

TECHNICAL SPECIFICATION

The City of Lowell is eligible to receive Medicaid reimbursement under the Medicaid Catastrophic Coverage Act of 1988. The School Department has been approved as an official Medicaid provider. The contractor chosen will be responsible for filing all Medicaid reimbursement applications upon execution of a contract through 6/30/2017.

Source data for the applications are found in manual records maintained by the Special Education Office of the School Department and in the Student Record System.

The Lowell Public Schools enrolls approximately 1,656 students in Chapter 766 programs. The estimated number of students enrolled in each category is listed below:

Students 3-5 years of age

Another Location	1
Inclusive 50% of time	204
Sub-separate Classroom	97
Public Day School	5
Private Day School	2
Service Provider Location	51

Students 6-22 years of age

Full Inclusion	717
Partial Inclusion	218
Substantially Separate	222
Public Day School	104
Private Day School	25
Residential School	4
Homebound/Hospital	5
Public Residential Facilities	1

TOTAL	1,656
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SECTION IV – SCOPE OF SERVICES

The Lowell School Committee wants to employ a qualified contractor to recover retroactive and prospective Medicaid reimbursements. The contractor will be fully responsible for submitting applications for the School Department and following up on collections. The contractor must provide a fully implemented application and collection process that will not add to the work load of the current staff of the School Department. The contractor will develop and carry out a billing and collection process within 60 days of the date of the contract award. The contractor will remain responsible for all applications and collections through **June 30, 2017**, subject to annual appropriation. The full scope of this contract includes development, implementation and operation of a documented comprehensive Medicaid reimbursement system that requires no additional resources on the part of the School Department.

The qualified contractor must utilize a provider tracing/data collections system that is compatible with X2 Aspen, the School Departments current student database system, and EasyIEP, the School Departments current special education database system. The qualified contractor must be able to design, develop and implement a plan to adhere to the most recent changes in the current claiming methodology in Massachusetts, and to any future changes that may be directed by the Centers of Medicare and Medicaid Service (CMS) over the course of the next three years.

The services provided by the City of Lowell that are to be considered as reimbursable shall include, but not be limited to the following:

- Early and periodic screening and diagnosis and treatment (EPSDT) and family planning services and supplies
- Physicians Services
- Medical and other remedial care provided by licensed practitioners
- Clinic Services
- Physical therapy, occupational therapy, and services for individuals with speech, hearing and language disorders
- Prescribed drugs, dentures, prosthetic devices and eyeglasses
- Diagnostic screening, preventative, and rehabilitative services
- Transportation for the recipient by ambulance, taxicab, common carrier or other appropriate means
- Special Education services provided by therapists, aides, nurses, evaluation team members, social workers, psychologists
- Administration of the above listed services

The School Committee will review proposals from qualified vendors to provide consulting services to secure maximum reimbursement to the City of Lowell from Medicaid and other third party payers for services provided to children enrolled in the Lowell Public Schools. **The vendor must use the existing or future software system used by the Lowell Public Schools Special Education Department to extract necessary data for claim processing.**

These consulting services at minimum shall provide the following:

1. Develop a strategic plan summarizing the services to be provided to obtain payments from third party payers on a prospective basis. In addition to a complete description of the bidders approach to achieving these engagement objectives, the responsive proposal must include a detailed engagement work plan that highlights all process and system implementation activities and specific deadlines for billing and collecting reimbursements from Medicaid and other third party payers during the first sixty days of the contract. As part of the work plan, the proposal must include an estimate of the amount of reimbursement that the contractor expects to collect on behalf of Lowell during this period. The methodology used to develop this estimate should be described fully.

2. Provide technical assistance necessary to maintain full compliance with Federal and Commonwealth Medicaid regulations, and any other applicable Federal or state laws and regulations.
3. Guarantee full compliance with all Massachusetts Medicaid requirements in developing and implementing billing and collection operations for the School Department.
4. Identify and compile a comprehensive list of reimbursement-eligible services rendered to school children for which claims will be submitted to third party payers on both retroactive and prospective bases.
5. Develop and implement a detailed "Unit of Service" data collection process to support third party billing and collections.
6. Design and implement an automated billing and account receivable management system with which to administer ongoing operation for claiming and tracking prospective reimbursement from third party payers.
7. Implement data collection process and billing collections system within sixty days of contract award.
8. Operate data collection process and billing and collections system through June 30, 2017.
9. Preparation for transfer of the operation of the data collection process and billing and collections systems to the School Department within 12 months of the date of the contract award. Preparation of the transfer of the operation must include written documentation of the data collection process and of the billing and collections system procedures. This transfer will include the training of all applicable School Department personnel by the contractor. In addition, at the time of transfer, all systems developed under this contract, including computer software, developed for this engagement must be turned over to the Lowell Public Schools and shall be the property of the Lowell Public Schools.
10. Prepare and submit claims within 60 days of the contract start date and in the event of a methodology change in the Medicaid program.
11. Support: on-site teacher training built in email support, toll-free hotline.
12. Utilize technology to create efficiencies and enhance program for Administrative and direct service claiming.

BIDDER QUALIFICATIONS

In order to provide verification of affirmative responses to items 1 and 2 under the Minimum Evaluation Criteria section of this bid, bidders must submit written information that details the general background, experience, and qualifications of the organization. Subcontractors, if applicable, must be also included.

Responses should document that:

1. Bidder has been in the business of third party reimbursement/maximization services for at least ten (10) years in Massachusetts.
2. Bidder has at least three (3) years of national experience in the FFS claiming methodology implemented in Massachusetts as of July 1, 2011.

3. Bidder has successful experience developing third party billing, collection and management reporting systems for health services in at least three cities, school systems, or states within the last five years. Successful means having clients who have received cash payments from third party payers, particularly Medicaid and private insurance.

4. **References**

- The name, address and telephone number of each client listed above.
- A description of the work performed under each contract.
- A description of the nature of the relationship between bidder and the customer.
- The name and telephone number of the person the School Department may contact as a reference.
- The amount of the contract.
- The volume of the work performed.
- The dates of performance.

Project Staffing

The project manager and the staff must display the ability to carry out the requirements of this contract. Experience with Massachusetts Medicaid requirements and billing requirements will be required. Resumes must be submitted. The School Department will evaluate the number of full time equivalents with demonstrated ability to carry out this project and the reasonableness and distribution of personnel expertise.

Experience

The bidder must demonstrate its ability to manage the responsibilities of this project, as evidenced by previous experience with similar projects during the past five years.

RESPONSIBILITY OF THE LOWELL PUBLIC SCHOOLS

1. Assign a School Department representative to work with the contractor for the duration of the contract.
2. Respond to all questions asked by the contractor related to this project.
3. Review work plans, billing systems, etc. as required by this bid and the contract.

CONTRACTOR'S RESPONSIBILITY

1. Complete all requirements as described in Section B in the manner and within the time prescribed by the Lowell Public Schools.
2. Submit interim written reports, and/or attend meeting to inform the Lowell Public Schools of the status of the project.
3. Submit a final report at the conclusion of the project.

TIME REQUIREMENTS/REQUIRED DELIVERY DATE

Detail of proposed services to be delivered including an approximate time line for providing those services upon execution of a contract and continuation of services through June 30, 2017. All bids and alternatives submitted must guarantee prices through June 30, 2017.

PRICE PROPOSAL

The Lowell Public Schools will only consider proposals that pay the Contractor on a performance percentage fee basis for Medicaid collection services as described below. Proposal fees for Medicaid services must be expressed as a percentage of the total net reimbursements from third parties that are received by the City of Lowell for medical and health-related services provided to children enrolled in the Lowell Public Schools. Fixed-fee cost bids for Medicaid collection services will **NOT** be considered responsive to this bid and will result in bidder disqualification. For example, if the fee percentage 10% and then reimbursements received are \$200,000, the total fee paid to the contractor will be \$20,000. Payments will be made to the contractor only after the receipt of revenue by the City of Lowell.

EQUIPMENT REQUIREMENTS

The bidder must show that it has adequate equipment and technology for:

1. Development and implementation of a detailed unit of service data collection system to support third party billing for eligible medical services provided to students.
2. Development and implementation of an automated billing and accounts receivable system for claiming prospective revenues.
3. Operation of the data collection process and billing and collection system for 12 months from the date of the contract award. All systems developed under this contract, including any software, shall become the property of the Lowell Public Schools.
4. Bidders must describe the hardware, software and operating systems that they will be using to fulfill the requirements outlined in the scope of service section.

STATEMENT OF BIDDER'S FINANCIAL CONDITION

Each bidder must submit an audited financial statement of its financial condition for the two most recent fiscal years, for which such audited statements are available, which shows that the bidder's organization is in sound financial condition and/or that appropriate corrective action measures are being taken to resolve any identified financial problems.

1. To provide verification to affirmative responses to item three under the "Minimum Evaluation Criteria" section of this bid, bidders in addition to the above, should submit a signed letter from their Licensed Public Accountant (on their stationary) which responds to the items in subsection a-h.

2. If audited statements are not available for the last fiscal year then the bidder must provide pro forma statements for such year. The submission of pro forma statements will be in addition to the two years of audited statements required. Complete financial statements must include the following:
 - a. opinion page
 - b. balance sheet
 - c. statement of support, income and expenses
 - d. statement of changes in financial position
 - e. statement of stockholders equity or fund balance, and
 - f. financial notes
3. Bidders are required to know the nature of their audit opinion. A disclaimer of opinion, a review opinion, or a compilation report opinion will be grounds for rejection unless a Licensed Public Accountant prior to the award of this contract renders an unqualified or qualified opinion.
4. A new organization with no financial history must submit one of the following:
 - A financial management plan that includes a financial forecast, financial projection, and financial feasibility study (which satisfies AICPA standards):
or
 - For bidders who are aligned to public entities (e.g. public universities, public hospitals, etc.), the only required submission shall be a statement on letterhead indicating the status as a public entity. The name and signature of the person authorized to sign contracts must be included.

WRITTEN GUARANTEE

The contractor shall submit a signed written statement guaranteeing:

1. The ability to commence providing services by the date specified by the bid.
2. The ability to carry out the full volume of services specified in detail in this bid.

FUTURE DISALLOWANCE OF CLAIM PAYMENTS

The contractor will provide the possibility that maximized revenue that results from this bid may be the subject to a future audit and disallowance of claims payments. The approved contract will contain the terms and conditions of this stipulation.

EVALUATION CRITERIA

A. MINIMUM EVALUATION CRITERIA

The Lowell Public Schools will reject any bid that does not meet the minimum evaluation criteria. A "No Response" to items 2 or 3 or a failure to respond to any of the following minimum evaluation criteria will result in a rejection of your bid.

1. The offerer must be able to design, develop and implement a plan to adhere to any changes in the current claiming methodology that may be directed by CMS in the future.

Circle YES or NO for each of the following criteria:

2. Bidder has been in the business of third party reimbursement maximization services for at least ten (10) years in Massachusetts.

YES	NO
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3. Bidder has successful experience developing third party billing, collection and management reporting systems for health services in at least 3 cities or school systems, similar size to Lowell, within the last five years. Successful means having clients who have received cash payments from third party payers, particularly Medicaid and private insurance.

YES	NO
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If yes, the bidder must state the name of each client, telephone number, the address, dates of service, brief description of services provided, dollar amount received and contact person. The Lowell Public Schools may, at its option, investigate and evaluate such references.

4. Bidder is in sound financial condition in the areas listed below based upon latest available financial statements:

Is it true that:

a. Corporation has a positive net worth

YES	NO
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b. Current Assets are greater than current liabilities

YES	NO
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c. The auditor has rendered an unqualified opinion

YES	NO
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d. There has not been a multi-year trend in operating loss

YES	NO
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e. There are no substantial tax liabilities

YES	NO
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f. There has not been a sharp decline in working capital

YES	NO
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g. There has not been an excessive accumulation of accounts receivable or bad debts

YES	NO
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h. There are no significant contingent liabilities (such as pending litigation, property liens, etc.)

YES	NO
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The following are exceptions to the financial requirements:

- Non-Profit organizations receiving \$100,000 or less in annual gross support or revenue should submit an audited financial statement or copy of an un-audited financial statement filed with the Charities.
- A for-profit organization receiving \$ 100,000 or less in annual gross support or revenue must submit its federal tax return for the most recent year or an audited financial statement.

COMPARATIVE EVALUATION CRITERIA

1. The number of years contractor has been in business:

HIGHLY ADVANTAGEOUS	Ten years experience in like business
ADVANTAGEOUS	Five years experience in like business
NOT ADVANTAGEOUS	One year experience in like business
UNACCEPTABLE	Less than one year experience in like business

2. The number of people contractor can assign to projects:

HIGHLY ADVANTAGEOUS	Ten or more employees
ADVANTAGEOUS	Seven to nine employees
NOT ADVANTAGEOUS	Four to six employee
UNACCEPTABLE	Less than four employees

3. Total dollar amount collected on behalf of other school districts:

HIGHLY ADVANTAGEOUS	More than 400 Million Dollars
ADVANTAGEOUS	More than 100 Million Dollars
NOT ADVANTAGEOUS	20 Million Dollars
UNACCEPTABLE	Nothing collected

4. Average size of school districts contractor has or is currently contracted with:

HIGHLY ADVANTAGEOUS	15,001 or more students
ADVANTAGEOUS	9,001 to 15,000 students
NOT ADVANTAGEOUS	3,001 to 9,000 students
UNACCEPTABLE	0 to 3,000 students

BID SUBMISSION REQUIREMENTS

Interested firms must submit the following information based on the scope of work and selection criteria outline in earlier sections.

All proposals must be submitted in 8 ½" X 11" sheets of paper. Proposal submission must include one original and three (3) copies of the proposal. Proposal should be submitted and clearly label with the following:

Title: NON-COST PROPOSAL - MEDICAID BILLING & COLLECTION SERVICES

From: Name and Address of Proposer

To: P. Michael Vaughn
Lowell City Hall
375 Merrimack Street
Room 60
Lowell, MA 01852

The City of Lowell reserves the right to reject any and all Proposals that do not meet the submission requirements, minimum and comparative criteria. Failure to submit documents requested may result in the determination that your bid is non-responsive.

Each proposal **must contain**, as a minimum, the following documents:

1. NON-COST PROPOSAL

- A. State Tax Return Certificate
- B. Assurance of Equal Employment Opportunity
- C. Written Responses listed below:
 - i. Bidders should provide a detailed response in satisfying the requirements described in items 1-9 listed in Section IV - Scope of Services.
 - ii. Bidders should provide a detailed explanation of experience in satisfying the requirements for other clients as listed in Section V - Bidders Qualifications Response to Section VII - Contractors Responsibility.
 - iii. Response to Section VIII - Time Requirements/Required Delivery Date.
 - iv. Response to Section X - Equipment Requirements.
 - v. Submission of Complete Financial Statements and Response to Section XI - Financial Condition.
 - vi. Issuance of Written Guarantee as described in Section XII.
- D. Any additional forms found in the specification package.
- E. Non-Collusion Form and Tax Compliance Form (Exhibit A and B)

2. BEST PRICE AND COST PROPOSAL

All Cost Proposals must be submitted in 8 ½" X 11" sheets of paper. A separate package containing the one original and three (3) copies of the Cost Proposal (see EXHIBIT C form) must be labeled and submitted as follows:

Title: COST PROPOSAL - MEDICAID BILLING & COLLECTION SERVICES

From: Name and Address of Proposer

To: P. Michael Vaughn
Lowell City Hall
375 Merrimack Street
Room 60
Lowell, MA 01852

Each proposal will be embargoed upon opening until such time as the School Department has completed the evaluation and selection process.

EXHIBIT C. BEST PRICE & COST PROPOSAL – MEDICAID BILLING AND COLLECTION SERVICES



P. Michael Vaughn
Lowell City Hall
375 Merrimack Street
Room 60
Lowell, MA 01852

REQUEST FOR PROPOSALS FOR MEDICAID BILLING & COLLECTION SERVICES

*Please include this document in the **COST PROPOSAL** envelope. Including this document in the **NON-COST** proposal will result in IMMEDIATE DISQUALIFICATION.*

To: The AWARDING AUTHORITY

Name of Bidder/Company

Signature of Corporate Officer

The undersigned proposes to provide **MEDICAID BILLING & COLLECTION SERVICES** for the City of Lowell in accordance with the specifications prepared by the Lowell Public Schools, for the Contract Price specified below, subject to additions and deductions according to the terms of the Contract Documents.

In submitting this bid, I agree:

1. To hold my bid open for thirty days after the date of bid opening.
2. To accept the provisions of the Instructions to Bidders.
3. To enter into and accept a contract with the City of Lowell in an approved form, to perform and furnish all services scheduled in the Contract Documents for the Contract Price indicated in this bid and in accordance with the other terms and conditions of the Contract Documents.

CONTRACT: The undersigned agrees that, if he is selected as the successful proposer he will, within ten days (10), Saturdays, Sundays and legal holidays excepted after presentation thereof by the Awarding Authority and execute a contract in accordance with the terms and conditions of bid.

Please quote price as a percentage total of net reimbursements for medical and health-related services provided to school children received by the City of Lowell School Department during the first, second and third years of this contract. This assumes no change, or insignificant changes, in the current claiming methodologies for per diem and administrative activities.

MEDICAID COLLECTION SERVICES

The following quoted prices are fixed for each year of this contract and is the reflection of the net reimbursement of Medicaid revenues collected:

FIXED PERCENTAGE		FIXED PERCENTAGE
		(in words)
YEAR ONE:		
July 1, 2014 through June 30, 2015		
Annual Cost:	%	
YEAR TWO:		
July 1, 2015 through June 30, 2016		
Annual Cost:	%	
YEAR THREE:		
July 1, 2016 through June 30, 2017		
Annual Cost:	%	

Signature of Bidder _____

Print Name and Title _____

Company Name and Address _____

Telephone Number _____