6 months and at 12 months? Liquidation rate is at about 4.48% however, we do not have information regarding the tier split
48. Who are UNM HSC’s incumbent agencies? What are their current fee rates? This information isn’t generally shared with prospective vendors as it can foster resentment amongst vendors. Our job is to ensure that we garner best available pricing and the most efficient vendor to meet the hospital need(s).
49. What in-house recovery efforts are done before placing with a primary agency? For UNMH, accounts are worked in house for 60 days from the time the balance is due from the guarantor, they are then assigned to an Extended Business office for 180 days. For UNMMG, accounts are assigned day one after the balance is due to an Extended Business Office where they remain for 180 days prior to being sent to collections. Accounts that are included in a payment plan may remain with the EBO for longer prior to being referred to collections.
50. Does UMN HSC dictate work standards for each placement tier, such as phone attempts, number of letters, and skip activity? If so, please provide these standards. Yes, these standards are under review and will be provided to the selected vendor.
51. Approximately what percent of all accounts require bilingual communication? We do not have this information.
52. Does UMN HSC allow credit reporting? Yes however, we do have a dollar threshold for what is reported
53. Does UMN HSC capture email addresses? Will UMN HSC allow for collection notices to be emailed to customers? We are beginning to capture email addresses. Email of collection notices will have to be discussed during implementation.
54. Does UMN HSC consent to treat language include ability to text, receive calls by third party agencies? No however, we can discuss this with the selected version
55. Will it be allowed to leverage work from home collectors not co located in a single call center facility? Yes, as long as all agents are within the USA
56. Would UNMHSC allow for work to occur outside of the United States such as Mexico, India, or The Philippines? No. All work must be done within the USA.
57. What has been the average recovery rate after 12 months of collections activity? Average collection rate is about 4.48% however, we do not have the age tier information.
58. Can UNMHSC clarify which insurance claims workflows will be the responsibility of the on-site liaison? The on-site liaison will be responsible for filing insurance claims if the agency identified the patient has insurance and it is still within filing limit. In some instances and insurance claim may be needed for denial purposes if the patient has other coverage.
59. Will UNMHSC pay the standard recovery fee for any payments from third-party payers such as insurance companies, Medicare, and Medicaid on claims initiated or managed by the on-site liaison? Yes, however it will be the responsibility of the agency to track the accounts and properly bill UNMHSC.
60. How many collection vendors are currently being utilized under this scope of work? Currently we have one vendor
61. What are the current fee rates that UNMH is being charged by your current vendor(s)? We will not share this information.
62. What is the average liquidity of collections by your current vendor(s)? Approximately 4.48%
63. How many statements are sent on accounts prior to placement with the collections agency? Approximately 5-8
64. How many phone calls are attempted by UNMHSC on accounts prior to placement with the collections agency? Approximately 6-8
65. Are separate medical visits/procedures for the same patient submitted under the same account number? For the most part no. Our normal hospital is to register patients for each service separately. That said, in some instances, such as physical therapy, we may have separate visits under the same account number. We also have accounts that tie two services together such as an Emergency Room visit that turns into an inpatient stay. In this case the ER and Inpatient stay are on the same encounter.
66. What is the average number of invoices per collections account? 1 -3
67. What is the average number of invoices per guarantor? That is dependent on the frequency of visits for the patient. I cannot answer this.
68. What is the average account age at placement (days)? Approximately 373 days from date of service
69. How long will the agency keep the accounts after placement? Permanently
70. What is the recovery rate on collections accounts submitted in 2020? Approximately 2.16% for hospital accounts and 8.57% for UNM Medical Group
71. Would UNMHSC consider any blanket compromise settlement provisions? i.e. a 20% discount on select accounts? Most likely no
72. This RFPs section reads: “Establish full connectivity with UNMHSC, enabling the selected bad debt vendor on-site liaison the capability to demand insurance claims.” Insurance claim workflows are not typically included in the scope of debt collection projects. Can UNMHSC clarify which insurance claims will be the responsibility of the on-site liaison? There may be instances where the agency identifies and patient has coverage with an insurance company and a claim needs to be filed either because it is still within filing limit or because a denial is needed for some other type of coverage the patient has.
73. Will all insurance claims initially filed by UNMHSC be demanded by the on-site liaison? Or only insurance claims filed due to ‘found insurance’ after payment delinquency? The onsite liaison will only file insurance claims if insurance is found after payment delinquency.
74. What is the average age (days from date of service of the insurance claims UNMHSC will require the on-site liaison to submit? The accounts will normally be over 240 days old or older.
75. Is the on-site liaison responsible for insurance claims follow-up? Yes but only for any claims they file
76. Is the on-site liaison responsible for management of denied insurance claims? Yes but only for claims they file
77. Is the on-site liaison responsible for resubmission of denied insurance claims? Yes but only for claims they file
78. Please confirm found insurance will be paid at the standard commission fee for payments received if they are valid billable coverages for the account. Yes, those are payable however, the vendor will need to keep track of the accounts and bill accordingly.
79. Besides the on-site liaison, how many contractor employees are required to be on-site? Only the on-site liaison is required
80. Does your organization permit legal actions? No. If an account requires a lien for a particular situation, the account will be returned to UNMHSC.
81. What is the primary placement period? Approximately 373 days
82. Please provide the split by account and dollars between hospital and professional billing. This information will be provided to the selected vendor upon request
83. Please provide the split by account and dollars between true self pay and residual or balance after insurance. We do not track placements in that manner.
84. What activities are performed prior to bad debt placement ie Presumptive charity screening, EBO vendor, etc.? For UNMH, accounts are worked in house for 60 days from the time the balance is due from the guarantor, they are then assigned to an Extended Business office for 180 days. For UNMMG, accounts are assigned day one after the balance is due to an Extended Business Office where they remain for 180 days prior to being sent to collections. Accounts that are included in a payment plan may remain with the EBO for longer prior to being referred to collections.
85. The RFP mentions the submission of an electronic version of the response, which cannot be emailed. Is a USB drive an acceptable format? Yes, a USB drive is an acceptable format.
86. With which collection agency(ies), if any, are you currently contracted for bad debt collections? This information isn’t generally shared with prospective vendors as it can foster resentment amongst vendors
87. Just to confirm, is UNMH expecting a contingency fee rate structure? If not, can you please elaborate on what type of rate structure you are envisioning for this contract? You are free to submit a rate structure of you choosing however, we are currently contracted under a contingency rate structure and that is preferable.
88. What is the current contingency fee rate charged by your current bad debt collections agency? We will not share this information.
89. What is the average age of the forward-flow accounts that you will refer for collections? Approximately 373 days from date of service
90. Just to confirm, are accounts to be placed for bad debt collections “primary” placements, i.e., not having been worked previously by another bad debt collections provider? Correct, accounts are primary placements. They have been worked by and Extended Business Office.
91. 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? We don’t anticipate moving accounts held by the incumbent to the new vendor
92. If yes, what is the overall volume of those accounts (number of accounts and total dollar value) that you anticipate would be referred for collections? We don’t anticipate moving accounts currently assigned to the incumbent to the new vendor
93. What is the average age of any backlog accounts to be placed for collections? We don’t have a backlog. We are currently placing accounts with our existing vendor.
94. What is the age of the oldest accounts you will refer for collections? That is difficult to determine as each account in the A/R is different.
95. What collection attempts are made prior to placement to the bad debt collections vendor? For UNMH, accounts are worked in house for 60 days from the time the balance is due from the guarantor, they are then assigned to an Extended Business office for 180 days. For UNMMG, accounts are assigned day one after the balance is due to an Extended Business Office where they remain for 180 days prior to being sent to collections. Accounts that are included in a payment plan may remain with the EBO for longer prior to being referred to collections.
96. With what frequency will accounts be placed with the bad debt collections vendor, i.e., monthly, weekly, daily? Accounts are placed weekly
97. Who will patients and insurers be directed to submit payments to? The vendor? Or UNMH? Payments will be submitted to the vendor
98. For what period of time are bad debt collection accounts placed with the vendor before they are required to be closed and returned? Accounts are permanently placed with the vendor. Accounts that are closed are kept by the vendor.
99. Is collection litigation in scope? No. If a lien needs to be placed on an account they will be returned to UNMHSC.
100. “Fluent Spanish speaking staff.” Question: We have staff members who are bilingual in English and Spanish. Will that be acceptable, as long as they are fluent in Spanish? Yes however, the vendor must have translation services available for other languages.
101. What is your target date for contract award? As soon as possible
102. What is the overall historical liquidation rate / recovery rate achieved by any incumbent(s)? Currently a combined rate of approximately 4.48%
103. In the most recent fiscal year, what dollar amount did each of your current bad debt collection vendors retain in fees? We will not share this information
104. xv. Provide on-site staff to support your operations. UNMHSC will provide workspace for approved vendor staff. QUESTIONS: 1. How many on-site staff members does your current bad debt collections vendor provide? One 2. Is it acceptable for the vendor to share staff members across multiple UNMH sites, if applicable? Yes
105. Is it acceptable for the contractor to utilize Work at Home collection agents, as long as we comply with UNMH’s security requirements? Yes, however all agents must be in the USA
106. Are digital signatures allowed on required bid forms? Our company utilizes DocuSign, which provides certified legally binding digital signatures of contract documents. The signer will be a person legally authorized to bind our company. Digital signatures are not currently accepted on bid forms. We require wet signatures and hard copies of proposals.
107. What results, metrics, and/or processes are you seeking to improve or enhance under this contract? We always look for increased collection rates
108. Who is the incumbent provider of these services? What is UNMH’s level of satisfaction with that incumbent? Information of who the incumbent is isn’t generally shared with prospective vendors as it can foster resentment amongst vendors. We have been satisfied with the incumbent.
109. What is the current contingency fee being charged by the incumbent for these services? We will not share this information.
110. Based on historical data, what is the average rate of liquidation for the accounts in question? Or, what rate of liquidation does UNMH expect? A combined rate of approximately 4.48%; UNMHSC expects an increased liquidation rate
111. Is there a current backlog of debt which, upon award, will be recalled from the existing vendor and placed with the new vendor? No, we do not have a backlog
112. If there is a backlog of debt as described in the previous question, what is its dollar value, number of accounts, and average age of accounts? No backlog
113. Does UNMH intend to award a single vendor for the services described in this RFP, or multiple vendors to split the portfolio? Currently we plan to award a single vendor
114. Page 12, section 3, requirement B.xv indicates the need for an on-site rep. Please expand on the duties this representative would fulfill. If a vendor could accomplish these duties using remote technology, while meeting the same standard of service, would this be acceptable to UNMH? No, we require one onsite representative. This representative will serve as the liaison between the vendor and the facility. They will have access to the facility systems. In some instances they may file insurance claims if they are identified by the vendor. They may also fulfill requests such as itemized bills if requested by the patient.
115. As it relates to Page 16, Exhibit B Evaluation Criteria, Section 1.A.ii.1.m, is employee credentialing applicable to this RFP?  If so, please explain further. In this question we are trying to get a sense of the types of employees you have on staff.
116. As it relates to Page 18, Exhibit B Evaluation Criteria, Section 1.B.i.3, are charge capture and coding solutions applicable to this RFP?  If so, please explain further. No, you will not be providing charge capture or coding services.
117. As it relates to Page 27, Exhibit D Authorized Signature Page, does UNMH intend to include a 5% resident preference in terms of evaluation scoring?  If so, please provide the evaluation factor and weighted value assigned section that the preference will be applied to. Please reference page 6, section 3.3.1.1 – NM Business Preference.
118. Please provide the reasoning as to why UNMH has published this RFP. The RFP has been published because we have met the contract term limits.
119. Please confirm if the stated average placement volume includes Professional account volume.  If not, please provide the annual professional number of accounts and dollar volume separated by true-self pay versus after insurance. Yes, it includes professional number of accounts and volume. We do not separate by true self-pay versus after insurance.
120. Please provide the current monthly and annual number of Bad Debt accounts placed separated by true self-pay and after insurance. We do not separate placements by true self pay vs balance after insurance
121. Please provide the current monthly and annual dollar volume of Bad Debt accounts placed separated by true self-pay and after insurance. We do not separate placements by true self pay vs balance after insurance
122. Please provide the average balance of Bad Debt accounts separated by After-Insurance versus Self-Pay volumes. We do not separate placements by true self pay vs balance after insurance therefore, cannot provide this information.
123. What is the current monthly and annual total Bad Debt gross collection amounts on this inventory? We will not provide this information
124. How long will the awarded vendor retain the accounts before UNMH recalls the accounts? We do not recall accounts from Bad Debt. The vendor will keep the accounts.
125. What is the average age of accounts that will be placed with the awarded vendor? Approximately 373 days
126. Will the awarded vendor be posting payments within UNMH’s merchant account or will the awarded vendor be required to post payments in their own merchant account? Today the vendor uses their own merchant account
127. If awarded vendor is required to process payments through its own merchant account, will the awarded vendor be permitted to charge convenience fees? No
128. Does UNMH anticipate placing a backlog of Bad Debt accounts to the awarded vendor? No, we do not anticipate having a backlog
129. Does UNMH currently send patient and guarantor email addresses and cell phone numbers to the current Bad Debt vendors? We do send cell phone numbers if they are captured. We have started collecting email addresses however, use of email addresses and cell phone numbers will need to be discusses with the selected vendor.
130. Will UNMH permit the awarded vendor the use of emailing letters? We don’t currently send emailed letters however, that can be discussed more with the vendor selected.
131. Will UNMH permit the awarded vendor the use of texting communication? We don’t currently use texting communication however, we can explore that option with selected vendor.
132. What is the liquidation rates on your Bad Debt Self-Pay inventory after 1 year of collections?  Our definition of “liquidation rates” is at the batch level.  As an example, UNMH places $1,000,000 of Bad Debt accounts with their vendor In January 2020.  The collection vendor collects $250,000 as of 12/31/2010 which equates to a 25% liquidation rate. This level of detail will be shared with our selected vendor on a requested basis.
133. What is the liquidation rates on your Bad Debt After-Insurance inventory after 1 year of collections?  Our definition of “liquidation rates” is at the batch level.  As an example, UNMH places $1,000,000 of Bad Debt accounts with their vendor In January 2020.  The collection vendor collects $250,000 as of 12/31/2010 which equates to a 25% liquidation rate. This level of detail will be shared with our selected vendor on a requested basis.
134. What is the overall combined gross liquidation rate on your Bad Debt inventory after 1 year of collections?  Our definition of “liquidation rates” is at the batch level.  As an example, UNMH places $1,000,000 of Bad Debt accounts with their vendor In January 2020.  The collection vendor collects $250,000 as of 12/31/2010 which equates to a 25% liquidation rate. Same question as above
135. Does UNMH intend to have a litigation program component as part of the Bad Debt Collection program? No. All litigation will be handled directly by UNMH. In the event litigation is required, the account will be returned to UNMHSC.
136. Does UNMH intend to have a grace period upon placement?  If so, what is the grace period? We don’t currently have a grace period upon placement so I’m not sure exactly what that means.
137. Will UNMH allow the awarded vendor the ability to report to the credit bureaus? Yes, above a specific dollar threshold which will be discussed with the awarded vendor.
138. Will UNMH consider a remote-based employee in lieu of a staffed on-site employee due to the current COVID-19 global pandemic crisis? We require one on-site liaison. Our work environment meets requirements such as social distancing, etc. In addition, masks are required in our work environment by all employees.
139. Does UNMH have a current Early Out collection process?  If so, what are the typical work efforts conducted prior to placement for the Bad Debt collection program? Yes. Accounts are placed with our Extended Business Office for 180 days from date of placement. UNMH places accounts with the EBO approximately 60 days from the date the account is due from the guarantor. UNMMG places accounts day one from guarantor balance.
140. Does UNMH have a current Secondary Bad Debt Collection program?  If so, please provide the vendor(s) name and contractual pricing.  Should the submitted proposal include a secondary bad debt rate? No, we do not have a Secondary Bad Debt Collection program and do not plan to move to that model.
141. Please provide UNMH’s current bad debt vendor(s) average number of daily calls handled, average daily hold time, average daily call abandonment rate and average length of call. Unfortunately, we do not have this information available. We can provide it at a later time.
142. Will UNMH provide the awarded bad debt vendor the ability to settle on accounts? No
143. Will UNMH allow the awarded vendor the ability to charge a fee for found insurance? Yes, the vendor will be paid for insurance found. The fee should be in your cost proposal.
144. Please provide the name of UNMH’s current Bad Debt vendor(s) and their contracted pricing. This information isn’t generally shared with prospective vendors as it can foster resentment amongst vendors. Our job is to ensure that we garner best available pricing and the most efficient vendor to meet the hospital need(s).
145. Please provide the total amount of commissions/fees paid to UNMH’s Bad Debt vendor(s) for 2020 and 2021. We will not share that information
146. How long has the vendor been performing these Bad Debt services for UNMH? 10 years
147. Please provide UNMH’s satisfaction with your current bad debt collection vendor. We have been satisfied with our current bad debt vendor
148. What is UNMH’s anticipated award and go-live dates? We would like to award ASAP. Go-live will depend upon contracting and implementation plan
149. Section B. Technical Approach, #4.e – “A general project plan to integrate the provider pool if you offer one.” Please clarify what is being sought in this question. Please disregard.
150. Can UNM HSC please clarify any initial dunning notice standards or requirements? UNM HSC will discuss dunning notices with the selected vendor. All notices must follow Federal and NM Billing legislation to include SB71, SB337, No Surprises Act, No Behavioral Health Cost Sharing.
151. How many agencies serviced UNM HSC’s most recent contract? One
152. Can UNM HSC share any historical recovery metric information or expectations? Combined recovery rate of approximately 4.48%
153. Do you have an Early Out “pre-collect” process that will precede the primary phase? Yes. Accounts are placed with our Extended Business Office for 180 days from date of placement. UNMH places accounts with the EBO approximately 60 days from the date the account is due from the guarantor. UNMMG places accounts day one from guarantor balance.
154. What is your in-house collection process? What are the specific collection steps (i.e. data mailers, phone calls, activity by balance, etc.) taken internally before accounts are referred over to the proposer? For UNMH and SRMC, accounts are worked in-house for 60 days for balance after insurance and self pay. At that point, the accounts are sent to our Extended Business office for 180 days. UNMMG sends accounts at day 1 for self pay and once the balance is due from the guarantor to the Extended Business Office.
155. Why is the contract out to bid at this time? We have met the contract limitations
156. What is UNM HSC’s timeline to contract with new partner? We would like to get a contract in place asap
157. When is the placed age of accounts? Approximately 373 days from the time the balance is due from the guarantor
158. How long will partner keep accounts? Permanently
159. What is the average balance of accounts by category (HB/PB)? This information will be provided to the selected vendor upon request
160. What are the estimated monthly number of accounts by category? We do not track placements in that manner
	1. % of business BAI
	2. % of business BAM
	3. % of business TSP
161. Is there any backlog to be placed with an agency? No , we do not have a back log. We are currently placing accounts with our existing vendor.
162. Would residual inventory from the current agencies be reassigned with the new agency(s)? No, we don’t expect to reassign inventory
163. Would this be considered secondary placement? No, this is a primary bad debt placement
164. What percentage of accounts outsourced are facility/physician accounts? This information will be provided to the selected vendor upon request
165. Will there be any workflow standards requirements for this engagement? Yes. Those will be discussed with the selected vendor
166. Will there be a required number of letters sent per account? Yes. That will be discussed with the selected vendor
167. Will agency have system access, and if so to what extent? Yes, you will have view access. The onsite liaison will have more access.
168. Will agency receive contingency rate on insurance balance finds, or receive a flat insurance find rate? That is dependent on the fee structure contracted
169. What is the current commission fee rate for each of your incumbent agencies? We will not share that information.
170. What is the current liquidation rate during the inventory period in the primary tiers? We do not track liquidation in this manner
	1. % Liquidation via patient payments? Most liquidation is via patient payments
	2. % Liquidation via insurance/government? We do not track this information however, liquidation via insurance/government is very low
171. What improvements would the proposer like to see from the vendor on this contract?  We always want to see an increase in collection rates
172. Does UNM HSC have TCPA language incorporated into its admission forms/customer contracts expressing prior consent to be contacted via cell phone? Not at this time  however, this is something we do anticipate working on and will discuss with the awarded vendor.
173. Does UNM HSC require credit reporting? If so, are there any requirements/expectations? We do credit reporting over a specific dollar threshold
174. Is legal action a requirement or an available option to agencies? Any legal action is normally handled by UNMHSC and accounts are returned to UNMHSC
175. If potential accounts have been qualified for legal action, will vendor be entitled to a finder’s fee? That will depend on what is contracted
176. What, if any, specific agency performance incentives or penalties do you plan to use? We currently don’t use specific agency performance incentives or penalties
177. How many onsite staff will be required? One
178. Who are your current vendor(s)? This information isn’t generally shared with prospective vendors as it can foster resentment amongst vendors.
179. What are their historical liquidation rates? Combined approximately 4.48%
180. Why is this being put out to bid?  Required or choice? Required due to contract limitations
181. How long have you worked with your current vendor(s)? 10 years
182. Do you currently engage with a "seconds" vendor currently? Or will you be in the future? No, we do not engage with a “secondary” bad debt vendor and do not plan to.
183. Should we provide pricing for seconds, and/or legal pursuit? You are able to propose the pricing structure of your choice
184. Are you performing any form of propensity to pay scoring of accounts prior to placement? No
185. Can you provide a copy of your financial assistance policy? Yes, that will be provided to the selected vendor.
186. Does not accepting Discover and American Express eliminate a proposer from consideration? No however, our preference is to allow all forms or payment possible
187. Does not placing employees on site eliminate a proposer from consideration. One onsite liaison is required.
188. Do you now, or will you be allowing legal pursuit of mutually agreed upon accounts? No. Any legal pursuit is handled by UNMHSC
189. Do you now, or will you allowing credit reporting of accounts? Credit reporting above a specific dollar threshold is allowed
190. What is the age of accounts at placement? The combined days is approximately 373 days
191. How long are accounts kept by agency? Accounts are permanently kept by the vendor
192. Are you currently, or will you be collecting e-mail addresses and consent to send e-mail addresses to agency? Currently we do not have consent to send email however, use of this information can be discussed with the selected vendor.
193. Can you provide the standard data elements that will be included in your placement files? Our standard data files with be XML files. There are over 85 elements included. It is not possible to list them all here. Details will be provided to the selected vendor.
194. How many vendors will be selected to perform these services? One
195. Please provide a narrative as to incumbent’s current status including likes and dislikes that UNM is trying to retain or improve upon? We are overall happy with the incumbent’s performance however, we would always like to improve upon our collection rates.
196. Please provide current performance of trailing twelve-month recoveries. This information will be provided to the selected vendor if request.
197. Please provide (if any) type of accounts currently disallowed for contingency fees.  We do not currently have any accounts disallowed for contingency fees.
198. Please provide the current patient populations listed for collection balance after insurance vs true self pay percentage for the trailing twelve months .  We do not track placements based on true self pay vs balance after insurance
199. Please provide the current presumptive financial assistance process.  That will be provided to the selected vendor.
200. Does UNM Hospital currently have an early-out vendor in place? Yes
201. What is the age of the bad debt placements? Approximately 373 days
202. Will UNM Hospital provide an Account Trial Balance (ATB)? A complete ATB is not relevant to this RFP.
203. Please provide a timeline of when this RFP 455-22 Bad Debt Collections will be awarded.  We would like to award as soon as possible as contracting and implementation take additional time.
204. What is UNM Hospital expectation for the length of time from implementation to go-live? That is dependent upon the vendor selected. This will be discussed with the selected vendor.
205. Please provide your XML file layout/specifications for patient and guarantor demographics, financial activity, and follow-up notes.  Our standard data files with be XML files. There are over 85 elements included. It is not possible to list them all here. Details will be provided to the selected vendor. It is too much information to include in the response.
206. Please confirm that UNMHSC will allow reporting of patient accounts to the credit bureaus. Yes, credit reporting is allowed for accounts over a specific dollar threshold
207. Please confirm that archiving of documentation must be maintained for a period of not less than ten years as opposed to 7 years. Ten years is required
208. *“Exhibit A, 3.B.x: Ability to establish and monitor payment arrangements with patients based on criteria set by UNMHC”*: Recovery performance can be improved upon by using customized payment plans by patients ability to pay with third party data. Would UNMHC consider recommendations to payment plans? If not, what are UNMHCS current payment plans? We are open to hearing recommendations to payment plans. These recommendations can be discussed with the selected vendor.
209. *“3.B.xv: Provide on-site staff to support your operations. UNMHC will provide workspace for approved vendor staff.”*
	1. As remote work has become more common during COVID responses, would UNMHC allow remote access for all workflows and work queues for insurance claims, itemized statement and other selected functions as authorized by UNMHC in a secure environment but not onsite? No, we prefer to have one onsite liaison
210. *“3.B.xvi: UNMHSC will have final approval for the language of all dunning messages, statements or correspondence sent to the patient, as well as collection telephone scripts.”*
	1. As a highly regulated collection agency with multiple federal regulations like the FDCPA and state regulations like New Mexico DFA, the final approval would need to be mutual for all dunning messages, statements, correspondence and scripts. Would UNMHSC be willing to discuss the ability to mutually agree? Yes, all can be discussed and mutually agreed upon
211. *“3.D.iv. The system must fully integrate into the Cerner Electronic Health Record.*” a. a. Does full integration mean data file transfers or is something greater envisioned? We do not need full integration. File transfers via an SFTP site are the expectation.
212. *“Exhibit B.1.B.ii: Flowchart your bad debt account flow and your ability to customize the account flow to meet our specific needs (flowchart the process from the assignment of the balance until the account is resolved or completed. Be sure to include your processes to address all collection contingencies”.*
	1. Please provide in detail your specific needs that are required to be flowcharted, i.e. collection notices and collection calls. Yes, please give us an idea of your normal flow for call campaigns, notices, inbound calls.
213. 1.B.iv: We use Web3 interfaces with blockchain using HTL7 with true AI and machine learning. Please describe your state-of-the-art wishes. Any AI availability will be discussed with the selected vendor. We are open to suggestions and ideas.
214. Please describe your need for a T1 or Frame Relay? Please disregard. This is an obsolete question.
215. Please provide your current implementation plan and current data files to allow for a detailed implementation plan Implementation will be dependent upon the selected vendor. We will work closely to ensure implementation needs are met however, we’d like an idea of what your normal implementation looks like. Data files UNMH provides are based on XML and are sent weekly and daily depending upon the file type. All detail regarding the files will be shared with the selected vendor as it is too much data to include in this document.
216. Please provide your current cash flow to us to allow us to determine the ability to propose a guarantee. This information will be shared with the selected vendor if necessary.
217. Is UNM will to accept HI-Trust or other security audit as opposed to answer questions in Section E? No, Section E must be answered