

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

108



FROM: Riverside County Regional Medical Center (RCRMC)

SUBMITTAL DATE:
6/9/06

SUBJECT: APPROVE THE AGREEMENTS FOR PATIENT ACCOUNT COLLECTION SERVICES WITH NCO FINANCIAL SYSTEMS, INC. AND METRO REPUBLIC COMMERCIAL SERVICES, INC.

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve and execute the contingency agreements with NCO Financial Systems, Inc. and Metro Republic Commercial Services, Inc., and;
2. Authorize the Purchasing Agent to exercise the option to renew annually for up to four additional one year periods.

BACKGROUND:

RCRMC requires the assistance of experienced and qualified collection agencies for the bad debt revenue recovery on delinquent patient self-pay accounts. In September 2007, the formal request for proposal number MCARC055 was issued by County Purchasing on behalf of the hospital to research the market again for the most responsible and responsive contractors to provide these services.

DB:CM

Douglas D. Bagley

Douglas D. Bagley, Hospital Director

FINANCIAL DATA

Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	Yes
Current F.Y. Net County Cost:	0	Budget Adjustment:	No
Annual Net County Cost:	0	For Fiscal Year:	08/09

SOURCE OF FUNDS: Hospital Enterprise Funds

Positions To Be Deleted Per A-30	<input type="checkbox"/>
Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION:

APPROVE

County Executive Office Signature

BY: *Debra Cournoyer*
Debra Cournoyer

FORM APPROVED COUNTY COUNSEL
BY: *Robert M. Pepper, Jr.*
ROBERT M. PEPPER, JR.
DATE: 6/12/06

Departmental Concurrence

Purchasing: *Mark Seiler*
Mark Seiler, Assistant Director

Consent Policy
 Consent Policy

Dep't Recomm.:
 Per Exec. Ofc.:

Prev. Agn. Ref.:

District:

Agenda Number:

ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

3.112

SUBJECT: APPROVE THE AGREEMENTS FOR PATIENT ACCOUNT COLLECTION SERVICES WITH NCO FINANCIAL SYSTEMS, INC. AND METRO REPUBLIC COMMERCIAL SERVICES, INC.

Page 2

BACKGROUND (Continued):

The request for proposal was sent to eight potential candidates and advertised on the County Purchasing Website. Ten proposals were received and evaluated on the overall responsiveness to the requirements of the detailed scope of work, their ability to perform the work, the quality of their work plan, the contractor's experience and the contractor's percentage rate. The evaluation team was made up of the Hospital Patient Accounts Manager, and his staff members. Based on their evaluations and scores, the recommendation was to award both NCO Financial Systems and Metro Republic Commercial Service as the most responsive and responsible contractors for the most cost effective amount.

PRICE REASONABLENESS:

The contractor's reimbursement is on a percentage contingent fee basis. Contractors provide RCRMC monthly payments of collected amounts from the assigned patients less the contractor's fee. The final negotiated rate agreed upon by NCO Financial Systems and Metro Republic Commercial Service was an all inclusive rate of 15 percent. The previous contractor's percentage for bad debt recovery was at a rate of 18 percent.

REVIEW/APPROVAL: Purchasing and County Counsel concur with this request.