

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date	December 7, 2009
	Agenda Item No. 61 Roll Call No. <u>09-</u> Communication No. <u>09-846</u> Submitted by: Allen McKinley, Finance Director	

AGENDA HEADING:

Approving Intermedix, Fort Lauderdale, Florida, as the City’s Ambulance Billing provider.

SYNOPSIS:

Approving Intermedix, Doug Shamon, President and CEO, 6451 North Federal Highway, Suite 1002, Fort Lauderdale, Florida 33308, as the City’s Ambulance Billing provider. Costs related to emergency medical responses are billed to patients and insurance companies in an attempt to recoup as large a portion of service costs as possible. City staff is recommending securing the services of Intermedix, a highly qualified, experienced provider.

FISCAL IMPACT:

Amount: \$3,700,000 annual revenue net of fees, an increase of \$380,000 over current revenues.

Funding Source: General Fund – Fire Department – Emergency Medical Services, FIR041000, FY2010-11 Recommended Operating Budget, Page 126.

ADDITIONAL INFORMATION:

In 1996, the City moved from an internal billing and collection system to a third-party contractor (Team Two, Inc.). A subsequent Request for Proposal (RFP) process was utilized when the initial contract expired in 2004, and at that time the City Council determined it was in the City’s best interest to continue to utilize Team Two and entered into a contract with extensions that expired on September 30, 2009. An extension of that contract to December 31, 2009 with Team Two was approved earlier this fall for the RFP process to be completed. The RFP was issued on June 1, 2009, and four responses were received. The selection committee chose to interview two of the proposers on September 10, 2009, and the consensus of the selection committee was that Intermedix would provide the best value and service to the City of Des Moines. Intermedix proposed a higher price for its services, but also projected a higher average collection per transport that more than offset the higher price for its services.

Upon public notification of intent to award Intermedix, two of the proposers filed appeals regarding the scoring of the RFPs by the committee. The Deputy City Manager served as the Hearing Officer and overruled on all items, except for scoring on “Fee Proposal”. The Hearing Officer directed the committee to utilize only the proposed collection fee rate in scoring the “Fee Proposal” and stated that the proposed revenue per transport Performance Standard could only be considered in the scoring of “Ability to Maximize Revenues”. The committee followed the instructions of the Hearing Officer and

rescored both the “Fee Proposal” and the “Ability to Maximize Revenues” portions of the RFP. The results of the rescoring did not change the outcome of the rankings of each of the proposals.

Recommended Contractor Background Information:

Intermedix

- Over 25 years of experience in EMS billing and collection services
- Serves over 250 communities across the United States
- Processes over 1.8 million transports annually
- Currently collecting over \$480 million for their clients
- Contracts with communities ranging from 1,000 to over 200,000 transports per year (Des Moines 11,800 per year)
- 6 processing centers with regional teams assigned to specific customers (Des Moines would be serviced by the Denver center)
- 14 call processors working at the Denver center
- Sophisticated modeling for income projections

In addition to the financial advantage that the committee believes will be achieved with Intermedix, enhanced services will also be realized in the following areas:

- **Language Services:** Current contractor has no non-English language services. Intermedix has language capabilities for Hispanic, Chinese, Philipino and 3rd party translation services for other languages.
- **Redundant Services:** Current contractor has only one employee and one location. Intermedix with six call centers and multiple processors is better able to avoid business interruptions due to human, natural or technical events.
- **IT Services:** Intermedix operates and maintains their own proprietary software that can be customized for any particular need of the City.

Vendor	Collection Fee	Collection Rate	Ranking
		Revenue Generated	
Intermedix	\$179,830	\$330/\$3,828,000	#1
SGS	\$163,647	\$297/\$3,445,200	#2
Team Two	\$121,800	\$280/\$3,248,000	#3
Billing 911	\$219,240	\$270/\$3,132,000	#4

PREVIOUS COUNCIL ACTION(S):

Date: October 28, 2009

Roll Call Number: 09-1765

Action: Extension of contract for medical emergency ambulance billing and collection services with Team Two, Inc. until December 31, 2009. (Council Communication No. 09-674) Moved by Coleman to adopt. Motion Carried 7-0.

Date: September 8, 2009

Roll Call Number: 08-1591

Action: Second one-year renewal of contract with Team Two, Inc. for medical emergency ambulance billing services. (Council Communication No. 08-534) Moved by Vlassis to adopt. Motion Carried 7-0.

Date: September 10, 2007

Roll Call Number: 07-1729

Action: First one-year renewal of contract for Medical Emergency Ambulance Billing and Collections Services, with Team Two, Inc. (Council Communication No. 07-529) Moved by Hensley to adopt. Motion Carried 7-0.

Date: September 27, 2004

Roll Call Number: 04-2095

Action: Selection of Advanced Data Processing, Inc. (Miami, Florida) to provide ambulance service billing for three-year period beginning October 1, 2004 with the option of two one-year renewals. (Council Communication No. 04-481) Moved by Mahaffey to select Team Two Inc. as the service provider. Motion Carried 4-3. Nays: Brooks, Hensley and Vlassis.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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