



Purchasing Services

PROPOSAL #P06-094

**Billing Services for Department of Pediatrics Division of Cardiology
UMDNJ-Robert Wood Johnson Medical School**

ADDENDUM NO. 1

June 22, 2006

The University of Medicine and Dentistry of New Jersey is seeking vendors to submit bids for BILLING SERVICES FOR DEPARTMENT OF PEDIATRICS DIVISION OF CARDIOLOGY UMDNJ-ROBERT WOOD JOHNSON MEDICAL SCHOOL, scheduled to open on JUNE 27, 2006 at 2:00pm.

Change Opening Date to Read: JULY 6, 2006 at 2:00pm.

Answers to Questions from the Mandatory Prebid Conference on June 7, 2006.

1. **Question:** Could we receive information on the gross charge and cash run rates matrices from the past 12 months.

Answer: See attachment A1, A2, A3.

2. **Question:** Are the bidders responses to the RFP to be hand delivered or shipped certified mail.

Answer: Any type of delivery method is acceptable.

3. **Question:** Does the bidder send the response to the indicated e-mail in the RFP?

Answer: No

4. **Question:** Is there an electronic version of the RFP available?

Answer: Yes, please refer to UMDNJ Purchasing Department Website (www.umdj.edu/purchweb).

5. **Question:** Is there a current computer patient registration system that captures patient information.

Answer: Yes, see section 1.2 Background.

6. **Question:** Could we get specific information on the patient information system, such as version, availability of electronic interface?

Answer: A4 Healthsystems Ntierprise® product version 2005.

7. **Question:** What information is being entered into the patient system registration.

Answer: The name, address, telephone number, date of birth, name of pediatrician or referring doctor's name, appointment date and time, when scheduling a patient.

See attachment B.

8. **Question:** Will the current billing system be replaced if a new contractor is selected?

Answer: Yes

9. **Question:** If a new contractor is selected, will the old contractor be able to export the patient demographic information to the new selected contractor?

Answer: The new contractor will be required to extract the data via a Sequel query. Insurance information is not transferable. There is no other system from which to download data on a regular basis.

10. **Question:** Page 12 Section 3.1.2.9 – Please define “regular basis” as it relates to frequency of patient statement billing? How much energy do we need to spend?

Answer: Patient statements are run weekly so that patients receive statements for unpaid balances once per month. Statements include uncollected copays as well as balances after insurance or balances for denied claims.

11. **Question:** Page 13 Section 3.1.2.11 – What is an example of “non-clinical correspondence”? Please define?

Answer: Responses to appeals, requests for other insurance information – data related to billing issues, but not related to medical information.

12. **Question:** What is the exact location of the department?

Answer: The department is currently located at 1 Robert Wood Johnson Place, Ambulatory Care Building, Suite C. The department will be moving in the near future to the Clinical Academic Building, 6th Floor, 125 Paterson Street, New Brunswick. The contractor will be notified if the location changes.

13. **Question:** Page 13 Section 3.1.2.13 and Page 14 Section 3.4.3 – Are these two requirements the same or are they stating different requirements?

Answer: These requirements are the same.

14. **Question:** Are you looking for the contractor to notify or update the codes to the department?

Answer: Yes

15. **Question:** Page 13 Section 3.1.3 – Could you please provide the current collection rate for billed patient charges?

Answer: 49.8%

16. **Question:** Does the department currently have a scheduling system?

Answer: Yes, see question # 5.

17. **Question:** Please provide more detail on the type of scheduling system that is required, such as types of calendars for nurse practitioners and physicians and do they have to be antiquated?

Answer: The current systems indicate schedules for nurse practitioners, physicians, patient appointments, interviews, staff meetings and lectures. Everything can be viewed in one screen.

18. **Question:** Is the scheduling system an off the shelf item or is it proprietary to your current contractor?

Answer: It is proprietary to the current contractor.

19. **Question:** Will the information in the scheduling system be transferable to a new contractor?

Answer: See question # 9.

20. **Question:** What type and version of scheduling system is currently in place?

Answer: See question # 6.

21. **Question:** Why is this service/contract going out for bid?

Answer: The current contract has expired.

22. **Question:** Page 14 Section 3.4.5 – Please define and clarify continuous surveillance of charting, diagnostic and procedural coding to ensure precise billing and optimize collections? If the contractor is to provide this requirement then the contractor must process the coding.

Answer: “Reviewing for accuracy or appropriateness” might explain better the expectation. It is the physicians’ responsibility to select appropriate service and diagnosis codes. It is the contractor’s responsibility to review the coding for correctness and to contact the provider with any questions.

23. **Question:** Will the contractor be doing the coding?

Answer: No, the contractor is expected to exercise due diligence in reviewing the coding for accuracy or clarity, and to discuss with the physicians any coding that is in question regarding services provided or diagnosis information.

24. **Question:** Page 13 Section 3.1.3 – What is your charge ratio? How are you measuring your charges?

Answer: Current charges are based on several criteria: the current Northern New Jersey approved Medicare rates as well as historically reviewed average payments made by the various payors. Charges have been reviewed by the contractor in conjunction with the Division physicians to ensure that they are reasonable in light of expected payments.

25. **Question:** Do to the high cost, is it truly expected for the contractor to have an Errors and Omissions Liability insurance policy \$1million/\$3million. Is it available?

Answer: No, new requirement.

Commercial general liability insurance subject to not less than \$1million single limits of liability.

26. **Question:** Page 15 Section 3.6.2 – Please clarify the type of data specifically available to department staff and management.

Answer: The monthly reporting generally includes data about the services provided, by provider, and includes units (# of CPT-4 codes billed), total dollars billed, payments and refunds posted, and contractual and other adjustments taken. The data is based on processing month, not date-of-service. Professional component Work RVUs are reported by provider by service category (office visits, office procedures/testing, hospital visits and hospital testing (interps only). Accounts Receivable data at the month-end is presented by major financial category, aged by bill/rebill date.

Referring physician statistics are presented quarterly. Other data is prepared and presented on an ad-hoc basis.

27. **Question:** Page 15 Section 3.7.1 and 3.7.2 – Does the contractor have to carry both types of insurance?

Answer: See question # 25.

28. **Question:** What is an “appointment delay”? What is “posting lag”?

Answer: The department requires the tracking of appointments that are cancelled by physicians, patients and no shows.

29. **Question:** Could you provide a snapshot and or description of the types of reports that the department currently uses. Sample reports and descriptions.

Answer: Please see the answer to Question 26.

30. **Question:** Page 15 Section 3.6.1.3 What is a “manual of contractor’s collections”? Does the report include the collection agency or from the insurance carriers?

Answer: The collection agency provides its own reporting to the Department of Pediatrics. Reporting provided by the contractor reports payments for accounts not in Collection Agency status.

31. **Question:** When does the contract go out to bid again?

Answer: Please see section 4.1.1 and 4.1.2.

32. **Question:** How long has the current contract been in place?

Answer: Please see page 3 of the RFP.

33. **Question:** Page 19 Section 4.9 – If the contractor enhances the software to meet UMDNJ needs, is the software now owned by UMDNJ?

Answer: No

34. **Question:** Will UMDNJ own the billing and scheduling system if it decides to take the billing in house?

Answer: No

35. **Question:** Who will own the software at the end of the contract?

Answer: The contractor.

36. **Question:** Page 29 Section 5.7.3 - You indicate detailed resumes, can the resumes include relevant information.

Answer: Yes, see sentence number two in section 5.7.3.

37. **Question:** Page 30 Section 5.7.6 – Are you requiring from the bidders a comprehensive listing of completed contracts of similar size and scope? Is this information public?

Answer: Yes

38. **Question:** What is the current contractor's percentage charge?

Answer: 7.5%

39. **Question:** To what extent is the client list information public?

Answer: The information provided in your proposals is public information in our files, available for access.

40. **Question:** Can our reference lists in our bids be kept confidential.

Answer: No, all bid and proposal information is public.

41. **Question:** Could you provide information on a timeline for the Billing system to go live?

Answer: It should be about one week to have the practice up on our system.

42. **Question:** What is the time frame from the day that the bids are open?
- Answer:** All bidders should be notified of the selection within 30-45 days of submission of bids.
43. **Question:** Are all bidders invited for presentations?
- Answer:** No
44. **Question:** Are you expecting one percentage price and any additional costs.
- Answer:** Percentage price must be all-inclusive. The fee must include all expenses and expenditures.
45. **Question:** Could bidders include an attachment to the price sheet as an alternative for other services?
- Answer:** No
46. **Question:** How many users from the department will be using the scheduling and billing system.
- Answer:** All members from the division, currently totaling 15 will be using the billing and scheduling system.
47. **Question:** Will the front end system that the contractor provides integrate with the Universities EMR system or will there be an interface?
- Answer:** Presently, we do not have the EMR system.
48. **Question:** If a new contractor is selected, will there be a clean start to the billing?
- Answer:** Yes. It is expected that the current contractor will run down the existing accounts.
49. **Question:** If you submit the proposal early, will you read the proposal early?
- Answer:** No
50. **Question:** Is this the last day for questions?
- Answer:** Yes

51. **Question:** Will the list of the people present at the mandatory pre-bid conference be available?

Answer: Yes

52. **Question:** Is it the responsibility of the billing services contractor to negotiate contract and bring in new providers.

Answer: No

E-mailed and Faxed questions

53. **Question:** Page 8 Section 1.4.12.1 - We use an ASP (Application Service Provider) for our billing services; they provide the software platform, data backup and security and submit claims to a Clearinghouse. In this case both the ASP and the Clearinghouse will be considered as subcontractors?

Answer: Yes

54. **Question:** Page 15 Section 3.7.2 Insurance - Is it possible to show a document from the insurance carrier stating that it is ready to coverage will be offered upon our authorization to begin coverage?

Answer: A vendor can provide documentation that they would purchase an Insurance Policy if awarded the contract.

55. **Question:** The carrier doesn't offer coverage of \$1 Million/\$3 Million for Errors and Omissions Liability Insurance. Is it ok to present coverage of \$1Million/\$2 Million?

Answer: See question # 25.

56. **Question:** Page 15 Section 7.0 - Are you expecting to receive the pricing as a percentage of revenue without any setup fees?

Answer: Pricing is to be all-inclusive.

57. **Question:** What supporting details are we supposed to deliver?

Answer: See section 5.0 Proposal Preparation and Submission Instructions.

58. **Question:** Page 3, Statistical Information - Is it possible for us to receive information concerning volume in terms of dollar amount, and cash collection history?

Answer:

July 2004 - June 2005: Charges \$4,341,782.98 Payments: \$2,164,142.04
July 2005 - April 2006: Charges \$3,305,871.20 Payments: \$1,648,821.38

59. **Question:** Will the receivable that exists at the time of conversion to our system be converted, or will it remain with the present vendor for completion?

Answer: It will remain with the present vendor for completion.

60. **Question:** Page 13 Section 3.1.3 - How often will this be measured? Are there to be penalties attached to this?

Answer: Monthly statements. Yes, if deadlines are not met it is reason to terminate.

61. **Question:** Page 13 Section 3.1.5 - Does this mean that we will suggest form structure, or review existing forms and make recommendations?

Answer: You will review existing forms and make recommendations to the division.

62. **Question:** Page 14 Section 3.4.1 - Does the Department have EMR software that must be accommodated, or will we be expected to provide this as a component of our system, offering a real-time solution? If the software currently exists for future use, can we receive pertinent specifications for review?

Answer: We do not have EMR software. We need a registration system independent of the hospital system. Our present vendor provides patient scheduling to accounts receivable system. We have our own registration and billing system, which we feel provides us with more accurate information for our division.

63. **Question:** Page 12 Section 3.1.2.1 - Will MBR be providing the registration system, or will we be importing data from a UMDNJ system?

Answer: No, you must have your own registration system.

64. **Question:** Page 3 Section 1.2 Background - Can additional practice statistical information be provided to better understand profile of practice. Specifically we would be looking for (1) historical charges, payments and adjustments by month and/or annual roll-up (ideally broken down by 3rd party), and (2) aged trial balance report by 3rd party reported in 30 day increments to 180 days and >210 days, and (3) breakdown (volume) of all billed services by CPT (procedure) for YTD and prior fiscal year.

Answer: See attachment A1, A2, A3.

65. **Question:** Page 3 Section 1.2 Background - What is current volume for additional services mentioned in RFP? Specifically, holter monitors, stress testing, cardiac catheterizations and surgical procedures?

Answer: See attachment A1, A2, A3.

66. **Question:** Page 12 Section 3.1.21 Scope of Work - General. A.) How is patient information gathered today? Identify current processes for collecting patient demographic and insurance information B.) Is there a centralized patient registration system utilized that would allow for transfer of information via an electronic file to Contractor's billing system? If so, please identify name of system and version installed.

Answer: Since A4 Healthsystems is a data-base application, no data is ever archived, that is, any day's work can be reported in full detail with no balance forwards for an indefinite period of time. The only exception is Accounts Receivable reporting, which is real-time and is only accurate for the day on which it is run. However, an accounts receivable report (s) can be run and saved for later viewing or reprinting.

The current vendor is able to provide reporting about services rendered, processing input, appointment schedules and virtually any other information for any previous time period except Accounts Receivable, as explained above.

67. **Question:** Page 12, Section 3.1.4 Scope of Work - General. At what location must the billing information be collected?

Answer: Presently, Robert Wood Johnson University Hospital, Suite C, One Robert Wood Johnson Place, New Brunswick, NJ. We will be moving sometime in July to the Clinical Academic Building, Suite 6100, 6th Floor, 125 Paterson Street, New Brunswick. The contractor will be notified if location changes.

68. **Question:** Why making a change?

Answer: See question number 21.

70. **Question:** Please define “regular basis” as it relates to frequency of patient statement billing?
- Answer:** See question # 10.
71. **Question:** What is an example of “non-clinical correspondence”?
- Answer:** See question number # 11.
72. **Question:** Page 13 Section 3.1.2.13 and Page 14 Section 3.4.3 – Are these two requirements the same or are they stating different requirements?
- Answer:** See question # 13.
73. **Question:** How do your charges compare to Medicare’s Reasonable and Equitable Fee Schedule?
- Answer:** In general charges are based on the current North Jersey Medicare approved amount fee schedule times 2, with a few exceptions as discussed in the answer to question 24.
74. **Question:** Page 14 Section 3.4.5 – Please define and clarify continuous surveillance of charting, diagnostic and procedural coding to ensure precise billing and optimize collections?
- Answer:** See question # 22.
75. **Question:** What is an “appointment delay”? What is “posting lag”?
- Answer:** See question # 28.
76. **Question:** What is a “manual of contractor’s collections”?
- Answer:** See question # 30.
77. **Question:** Please describe each account represented in the cash collections summary in detail?
- Answer:** See attachment A1, A2, A3.
78. **Question:** Average monthly collections?
- Answer:** See question # 1.

79. **Question:** Who owns the A4 system?

Answer: The current contractor.

ADD:

Attachments are available at our UMDNJ Purchasing Services Website,

www.umdnj.edu/purchweb .

Attachment A1, A2, A3: Cash Runs and Gross Run Rates.

Attachment B: New Patient Information Form

Revisions and Corrections:

All references to Executive Order 134 Forms should now read Public Law 51.

Correction on Page 24 Section 4 Cost Proposal - Section should read as follows:

5.8.1 Bidders must submit their cost proposal in accordance with the Price Sheet(s) included in this RFP as Section 7.0.

Revision of RFP insurance requirement.

Commercial general liability insurance subject to not less than \$1million single limits of liability.