Staff Report

File #: 16-2123A, **Version:** 1

Subject:

Ranking of firms and agreement with EMS Management & Consultants, Inc., for requirements of ambulance billing services.

Recommended Action:

Approve the ranking of firms and execution of an agreement with EMS Management & Consultants, Inc., for requirements of Ambulance Billing Services.

Contract no. 167-0085-P (RG); for an annual average amount of $707,689.40 for sixty (60) months for a total of $3,538,447.00. Chairman to sign and Clerk of the Court to attest.

Strategic Plan:

Deliver First Class Services to the Public and Our Customers
5.1 Maximize partner relationships and public outreach
5.3 Ensure effective and efficient delivery of county services and support

Summary:

This contract provides for the initial billing of emergency ambulance transportation claims for the Emergency Medical Services (EMS) Authority, enabling EMS to achieve the following objectives: 1) Effectively address an unprecedented volume increase of billing ambulance transportation claims in a timely manner, 2) Redirect internal resources to the more complex billing components, and 3) Structure a hybrid billing model that allows for the timely processing of routine emergency claims and dedicate internal resources to billing components that require detailed research and documentation. This hybrid billing model is being implemented to enhance EMS' ability to increase its collection rate.

The billing components upon which internal resources will primarily focus include: highly scrutinized non-emergency transports such as those that are repetitive for dialysis, wound care, radiation; Claim research, resolution, and secondary billing; Specialty billing e.g., hospital-to-hospital transports, skilled nursing facilities, death after dispatch, standbys, etc.; Filing of applicable Medicare appeals; Compliance oversight of all applicable healthcare regulations, including HIPAA; and analysis of claims data to direct policies and procedures.

The price per claim billed is $4.85, fixed for the first twenty-four (24) months of the contract. The contract contains provision for price adjustments (increase/decrease) beginning in the third year based on the Consumer Price Index for All Urban Consumers; the term is sixty (60) months, commencing July 1, 2017.

Background Information:

Within a two-year period (FY15, FY16) EMS experienced an unprecedented growth in transport volume of over 17%. In June 2016, EMS sought an emergency contract with an external billing partner as a stop gap measure to ensure the timely billing of claims and to serve as a basis to analyze the potential of a long-term strategy of this nature. Subsequently, this agreement was extended twice to allow for sufficient data collection to analyze its effectiveness and adequate time to

execute the County's purchasing process to obtain a long-term billing partner. The strategy analysis proved to be successful as it resulted in: 1) The timely billing of over 50,000 additional emergency claims to date; 2) the redirection of staff resources to projects that facilitated timely revenue collection and timely responses to audit requests; and 3) The strategy was congruent with the planned restructure of Ambulance Billing and Financial Services Division to respond to the changing healthcare environment.

On January 17, 2017, the Purchasing Department released a request for proposal for the above referenced services, resulting in eight (8) proposals.

The firms in order of ranking are attached on the ranking spreadsheet.

Fiscal Impact:
Estimated sixty (60) month expenditure not to exceed $3,538,447.00
Projected sixty (60) month increase to revenues of $4,156,452.00
Funding is derived from Ambulance User Fee Revenue.

Staff Member Responsible:

Jodie Sechler, Division Director, Ambulance Billing and Financial Services
Joe Lauro, Director, Purchasing Department

Partners:
N/A

Attachments:
Ranking Spreadsheet
Services Agreement