

VILLAGE OF DOWNERS GROVE
REPORT FOR THE VILLAGE COUNCIL WORKSHOP
NOVEMBER 24, 2009 AGENDA

SUBJECT:	TYPE:	SUBMITTED BY:
Medical Billing Contract	✓ Resolution Ordinance Motion Discussion Only	Jim Jackson Acting Fire Chief

SYNOPSIS

A resolution has been prepared to approve a two-year contract for medical billing services with Andres Medical Billing Ltd. of Arlington Heights, Illinois, for an amount equal to five percent (5%) of the revenue collected by the Village.

STRATEGIC PLAN ALIGNMENT

The Five Year Plan and Goals for 2008-2013 identified *Exceptional Municipal Organization*. A supporting objective is *Financially Sound and Sustainable Village Government*.

FISCAL IMPACT

Based on the current activity level, staff expects to pay Andres Medical Billing approximately \$38,800 per year. The FY10 proposed budget is consistent this amount.

RECOMMENDATION

Approval on the December 1, 2009 consent agenda.

BACKGROUND

For the past several years the Village has contracted with a firm to provide billing services for the collection of fees for ambulance services rendered by the Village. Payment for the ambulance services are paid primarily by the patient's Medicare, Medicaid, private insurance and/or self payment. On September 25, 2009 the Village initiated an RFP process to supply Medical Billing Services to the Village. The Village received nine proposals from various vendors. A summary of the nine proposals is provided below:

Company	Location	Meets Minimum Specifications?	Fee	Commission / Additional Fee?
SGS	Dallas, Tx	Yes	4.75%	No
Andres Medical Billing	Arlington Heights, Il	Yes	5.00%	No
Paramedic Services -Illinois	Schiller Park Il.	Yes	5.00%	No
Paramedic Billing Services*	Elmhurst Il	Yes	5.00%	No
ADPI	Ft. Lauderdale, Fl	Yes	5.20%	Yes
Pro Billing	Wautoma, Wi	Yes	6.50%	Yes
Specialty Billing	Oak Brook, Il	Yes	7.00%	Yes
RMK Holdings	Chicago, Il	No		
Lisle Woodridge FD	Lisle, Il	No		

*Paramedic Billing Services Fee Increases to 6% After First Year of Contract

As the chart above indicates, six of the vendors who responded to the RFP were located within the State of Illinois and three were out of state vendors located in Texas, Florida and Wisconsin. All vendors were evaluated based on their ability to meet the Village's 25-point specification criteria. Two of the vendors submitted proposals that did not meet the staff's specifications and were therefore eliminated.

SGS submitted a proposal that met the minimum Village specifications and charged a fee of 4.75% which is .25% less than the next lowest bidders. The SGS proposal states that all staff who would manage the Village's medical billing services would be located in their Dallas, Texas headquarters. Staff believes that the location of SGS relative to the other vendors would make meetings with staff and Village residents difficult to arrange and would negatively impact customer service. It is staff's opinion that having the ability to meet with the approved vendor on short notice with minimal preparation and transportation time is invaluable and would offset the .25% savings proposed by SGS.

Three Illinois-based vendors submitted proposals which met staff's specifications and charged a rate of 5% for medical billing services. Staff recommends that the contract be awarded to Andres Medical Billing for the following reasons:

- Andres has provided these services to the Village since 2001. Their performance has met or exceeded Village expectations.
- Andres assigns a program manager to the Village account. This service is not offered by Paramedic Services of Illinois.
- Andres' fee for service would be fixed at 5% for both years of the contract. The fees charged by Paramedic Billing Services would increase to 6% in the second year of the contract.

ATTACHMENTS

Contract Documents

Resolution

RESOLUTION NO. _____

**A RESOLUTION AUTHORIZING EXECUTION OF A CONTRACT
BETWEEN THE VILLAGE OF DOWNERS GROVE
AND ANDRES MEDICAL BILLING, LTD.**

BE IT RESOLVED by the Village Council of the Village of Downers Grove, DuPage County, Illinois, as follows:

1. That the form and substance of a certain Agreement (the “Agreement”), between the Village of Downers Grove (the “Village”) and Andres Medical Billing, Ltd. (“Andres Medical Billing, Ltd.”), for medical billing professional services and collection of fees for ambulance services, as set forth in the form of the agreement submitted to this meeting with the recommendation of the Village Manager, is hereby approved.

2. That the Mayor and Village Clerk are hereby respectively authorized and directed for and on behalf of the Village to execute, attest, seal and deliver the Agreement, substantially in the form approved in the foregoing paragraph of this Resolution, together with such changes as the Manager shall deem necessary.

3. That the proper officials, agents and employees of the Village are hereby authorized and directed to take such further action as they may deem necessary or appropriate to perform all obligations and commitments of the Village in accordance with the provisions of the Agreement.

4. That all resolutions or parts of resolutions in conflict with the provisions of this Resolution are hereby repealed.

5. That this Resolution shall be in full force and effect from and after its passage as provided by law.

Mayor

Passed:



Attest: _____
Village Clerk

Village of Downers Grove

IV. PROPOSAL/CONTRACT FORM

*****THIS PROPOSAL, WHEN ACCEPTS AND SIGNED BY AN AUTHORIZED SIGNATORY OF THE VILLAGE OF DOWNERS GROVE, SHALL BECOME A CONTRACT BINDING UPON BOTH PARTIES.**

Entire Block Must Be Completed When A Submitted Bid Is To Be Considered For Award

PROPOSER	
<u>Andres Medical Billing, Ltd.</u> Company Name	Date: <u>10/12/09</u>
<u>3343 North Ridge Avenue</u> Street Address of Company	<u>sbetz@andresmedical.com</u> Email Address
<u>Arlington Heights, Illinois 60004</u> City, State, Zip	<u>Shana Betz</u> Contact Name (Print)
<u>(847)577-8811</u> Business Phone	<u>(847)507-6645</u> 24-Hour Phone
<u>(847)577-9515</u> Fax	 Signature of Officer, Partner or Sole Proprietor
ATTEST: If a Corporation  Signature of Corporation Secretary	<u>Shana Betz, C.O.O.</u>

VILLAGE OF DOWNERS GROVE

Authorized Signature

Title

Date

ATTEST:

Signature of Village Clerk

Date

In compliance with the specifications, the above-signed offers and agrees, if this Proposal is accepted within 90 calendar days from the date of opening, to furnish any or all of the services upon which parties are quoted, at the price set opposite each item, delivered at the designated point within the time specified above.

Village of Downers Grove

Any contractor, proposer, bidder or vendor who responds by submitting a bid or proposal to the Village of Downers Grove shall be required to submit with its bid submission, an executed Campaign Disclosure Certificate, attached hereto.

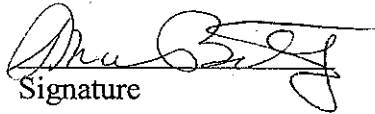
The Campaign Disclosure Certificate is required pursuant to the Village of Downers Grove Council Policy on Ethical Standards and is applicable to those campaign contributions made to any member of the Village Council.

Said Campaign Disclosure Certificate requires any individual or entity bidding to disclose campaign contributions, as defined in Section 9-1.4 of the Election Code (10 ILCS 5/9-1.4), made to current members of the Village Council within the five (5) year period preceding the date of the bid or proposal release.

By signing the bid documents, contractor/proposer/bidder/vendor agrees to refrain from making any campaign contributions as defined in Section 9-1.4 of the Election Code (10 ILCS 5/9-1.4) to any Village Council member and any challengers seeking to serve as a member of the Downers Grove Village Council.

Under penalty of perjury, I declare:

Bidder/vendor has not contributed to any elected Village position within the last five (5) years.


Signature

Shana Betz
Print Name

Bidder/vendor has contributed a campaign contribution to a current member of the Village Council within the last five (5) years.

Print the following information:

Name of Contributor: _____
(company or individual)

To whom contribution was made: _____

Year contribution made: _____ Amount: \$ _____

Signature

Print Name