

ADDENDUM NUMBER ONE

THE UNIVERSITY OF NEW MEXICO HOSPITALS

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

Date: September 20, 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: Part of our service offering (non-patient contact) is done offshore so are you allowing offshoring work for this RFP in order to provide you with economies of scale? Will UNM consider offshore resources as long as all data is stored in the US and only accessed by our offshore team?

RESPONSE: The UNMHSC prohibits any offshore services for the Scope of Work under this RFP.

Question 2: I'm assuming as long as the patient data is maintained on U.S. soil, per 3.19 the work can be performed anywhere in the US?

RESPONSE: Yes, work can be performed anywhere in the US. Note, this response does not constitute the UNMHSC's acceptance.

Question 3: Please describe your level of satisfaction with your current or recent vendor(s) for the same purchasing activity, if applicable.

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

Question 4: If this is a term contract subject to renewal, what is the term and the maximum number of option periods?

RESPONSE: The UNMH is subject to the State of NM Procurement Code. Pursuant to NMSA 1978, Section 13-1-150, if the amount of the contract is twenty-five thousand dollars (\$25,000) or more, the term shall not exceed ten years, including all extensions and renewals.

Question 5: What estimated or actual dollars were paid last year, last month, or last quarter to any incumbent(s)?

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 6: What is the total dollar value of accounts available for placement now by category, including any backlog?

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 7: What is the total number of accounts available for placement now by category, including any backlog?

RESPONSE: Please see Exhibit A, Section 3.1.1, which provides for an estimate as the 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 8: What is the average balance of accounts by category?

RESPONSE: The response to this question is forthcoming, as the UNMHSC needs clarification from the Offeror who submitted the inquiry,

Question 8: What is the monthly or quarterly number of accounts expected to be placed with the vendor(s) by category?

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

RESPONSE: Please see Exhibit A, Section 3.1.1, which provides for an estimate as the 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.

Question 10: 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?

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 11: If applicable, will accounts held by any incumbent(s) or any backlog be moved to any new vendor(s) as a one-time placement at contract start up?

RESPONSE: No, accounts will not be moved to the new vendor; therefore, there will not be any backlog.

Question 12: What is your case management/accounting software system of record?

RESPONSE: The current software system of record is Midas.

Question 13: Who is your electronic payment/credit card processing vendor?

RESPONSE: The current vendor is Wells Fargo.

Question 14: 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?

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: How do your current processes and/or vendor relationship(s) systematically determine if the death of a responsible party has occurred?

RESPONSE: The UNMHSCS outsources the services above-referenced.

Question 16: How do your current processes and/or vendor relationship(s) handle the a death of responsible party?

RESPONSE: The UNMHSCS outsources the services above-referenced.

Question 17: Do you have a designated process or policies around deceased accounts today, and what is envisioned in the future?

RESPONSE: This service is outsourced.

Question 18: Do you currently search and file probated estate claims? Have you considered an automated tool to identify and file probated estate claims?

RESPONSE: The UNMHSCS outsources the services above-referenced.

Question 19: Please confirm the number of copies vendors are required to submit. Purchasing will respond

RESPONSE: Section 2.1.2 of the RFP is revised as follows:

Proposal - One (1) ORIGINAL, six (6) HARD COPIES, and one (1) ELECTRONIC COPY of the proposal; ORIGINAL and COPY shall be in separate labeled binders. The proposal can NOT be emailed.

Question 20: A summary A/R Assignment by Major Aging Report. Or, is this assignment a New 'Rollover' placement, where new accounts will simply qualify for Outsourcing at 60 days from original bill date?

RESPONSE: This is a new placement where accounts will be assigned from original sixty (60) days from bill date.

Question 21: A Summary A/R Assignment by Major Payor Report?

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

Question 22: Does this proposal include the Self-Pay/Bad Debt component as well?

RESPONSE: No, Self-Pay/Bad Debt is not included in this RFP.

Question 23: Is the assignment placed at Gross Value, Already written down to Net Value, or Mixed Values?

RESPONSE: The assignment is placed at Net Value.

Question 24: Does this proposal include working credit balances, or do we refer back to UMN?

RESPONSE: If contractor causes the credit balance, credit will be worked by the contractor.

Question 25: Does this proposal include working refunds, or do we refer back to UNM?

RESPONSE: Refunds are worked by UNMHSC.

Question 26: Does this proposal allow for potential zero balance recovery of other accounts, if Outsourcing discovers it?

RESPONSE: No, this proposal does not allow for zero balance recovery of other accounts.

Question 27: Does this proposal include potential Charity Care management, based on UNM's financial qualifications?

RESPONSE: No, this proposals does not include Charity Care management.

Question 28: What collection attempts are performed or will be performed internally prior to placement?

RESPONSE: None

Question 29: What is the average age of accounts at placement (at time of award and/or on a going-forward basis), by category?

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 30: Will the selected vendor be allowed to litigate balances exceeding a certain dollar amount on your behalf, with your explicit approval?

RESPONSE: No, the vendor will not be allowed to litigate balances.

Question 31: What is the average balance of accounts by category?

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 32: What is the monthly or quarterly dollar value of accounts expected to be placed with the vendor by category, including any backlog?

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 33: What is the current agency's collection/recovery rate by month and category?

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 34: Will there be an initial larger placement of existing accounts from the prior collection agency or backlog? If yes, what is the volume?

RESPONSE: No.

Question 35: Why is this out for bid at this time?

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

Question 36: Exhibit A. Section 3. Scope of Work, page 10-11 (3.1.): Will UNMH provide charge information on the volumes and aging of the A/R by Specialty?

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 37: Exhibit A. Section 3. Scope of Work, page 10-11 (3.1.): What is the payer mix of the A/R by Specialty?

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 38: Exhibit A. Section 3. Scope of Work, page 10-11 (3.1.): Will UNMH provide us with your collection history by Specialty?

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 39: Exhibit A. Section 3. Scope of Work, page 10-11 (3.1): Will UNMH provide average charge by Specialty?

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 40: If a vendor is planning to bid on RFP P411-20 ACCOUNTS RECEIVABLE OUTSOURCING SERVICES, Do you require a formal notification of this (I didn't see this request in the RFP)?

RESPONSE: No, the UNMHSC does not require notification of intent to submit a proposal.