



City Council Report

Date: December 1, 2014
To: City Council
Through: Alex Deshuk, Manager of Technology and Innovation
From: Edward Quedens, MPA, C.P.M., CPPO, Business Services Director
Matt Bauer, MBA, CPPO, CPPB, CPSM, Procurement Administrator
Subject: Three-Year Term Contract for Medical Billing Services for the Fire and Medical Department (Funded by Center for Medicare and Medicaid Services - CMS Grant) **(Citywide)**

Purpose and Recommendation

Council is requested to approve the Term Contract for Medical Billing Services as recommended. A committee representing Fire and Medical and Purchasing evaluated responses.

The evaluation committee recommends awarding the contract to the highest scored and lowest priced proposal from Advanced Data Processing, Inc. (a subsidiary of Intermedix Corp.) at \$60,000.00 annually, based on estimated requirements.

Background / Discussion

In April 2013, the Center for Medicare and Medicaid Services (CMS) solicited a grant opportunity for healthcare related organizations throughout the United States to develop and test innovative healthcare service delivery models that aim to improve patient health outcomes, demonstrate a cost savings to the healthcare system, and improve healthcare efficiencies. In June 2013, Council approved Mesa Fire and Medical Department (MFMD) to submit a grant application for its Community Care Initiative. MFMD was notified of an award to test the community care model on July 9, 2014.

The City issued a Request for Proposals for a term contract for medical billing services, financial reporting, and analytical services to the MFMD on October 21, 2014. The contracted provider is to develop and implement a billing system as a demonstration model to collect service cost data that can ultimately be compared to current industry care delivery models to demonstrate overall cost savings, if any, to the MFMD model. This includes determining the feasibility of implementing the demonstration model in a real-time environment. The billing model is expected to include the ability to accurately collect and track data, process timely invoices for payment of approximately 11,150 medical claims received per calendar year, and generate reports for MFMD, comprised of statistical data describing the outcomes of the demonstration model. The data collection requirements are mandated as part of the overall CMS grant award.

MFMD's demonstration model involves sending out teams of Advanced Practice Providers, paramedic fire-captains and behavioral health counselors to deliver comprehensive healthcare as an adjunct and extension to the clinical setting. Expected outcomes of the

demonstrated model are to send patients to the most appropriate medical facility and to treat and refer when appropriate, ease emergency room overcrowding and decrease the inappropriate use of emergency departments.

Staff from MFMD, evaluated the proposals based on the RFP evaluation criteria elements. The highest scored and lowest priced proposal, Advanced Data Processing, Inc. (a subsidiary of Intermedix Corp., a Delaware Company) is being recommended for award. Intermedix has a lot of related experience and numerous locations, is familiar with AZ payers/insurance companies, will provide a local contact and on-site training. The evaluation committee unanimously agreed on the recommendation.

Alternatives

Council may choose not to authorize the purchase and new responses will be solicited.

Fiscal Impact

The annual contract amount is funded by the Department of Health and Human Services, Centers for Medicare & Medicaid Services Grant.

Coordinated With

Fire and Medical, and Purchasing

PURCHASING INFORMATION

Action: Initial Award

Procurement Type: Request for Proposals

Solicitation Number: 2015070

Vendors Registered: ProcureAZ (188) and VSS (5)

Advertising: Arizona Republic, Bid Net, ProcureAZ, and Purchasing Website

Downloads: 40

Protests Received: None

Initial Contract Term: 9/1/2014 through 8/31/2017 (Community Care Response Initiative Project Period)

Possible Renewals: None

Pricing Available to Other Cooperative Agencies: No

Proposals received from November 10, 2014:

Advanced Data Processing, Inc., a subsidiary of Intermedix Corp., a Delaware Company
– Fort Lauderdale, FL

Amura Health Solutions – Del Mar, CA

Becton Healthcare Resources – Pleasanton, CA

Innovative American Medical Billing, Inc. – Staten Island, NY

Key West Medical Billing, LLC. – Key West, FL

Proposal Scoring Results:

Evaluation Criteria / Possible Points	Advanced Data Processing (Intermedix)	Becton Healthcare Resources	Key West Medical Billing	Amura Health Solutions	Innovative American Medical Billing
Firm's Proposed Solution / 40 pts.	37.8	37.4	23.6	33.4	14
Firm's Qualifications and Experience / 30 pts.	29.2	28.8	20.6	27.8	12
Price / 30 pts.	30 (\$160,000)	9.68 (\$496,000)	22.56 (\$212,800)	2.69 (\$1,786,000)	14.65 (\$327,600)
Total Score	<u>97</u>	75.88	66.76	63.89	40.65

AWARD RECOMMENDATION

***Advanced Data Processing, Inc., a subsidiary of Intermedix Corp., a Delaware Company
Fort Lauderdale, FL***

Description
Medical Billing Services per Terms and Conditions, Specifications and Pricing as offered Annual Contract Amount: <u>\$60,000.00</u>