

DEPARTMENT OF GENERAL SERVICES

Central Services Division

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**SOLANO
COUNTY**

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PURCHASING SERVICES

AMENDMENT

REQUEST FOR PROPOSAL(S) (RFP)

HEALTHCARE DEBT COLLECTION SERVICES

RFP NUMBER: Q705-0626-17

FINAL DATE FOR SUBMISSION: JULY 19, 2017, 3:00 PM (PST)

SUBMIT RFP TO:	RFP COORDINATOR
Solano County Department of General Services Central Services Division Purchasing Services Office 675 Texas Street, Suite 2500 Fairfield, CA 94533	JoAnn Epperson Buyer, Central Services (707) 784-6322 jeepperson@solanocounty.com

This document is available electronically on the County's website at
www.solanocounty.com

Any vendor participating in this solicitation is required to have a vendor application on file with the County. This application may be downloaded from the above website. Include the application with RFP. Proposers are responsible for frequently checking the County's website for any changes or information relating to this RFP.

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July 12, 2017

AMENDMENT

**HEALTHCARE DEBT COLLECTION SERVICES
RFQ NO. Q705-0626-17**

Pursuant to Request for Quotation(s), RFQ No. Q705-0626-17, Healthcare Debt Collection Services for Solano County Health and Social Services Department, Family Health Services Division, the County of Solano has amended this RFQ to reflect the following changes:

1. County's response to questions and comments. Attachment 1.

All other terms and conditions and other requirements contained in the RFQ remain unchanged. Also, please complete amendment acknowledgement letter (attachment 2) and return with your proposal.

The County of Solano thanks you for your expressed interest in its RFQ and looks forward to your proposal.

Respectfully,

JOANN EPPERSON, Buyer
RFQ Coordinator

Attachments:

1. County's response to comments
2. Amendment acknowledgement

COUNTYS RESPONSE TO QUESTIONS/COMMENTS
RFQ# Q705-0626-17

ITEM NO.	REFERENCE RFP SECTION	QUESTIONS/COMMENTS FROM PROPOSERS	COUNTY RESPONSE (THIS COLUMN FOR COUNTY USE ONLY)
1.		When is the anticipated contract start date?	10/1/2017
2.		Please describe your level of satisfaction with your current vendor(s), if applicable.	Satisfied.
3.		What collection attempts are performed or will be performed internally prior to placement?	Monthly Statements are sent to clients. There is a notice on bottom of statements that reads, "Balances not paid within 90 days from date of service, will be sent to a collection agency."
4.		What is the total dollar value of accounts available for placement now by category, including any backlog?	121-150 days - \$8,043.70 151-180 days - \$1,930.30 181-up - \$9,046.10
5.		What is the average balance of accounts by category?	121-150 days - \$120.06 151-180 days - \$139.18 181-up - \$139.17
6.		What is the average age of accounts at placement (at time of award and/or on a going-forward basis), by category?	135 Days.
7.		What is the monthly or quarterly number of accounts expected to be placed with the vendor(s) by category?	Average per month of 148 encounters.
8.		What is the monthly or quarterly dollar value of accounts expected to be placed with the vendor(s) by category?	Average per month of \$13,600.
9.		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 current rate of return is 1.08%. Expectation is the same rate of return or better.
10.		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?	Yes.
11.		What computer software system do you use to manage your accounts/inventory?	NextGen.
12.		Do you have any plans of changing that system in the future, and why/why not?	No, it is a newer system that works for the County.
13.		Do you subscribe to any offset programs?	No.
14.		What is the forward flow value?	N/A – debts are being placed not sold.
15.		Will these be primary or secondary placements, or both?	Both.

16.		Why is the contract out to bid?	The current contract is expiring.
17.		Please provide more detail on the type of debts that are due to Solano County that applies to this RFQ.	Private Pay Medical Debt.
18.		Has the County of Solano used another Collection Agency?	Yes.
19.		If so, has the current contract gone to full term?	It will as of 9/30/2017.
20.		What is the total number of accounts that will be available for placement at award of contract?	We place an average per month of 148 encounters. Secondary placement to be determined.
21.		Will you assign second referrals (accounts previously assigned to prior agency)?	Yes.
22.		What information will you provide on each account at the time of assignment, i.e. name, and address, DOB, SSN, phone, email?	Encounter number Encounter Date Amount Due Patient Name Guarantor Name Guarantor Address, City, State ZIP Guarantor SSN Guarantor Phone Guarantor Day Phone (if available) Guarantor DOB
23.		What is your preferred method of communication if we have questions regarding the accounts?	Email.
24.		Will we have one point of contact or several people who our office can interact with?	One point of contact.
25.		How much did you pay in commission to the current agency in 2016?	\$3,743.14.
26.		Will back up documentation be available on the accounts, if requested by the consumer?	Yes.
27.		Credit Reporting Agencies are excluding certain debt types from reporting on the credit files, which may include some government type debts. Is this still a requirement to	Yes, following applicable laws for reporting Medical debt.
28.		What are the current contingency fees or other fees currently being billed by an incumbent(s) by category?	0-365 days – 22% 366 days+ - 32% Accounts in litigation – 45%
29.		What is the current commission paid on the 1 st account placements?	Refer to Question # 36.
30.		What percentage of cases results in court litigation?	0%.
31.		How successful was the last vendor?	Refer to Question # 9.
32.		Can we charge interest on the accounts?	No.

33.		Collection agencies no longer have to be licensed in the state of California can you tell me how you are going to handle that?	The County agrees that collection agencies no longer are required to have a State license for their collection activities. The possession of such a license is not a requirement of this IFB.
34.		On the 2 nd placement accounts, will the interest accrued be rolled into principal referred or broken out (principal, interest accrued) separately?	Refer to Question # 32.
35.		Will the accounts be scrubbed for bankruptcies, deceased?	Yes, by the collection agency.
36.		Is back up detailed itemizations available on each account when requested or will this be provided at the time of assignment?	Upon request.
37.		What contract, agreement or documents are signed by the debtor?	Clinic Policy Agreement Form which includes a section regarding financial responsibility.
38.		What improvements would the County like to see from the contractor on this contract versus the previous contract?	The County is satisfied with current contractor.
39.		Are accounts placed with the collection contractor once a month, weekly or daily?	Twice a month.
40.		How will you send the accounts to the winning contractor?	We submit via secure file transfer established on contractor's website.
41.		Can you give me an idea of the overall outstanding debt or the expected monthly debt to be collected relating to the RFQ.	Refer to Questions # 4, 5 and 8.
42.		What is the approximately total dollar (\$) amount and number of annual placements?	Refer to Questions # 7 and 8.
43.		Who is/are the current vendor(s)?	I.C. System.
44.		What service aspects do you hope to improve with a new vendor?	RFQ is due because of upcoming contract expiration.
45.		What is the current vendor(s) historical liquidation (recovery) rate and contingency fee?	Refer to Question # 9.
46.		If the incumbent is not chosen for this RFP, will you be cancelling previously assigned accounts and forwarding them to the new winner? If so, are you accepting a separate rate for "secondary" placements?	Yes, to both questions.
47.		What is the level of your internal collection activity prior to writing off the debt (number of notices, phone calls, etc.)?	Refer to Question # 3.
48.		Will the contract be awarded to a single or multiple collection firms?	Singe Firm.
49.		In accordance with Federal and State credit reporting laws, will the winning collection firm be able to report unpaid accounts to the three national credit bureaus?	Yes.

50.		How long have you been with your current vendor?	9/1/2014.
51.		Will you be canceling your accounts out with your current agency if you choose a new collection agency? If so, what is the dollar amount, average balance and age of this portfolio?	Refer to Question # 20 and # 21.
52.		Will you place the portfolio electronically or via paper?	Electronically.
53.		It would help us to correctly price our response to your RFP by knowing what success your current agency has achieved. What is the collection percentage on accounts written off to bad debt in 2016?	Refer to Question # 9.
54.		What is the level of collection activity on accounts prior to write off to your agency? (ex: number of phone calls? Collection letters? Credit reporting?)	Refer to Question # 3.
55.		How are you currently assigning your accounts (ex. electronically via secured FTP website)?	Refer to Question # 40.
56.		Are you able to share anticipated volume? Both total dollar amount and total accounts placed.	Refer to Question # 7 and # 8.
57.		Are you able to share recent collection percentages by current agency?	Refer to Question # 9.
58.		How long will the contract be awarded for?	Three-year contract.
59.		What is the placement volume (monthly or annually)? Is this encounter based or guarantor based?	Refer to Question # 7 and 8 Guarantor based.
60.		What is the average file value?	Refer to Question # 4.
61.		What is the breakdown of healthcare services provided (i.e. lab, primary care or other)?	Exact breakdown is not available. An estimate is: 70% Primary Care 20% Dental 10% Labs
62.		What billing system do you use?	Refer to Question # 11.
63.		Will accounts be referred electronically and if so what frequency?	Yes. Twice a month.
64.		What is done to the account prior to referral (the range for the quote is day 0-365)?	Refer to Question # 3.
65.		If insurance is discovered is the partner expected to resolve with the carrier?	Not sure who is meant by partner (agency or County). If insurance is discovered agency should notify County who will verify and bill if appropriate. If insurance is valid, agency would be notified and debt would be pulled.
66.		Is the bidder allowed to submit detailed information about capabilities to ensure qualifications other than the bidder's forms for pricing on the RFQ? If so is there a preferred format?	Attachment 1, cost sheet must be submitted by the required due date. You can submit additional information with your response.

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ATTACHMENT 2

AMENDMENT ACKNOWLEDGEMENT

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FOR
HEALTHCARE DEBT COLLECTION SERVICES**

RFQ NUMBER: Q705-0626-17

FINAL DATE FOR SUBMISSION: JULY 19, 2017, 3:00 PM (PST)

This document may be found at www.solanocounty.com.
Updates and any amendments will be posted on the same website.

DATE OF AMENDMENT: JULY 12, 2017

ACKNOWLEDGEMENT

This Amendment must be signed and returned with your proposal, or otherwise acknowledged, prior to the Closing Date and Time listed on the RFP cover sheet. If you have already submitted a proposal and need to make corrections, submit a corrected proposal with this Amendment prior to the Closing.

Offeror

Signature

Name and Title

Date

RETURN WITH RFP RESPONSE