

**Albuquerque Public Schools
Procurement Department
Addendum #2 for RFP 16-031MG-AM
Worker's Compensation Claims Administration – Medical Bill Review Services**

April 1, 2016

ACKNOWLEDGEMENT OF ADDENDUM #2

This Addendum 2 contains the answers to submitted questions that were not responded to in Addendum 1, regarding RFP 16-031MG-AM, Worker's Compensation Claims Administration – Medical Bill Review Services. *Addendum 2 answers are in red font.*

Acknowledgement of Addenda not completed and signed may deem the RFP submission as non-responsive and may be rejected.

Thank you for your interest in Albuquerque Public Schools.

ACKNOWLEDGEMENT OF ADDENDUM #2 MUST BE INCLUDED WITH YOUR OFFER:

Company/Firm Name

Signature

Printed Name

Date

Marilee P. Gallacher, SPSM
Senior Buyer

Addendum #2

Questions and Answers regarding RFP 16-031MG-AM, Worker's Compensation Claims Administration – Medical Bill Review Services.

1. Your instructions state to provide a copy of the Answer to the RFP on a “jump drive” but would a CD be OK as an alternative?
*Answer: A Jump Drive is preferred. Even though a CD is *not* preferred, it would be accepted.*
2. Does APS have a preference to bundle bill review, case management and/or pharmacy or will each service be evaluated completely independently? In other words is there any advantage to bidding all three?
*Answer: **Each RFP is a separate procurement, and will be awarded as such.** If a vendor desires to respond to more than one RFP, that vendor will need to submit a proposal for **each** RFP procurement they wish to participate in.*
3. If a company is bidding on 2 or more of the RFP's can they be bundled into 1 answer?
*Answer: **Each RFP is a separate procurement.** If a vendor desires to respond to more than one RFP, that vendor will need to submit a proposal for **each** RFP procurement they wish to participate in. **If a vendor submits a proposal combining multiple RFPs, that proposal will be rejected.***
4. If you will accept a bundled answer to two or more of the 3 RFPs; would the 60 page limitation still apply?
Answer: See the answer to Question #3.
5. Will the procurement department allow for a minimum of 15 business days from the posting of question responses for vendors to submit proposals?
Answer: The proposal submission deadline is as stated in the Timeline of the RFP.
6. APS has issued three separate RFP's: Medical Bill Review, Medical Case Management and Pharmacy Benefits Management. If a vendor provides services to respond to two or more RFP's, may that vendor submit separate proposals that are contingent upon one another. For instance, if a vendor is interested in submitting both a Medical Bill Review and a Medical Case Management proposal, is it acceptable for the Medical Bill Review proposal to be contingent upon award of the Case Management?
Answer: No.
7. Please advise the length of contract term associated with this RFP. Is this a one-year or multi-year contract?
Answer: See RFP page 6, Terms and Conditions, 1. TERM
8. Please explain the current Medical Bill Review process. How are bills submitted for Medical Bill Review?
Answer: Bills are picked up at our office by vendor, downloaded to our claims system and then EOR's are delivered back to our offices.

9. How are Explanations of Benefits and supporting documents transferred?
Answer: In person delivered to our office
10. Who is the current Claims Administrator?
Answer: APS
11. Who is the current Medical Bill Review Vendor?
Answer: Corvel Corporation
12. Who is the current Preferred Provider Network(s) utilized?
Answer: Corvel Corporation
13. Are bills submitted electronically to Vendor for processing?
Answer: No
14. Is the bill volume (12,000 annually) exclusive of pharmacy bills?
Answer: No
15. What is the average billed dollar amount for each bill?
Answer: \$173.92
16. Please provide a breakdown of Savings by the following types:
- a. Fee Schedule Savings: \$1,508,269
 - b. PPO Savings: \$333,144
 - c. Specialty Review Savings (aka "Nurse Review", "Enhanced Bill Review", "Hospital Bill Review", etc.): \$31,118
17. What were the total number of medical bills received in 2013, 2014, 2015?
Answer:
2013: 7,223
2014: 8,069
2015: 8,299
18. What were the number of hospital bills received in 2013, 2014, 2015?
Answer:
2013: 161
2014: 201
2015: 245
19. What were the number of provider bills received in 2013, 2014, 2015?
Answer:
2013: 7,223
2014: 8,069
2015: 8,299

20. What were the Total Charges (excluding duplicate bills)?
Answer: \$12,913,051 billed charges in 2013-2015
21. What were the Total Payments (excluding duplicate bills)?
Answer: \$6,694,571
22. How many Medical Only claims did you experience in each of the past 3 years?
Answer: 1551
23. How many Lost Time claims did you experience in each of the past 3 years?
Answer: 272
24. Please provide the following summary information:
- a. Total Fee Schedule (FS) Reductions: \$4,524,807
 - b. Total PPO Network Reductions: \$999,430
 - c. Total Specialty Reductions: \$93,353
 - d. Total Other Reductions: \$600,887
 - e. PPO Penetration Percentage: 75.51%
 - f. Total Fees for FS Reductions, PPO Network Reductions, Specialty Reductions, and Other Reductions.
Answer Annual Totals:
2013: \$103,488
2014: \$121,982
2015: \$142,125
25. What is the current fee structure for medical bill review (i.e. Flat rate per bill or per line; % of Savings for PPO; % of Savings for Specialty Review, etc.)
Answer: % of savings for PPO
26. What is the *preferred* bill review pricing method, e.g. percentage of savings, per line, per bill rate?
Answer: % of savings
27. What were the Total Fees paid to the bill review vendor?
Answer: \$367,596 2013-2015
28. Does APS have its own claims system, if so, what is the name of that system?
Answer: Quiss Systems
29. Do you lease Medical Bill Review Software and do internally, or do you send Medical Bills to Vendor for repricing?
Answer: Medical bills to vendor for repricing
30. Are there any changes in the future of the current process?
Answer: No
31. Do you currently utilize an EDI with your existing case management company?
Answer: Yes

32. Is APS interested in an electronic solution (EDI feed) to submit medical bills or is a manual process preferred?
Answer: Manual Process
33. Approximately how many cases per month are referred to a nurse for field case management?
Answer: 2 to 3
34. Is there a need to provide preferred provider network data in New Mexico beyond Bernalillo and Sandoval counties, or in any surrounding states?
Answer: Yes
35. Does APS have any direct contracts with providers that the TPA will administer? If so, approximately how many?
Answer: None
36. Please provide a list of those providers.
Answer: N/A
37. Does APS have any authorized personnel requiring access to the Bill Review system? If so, how many?
Answer: Yes, 6
38. Does APS require the bill review vendor submit the following reports to the state of New Mexico:
New Mexico Annual Expenditure Report
New Mexico Inpatient Services Data
Answer: No
39. What are some pain points or areas you would like to improve relative to medical bill review?
Answer: There are no "pain points." We are happy with our bill review service process