ADDENDUM NUMBER THREE

THE UNIVERSITY OF NEW MEXICO HOSPITALS
Purchasing Department
933 Bradbury Dr. SE Ste 3165
Albuquerque, New Mexico 87106

Date: October 3, 2019
Proposal Number: P411-20
Name of Procurement Specialist: Jennifer Sanchez
Due Date: October 7, 2019 @ 2:00 pm MST/MDT

Notice to all respondents:

Amend the Proposal: **RFP P411-20 ACCOUNTS RECEIVABLE OUTSOURCING SERVICES**

This **addendum** becomes part of the Proposal Documents and **modifies**, as noted below, the original Bidding Documents. THE FOLLOWING PROVISIONS OF THE ABOVE-REFERENCED RFP ARE AMENDED AS FOLLOWS:

I.   WRITTEN RESPONES – QUESTIONS AND ANSWERS

QUESTION 1: Historical data needed:

   a. Historical days in AR when it was previously outsourced.
   b. Report showing AR aged more than 90 days from discharge date/date of service.
   c. Payer mix by UNM Facility and liquidation %.
   d. Aging summary by payer and recovery % by payer.
   e. Denial by type – Please include top 20 CARC codes.
   f. Denial rate by UNM facility.
   g. Write offs as a percentage of accounts receivable gross revenue.
   h. Cash collections as a percent of gross revenue.

RESPONSE: UNMHSC does not have detailed historic data to provide. Previously, UNMH's AR vendor performed all AR services. Moving forward, UNMH will work 0-60 in-house, and outsource 60+.

QUESTION 2: What is the average balance that will be placed for UNMMG (UNM Medical Group)?

RESPONSE: See Exhibit A, under the section entitled "Scope of Work", 3.1.5. UNMMG - daily placements of referred under five hundred ($500) with current inventory of seven million dollars ($7,000,000) that total forty six thousand (46,000) accounts. UNM Cancer Center professional claim accounts billed through the UNMMG IDX system are not included in the inventory.

QUESTION 3: Will the scope of this RFP include government payers (Medicare/Medicaid/Tricare)?

RESPONSE: Yes, with the exception of Medicare FFS and Medicaid FFS

QUESTION 4: Will the placements include Clinical denials?

RESPONSE: Yes, the placements include Clinical denials.

QUESTION 5: Will offerer be able to access all related systems needed to complete this project, such as: EOBs, CARC codes and scan documents, ect.?

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RESPONSE: Yes.

QUESTION 6: What are the exclusions from placement accounts?

RESPONSE: The exclusions include the following:

- Self pay
- Out of state Medicaid
- Indian Health Services
- Charity
- Falling Colors,
- Comm for the blind
- CYFD
- Dept of health
- GCRC IP
- High Risk prenatal
- Juvenile Justice
- Kidney Cadaveric
- Kidney Living Donor
- Liens Only
- Medicaid EMSA
- Medicare IME
- MI Care Plans
- Musc Dystrophy
- Other County Fin Ast
- Para los ninos
- Referral Billing
- Ryan White
- Truman Safety Net
- UNM Athletics
- UNM House Offcrs Sec
- Medicare FFS
- Medicaid FFS

QUESTION 7: If any of the exclusions become the active payer is the expectation to return the account?

RESPONSE: Yes

QUESTION 8: What is the estimated daily placement # and $ for each of the facilities?

RESPONSE: See Exhibit A, under the section entitled "Scope of Work".

QUESTION 9: Will vendor receive the backlog dollars stated in the RFP on day 1 placement?

RESPONSE: Yes

QUESTION 10: Are any of the exclusions included in that amount and if so can you supply the numbers without the exclusions?

RESPONSE: No

QUESTION 11: 3.8. Contractor shall work all denials including coding denials, collections or under payments effectively within timely filing limit timeframe including, but not limited to, filling corrected claims, rebilling, making phone calls to third party payers.

RESPONSE: UNMHSC does not have detailed historic data to provide. Previously, UNMH's AR vendor performed all AR services. Moving forward, UNMH will work 0-60 in-house, and outsource 60+.

QUESTION 12: Will the addendum have all the questions asked from all Offeror?

RESPONSE: Yes, all questions and responses must be made public to all offerors. All addendums will be posed to the UNMH purchasing department page at the web site: **https://hsc.unm.edu/health/about/bids-proposals/proposals.html**

QUESTION 13: Page 7, Section 3.3 – Small and Disadvantage Businesses Enterprises (SDBE) Are there SDBE obligations that the selected vendor must satisfy.

RESPONSE: No, there are no SDBE obligations that vendors must satisfy.

QUESTION 14: Page 10 – Section 3, "Scope of Work"- Are the services outlined in the RFP already being outsourced? If so, what is the name of the firm(s) currently contracted to manage this scope of work?

RESPONSE: Offerors may submit written questions for the purpose of only clarifying information already included in the RFP. This is non-clarifying question.

QUESTION 15: Page 10 – Section 3, "Scope of Work" - What are the reasons for outsourcing this segment of AR?

RESPONSE: To keep up with volume.

QUESTION 16: What are UNMHSC critical success factors for this program?

RESPONSE: Cash collections and AR managements and ensure metrics to help keep up to industry standards.

QUESTION 17: Is it the intention of UNMHSC to assign a backlog referral of all Hospital and Medical Group accounts / encounters aged greater than 60 days >? If so, can you provide us a copy of your most current Hospital and Medical Group ATB sorted by payer and aging bucket (preferably aging buckets 60-90, 91-120, 121-150, 151-180, 181 – 210, 211-240, 241-270, 271 >)

RESPONSE: Scope of work is for accounts aged 60 days from date of discharge. UNMHSC does not have detailed historic data to provide. Previously, UNMH's AR vendor performed all AR services. Moving forward, UNMH will work 0-60 in-house, and outsource 60+.

QUESTION 18: Is the value of the AR outlined in the RFP listed at Net or Gross? If the AR is listed at gross, what is the net down percentage?

RESPONSE: The value is listed as Net.

QUESTION 19: Can UNMHSC provide us a copy of their Hospital and Medical Group cash report for the past 6 months sorted by payer and aging bucket at the time of payment posting.

RESPONSE: UNMHSC does not have detailed historic data to provide. Previously, UNMH's AR vendor performed all AR services. Moving forward, UNMH will work 0-60 in-house, and outsource 60+.

QUESTION 20: Would UNMHSC Medical Group entertain a proposal and pricing for a complete Day 1 outsourcing program inclusive of charge entry, coding, billing, follow-up, provider enrollment, denial and underpayment management, payment posting, etc.

RESPONSE: No.

QUESTION 21: Page 11 – Section 3.7 What Percentage of accounts / encounters have a secondary payer?

RESPONSE: UNMHSC does not have data to provide, the scope of work for this project is new.

QUESTION 22: Page 11 – Section 3.8 What is UNMHSC's current denial rate for hospital AR? What is UNMHSC's current denial rate for professional fee AR? Collectively what percentage of UNMHSC's denial are coding denials?

RESPONSE: UNMHSC does not have detailed historic data to provide. Previously, UNMH's AR vendor performed all AR services. Moving forward, UNMH will work 0-60 in-house, and outsource 60+.

QUESTION 23: Page 12 – Section 3.11 How long will the vendor have to work these referrals?

RESPONSE: Vendor will be responsible for accounts until account reaches a zero balance.

QUESTION 24: Page 12 – Section 3.13, Will the initial referral include credit balances? If so, can you quantify the # of credit balance accounts?

RESPONSE: No, the initial referral will not include credit balances.

QUESTION 25: Page 12 – Section 3.14   Will vendor have access to UNMHSC's contract management system and payer contracts?

RESPONSE: Yes, the vendor will have access to Soarian which will include the contract mgt database and calculations. Soarian has a contract mgt database where all the contracts are loaded. Soarian also calculates an expected amount based on the contract.

QUESTION 26: Page 12 – Section 3.19,   Please confirm – using any offshore resources are prohibited?

REPONSE: UNMH confirms that offshore resources are prohibited.

QUESTION 27: The RFP due date is listed as Wednesday, Oct. 7. Can UNM confirm whether the due date is Monday, Oct. 7 or Wednesday, Oct. 9.

RESPONSE: The RFP due date is Monday, October 7.

QUESTION 28: Does UNM have any flexibility regarding the insurance requirements set forth in the RFP?

RESPONSE: Yes, there is some flexibility with general liability insurance; however, in no event will the limits fall below a one million dollars general liability coverage. Under this Scope of Work the vendor will have access to Protected Health Information and will be required to enter

into a Business Associate Agreement ("BAA"). The BAA requires cyber security insurance of ten million dollars coverage. The UNMHSC BAA will be uploaded on the UNMH purchasing department page at the web site: **https://hsc.unm.edu/health/about/bids-proposals/proposals.html**

QUESTION 29: Regarding Section 3.19, does the restriction regarding PHI remaining on US soil apply to where the data is hosted, or are offshore employees restricted from accessing such data as well?

RESPONSE: Yes, Offshore employees are restricted from accessing PHI as well.

QUESTION 30: In Exhibit A – Section 3.2 Please clarify "total accounts receivable". Is this the assigned receivable or each facility's grand totals?

RESPONSE: Yes.

QUESTION 31: Based upon answer to Question 23, is the inventory noted in Exhibit A – Sections 3.1.2 through 3.1.5 all at "Net" dollars?

RESPONSE: Net with the exception of UNMMG which is gross.

QUESTION 31: Is the current inventory listed in Exhibit A – Sections 3.1.2 through 3.1.5 the net receivable for the accounts that would currently fit the 60 days from billing and under each facility dollar threshold? (Even though we know these accounts will not actually be placed with new vendor).

RESPONSE: Yes.

QUESTION 32: Does UNMHS use the Soarian contract management module for net downs and calculating expected reimbursement? If not, which software is being used? Which software is use to calculate "net" on the non-Soarian accounts?

RESPONSE: Yes.

QUESTION 33: Does UNMHS use the Soarian Denial Management system?

RESPONSE: RCW through Huron.

QUESTION 34: Will the vendor have access to the Soarian Reports and Cubes/BI Launch Pad for ad-hoc reporting and data downloads (for example, denial information from the Denials cube)?

RESPONSE: Yes.

QUESTION 35: Does UNMHSC have managed care contracts in place with specified timely filing requirements?

RESPONSE: Yes.

QUESTION 36: Will the vendor's certified coder be allowed to send queries to physician offices?

RESPONSE: Yes.

QUESTION 37: Will the vendor be set up as a secondary business office (SBO) in Soarian and use the Soarian SBO interface files?

RESPONSE: Yes.

QUESTION 38: Please confirm that you are using the internal Soarian billing scrubber (SSI module) to perform billing edits and interface directly with SSI's clearinghouse.

RESPONSE: UNMH confirms.

QUESTION 39: Do the hospitals\medical group have and will vendor be provided guidelines on denial write-off codes and denial policies?

RESPONSE: Yes.

QUESTION 40: Will all placements to the contractor be on a go-forward basis?

RESPONSE: Yes.

QUESTION 43: Will contractor be provided access to contracts to determine the expected payments and contractual allowances?

RESPONSE: Yes.

QUESTION 44: Is there a contract reimbursement screen in Cerner or IDX. If yes, will contractor have access to this?

RESPONSE: There is one in Cerner.

QUESTION 45: What is the UNM Billing System and Claim Scrubber?

RESPONSE: It's SSI for all expect for UNMMG who uses Trizetto

QUESTION 46: Can you provide historical recoveries for the inventory described in this RFP?

RESPONSE: Thr UNMHSC is unable to provide historical data.

QUESTION 47: Can you provide the historical denial rate for the inventory described in this RFP? If yes, can this be provided by category (i.e. timely filing, primary paid GT secondary, coding, etc.)

RESPONSE: THE UNMHSC is unable to provide historical data.

QUESTION 48: Can you provide an ATB by payer and aging bucket?

RESPONSE: No.

QUESTION 49: What is the current credit balance volume for the inventory described in this RFP?

RESPONSE: THE UNMHSC is unable to provide.

QUESTION 50: Section 3. Scope of work, Are these acceptable coder credentials, CPC, CCS, CCS-P?

RESPONSE: Yes but CCS-P is for physician billing not facility

QUESTION 51: Section 3. Scope of work, Will vendor have access to insurance company correspondence for accounts assigned to us?

RESPONSE: Yes.

QUESTION 52: Section 3. Scope of work, Will the contractor be responsible for all insurance types (Government, Commercial, Manage care)?

RESPONSE: No, not all.

QUESTION 53: Section 3. Scope of work, Is there a vendor in place for these services?

RESPONSE: Offerors may submit written questions for the purpose of only clarifying information already included in the RFP. This is non-clarifying question.

QUESTION 54: RFP Submission - Can we use Raleway or Dosis as our 12 point font? What margins would you like for this RFP? Do you have any preference in how the RFP is binded (spiral-bound, 3-hole-punch, etc.)?

RESPONSE: See Section 2.2.1 of the RFP, which requires Times Roman, 12 point; however, per your request above, the UNMHSC will allow the use of Raleway or Dosis so long as its legible. The UNMHSC would prefer standard 1 inch margins. The UNMHSC does not have a preference on how the proposal responses are bound.

QUESTION 55: When we mark something as "Confidentail" do we need UNMHC's approval before submitting the RFP?

RESPONSE: No, offerors do not need to obtain UNMHSC's approval prior to submittal; however, see Page 1, Section(s) 4 "Public Disclosure", 5 "Confidentiality and 6.

QUESTION 56: The rfp states the questions were due by 9/30, can we expect an addendum for those questions?

RESPONSE: Yes, all questions and responses must be made public to all offerors. All addendums will be posed to the UNMH purchasing department page at the web site: **https://hsc.unm.edu/health/about/bids-proposals/proposals.html**

QUESTION 57: Is there a vendor registration process?

RESPONSE: No.

QUESTION 58: We are currently a vendor for UNM. Is there a need to re-submit the IT Exhibit J? If so, can we submit the IT Requirements we submitted in our previous proposal?

RESPONSE: Yes, you must re-submit the IT Exhibit J. The RFP requirement remain the same for each Offeror.

Acknowledge receipt of this Addendum in the space provided in Exhibit D. Failure to do so may subject Offeror to disqualification.

All other provisions of the Proposal Documents shall remain unchanged. This addendum is hereby made a part of the Proposal Documents to the same extent as those provisions contained in the original documents and all itemized listing thereof.