



## Leadership

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## ADDENDUM NO. 1

**August 10, 2021**

**Title: Zero Balance Insurance Receivable Services**

**RFP # H21-0025**

### 1. General

This addendum revises RFP documents. This addendum is issued to respondents of record prior to execution of contract, and forms a part of contract documents and modifies previously issued documents. Insofar as previously issued contract documents are inconsistent with modifications indicated by this addendum, modifications indicated by this addendum shall govern. Where any part of the contract documents are modified by this addendum, all unaltered provisions shall remain in effect.

### 2. Addendum Acknowledgement Form

Acknowledge receipt of this addendum in the space provided on the Addendum Acknowledgement Form. Proposers must include the signed form with their response. Failure to do so will subject Proposers to disqualification.

### 3. Changes and Clarifications

- A. The **Proposal Due Date is changed to August 20, 2021, at 2:00 PM**, Central Time.
- B. Change section 7.2 Response to Scope of Services as follows:  
“a. Please insert your response to the Scope of Services, Section 4 and Section 5 in this section.”
- C. Response to Vendor Questions.

### 4. Attachments

## Responses to Vendor Questions

	Section of the RFP	Question	CCHHS Response
1.	4	Will contractor utilize CCH existing billing system to correct, resubmit claims and update payer information? Or will contractor be expected to have their own electronic billing system for these functions.	Contractor will utilize CCH existing billing system to correct, resubmit claims and update payer information.
2.	4	Which of the following payers would be included in the scope? Commercial, Medicare HMO, Medicare, Medicaid HMO, Out of State Medicaid HMO, Out of State Medicaid, Medicaid, Tricare, Veterans, Auto, Hospice, Rehab, Skilled Nursing Facility, Workers compensation, community programs/grants.	All insurance payers (excluding self-pay).
3.	5	What is the volume of accounts to be included in the “one-time lookback recovery”?	All insurance accounts with a zero balance that the contractor deems is recoverable.
4.	5	What is the oldest date of service and average age to be included in the “one-time lookback recovery”?	Up to 356 days old. Dependent upon payer refiling guidelines.
5.	5	What is the projected monthly placement volume of forward flow placements?	Annual recurring revenue projected between \$3.5M - \$5.4M
6.	4	What is the frequency in which accounts will be placed with contractor? Daily, weekly, monthly etc.	Daily is preferred but no later than weekly.
7.	4	After reaching zero balance status, what is the time frame till which they will be placed with contractor?	Daily is preferred but no later than weekly.
8.	5	What is the average total charge of forward flow placements? Will there be any thresholds on total charges to be placed?	No thresholds.
9.		Why has this bid been released at this time?	There is an operational need to identify process gaps in CCH’s collection practices.

	Section of the RFP	Question	CCHHS Response
10.		Are bidders permitted to deviate in any way from any manner of quoting fees you may be expecting? For example, if there is a pricing page in the RFP, can bidders submit an alternate fee structure? If there is no pricing page in the RFP, do you have any preference for how bidders should quote fees or can bidders create their own pricing categories?	Preferred pricing structure is contingency based.
11.		Please describe your level of satisfaction with your current or recent vendor(s) for the same purchasing activity, if applicable	No current vendor.
12.		Has the current contract gone full term?	N/A
13.		Have all options to extend the current contract been exercised?	N/A
14.		Who is the incumbent, and how long has the incumbent been providing the requested services?	N/A
15.		To what extent will the location of the bidder's proposed location or headquarters have a bearing on any award?	N/A
16.		How are fees currently being billed by any incumbent(s), by category, and at what rates?	N/A
17.		What estimated or actual dollars were paid last year, last month, or last quarter to any incumbent(s)?	N/A
18.		To how many vendors are you seeking to award a contract?	1
19.		To what extent are these accounts owed by private consumers versus commercial businesses?	0
20.		What collection attempts are performed or will be performed internally prior to placement?	Basic insurance follow-up. Initial claim submission and follow up to correct billing related items with minimal appeal efforts.

	Section of the RFP	Question	CCHHS Response
21.		Will the selected vendor be allowed to litigate balances exceeding a certain dollar amount on your behalf, with your explicit approval?	Yes, on select cases with close collaboration/approval with CCH leadership.
22.		What is the total dollar value of accounts available for placement now by category, including any backlog?	Transfer DRG: >~\$116K SSIRD: >~\$609K Underpay: ~>\$800K Total: ~>\$1.5M
23.		What is the total number of accounts available for placement now by category, including any backlog?	(Not Available)
24.		What is the average balance of accounts by category?	(Not Available)
25.		What is the average age of accounts at placement (at time of award and/or on a going-forward basis), by category?	(Not Available)
26.		What is the monthly or quarterly number of accounts expected to be placed with the vendor(s) by category?	(Not Available)
27.		What is the monthly or quarterly dollar value of accounts expected to be placed with the vendor(s) by category?	(Estimated Annual) DRG Validation: ~>\$772K Charge Capture: ~>\$422K Transfer DRG: ~>\$30K Underpay: ~>\$550K MBD: ~>\$881K DSH: ~>\$878K Total: ~>\$3.5M
28.		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?	(Not Available)
29.		What billing servicer do you utilize?	Change Healthcare
30.		Have all cases been fully adjudicated by the time of placement?	Yes, but needing full review for errors and missed reimbursement.

	Section of the RFP	Question	CCHHS Response
31.		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
32.		What is your case management/accounting software system of record?	Cerner
33.		Who is your electronic payment/credit card processing vendor?	N/A
34.		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?	Contact purchasing@cookcountyhhs.org.
35.		How do your current processes and/or vendor relationship(s) systematically determine if the death of a responsible party has occurred?	Standard follow up efforts reveal this information.
36.		How do your current processes and/or vendor relationship(s) handle the death of a responsible party?	Standard follow up efforts attempt to collect on estate or other available means and adjusted when exhausted.
37.		Do you have a designated process or policies around deceased accounts today, and what is envisioned in the future?	N/A
38.		Do you currently search and file probated estate claims? Have you considered an automated tool to identify and file probated estate claims?	Minimum
39.	General	Please provide a detailed Payer Mix	Not Available
40.	General	Please provide Claim Volumes for Inpatient and Outpatient	Not Available

	Section of the RFP	Question	CCHHS Response
41.	General	Please provide Physician Claims for 2019	Not Available
42.	General	Please provide Hospital Claims for 2019	Not Available
43.	12. Appendix A - RFP Receipt Acknowledgment Form	The third-party mail carriers we use will not ensure the RFP Receipt Acknowledgment Form is filled out and returned to us. Please clarify if the Proposer needs to have an employee hand-deliver the proposal, or if there is an alternative to the requirements of the RFP Receipt Acknowledgment Form.	Please complete the Receipt Acknowledgment Form and submit with your proposal. CCH will send a copy of the of the Form to the respective Proposers, provided that the Proposal was received by the formal proposal due date.
44.	4. Scope of Services	Can you provide the key RC statistics separated by acute and ambulatory?	Not Available
45.	4. Scope of Services	What is the current cost to collect?	<3%
46.	4. Scope of Services	Can you provide a vendor spend break down?	Not Available
47.	4. Scope of Services	Can you provide RCM cost information (last 2 years) for: a. Accounts payable b. Census	Not Available
48.	4. Scope of Services	Can you provide volume by physician specialty?	Not Available
49.	4. Scope of Services	What are minimum days for IP/OP?	(Need clarification)
50.	4. Scope of Services	Are contractual allowances taken a time of billing (Net) or during payment posting (Gross)?	Mixed, generally gross
51.	4. Scope of Services	Are underpayments being tracked? a. If so, can you provide how much was recovered via appeals in last FY or CY (note we are requesting just underpayment recoveries not partial denials) b. If so, is it being tracked within Cerner or by third-party vendor?	Not Available

	Section of the RFP	Question	CCHHS Response
52.	4. Scope of Services	If available, provide an aging's summary, by financial class.	Not Available
53.	4. Scope of Services	If available, provide average net reimbursement, by financial class.	Not Available
54.	4. Scope of Services	If available, provide an org chart or department structure.	Not Available
55.	4. Scope of Services	If available, provide an ATB (include expected reimbursement).	Not Available
56.	4. Scope of Services	Are you open to offshore placement strategy?	TBD

**ADDENDUM ACKNOWLEDGEMENT FORM**

As required by the RFP, Proposers must submit this acknowledgement form with their response. One acknowledgement form per response, listing all addenda, is appropriate.

**Addendum No.:** \_\_\_\_\_

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**Addendum No.:** \_\_\_\_\_

**Company Name:** \_\_\_\_\_

**Representative's Name:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_

END OF ADDENDUM