Hilo Medical Center

Contracts Management

Date: September 5, 2018

To: Potential Offerors

From: Gary L. Callahan, Senior Contracts Manager

Re: **Solicitation Addendum # 2 to RFP 19-0003**
              Charge Master Services

This correspondence serves as Solicitation Addendum #2 to the subject Request for Proposals ("RFP").

Your response to this RFP should be governed by the content of the original RFP and the revisions / corrections / additions / clarifications provided in this addendum notice. **Please note that the Proposal Submission Deadline remains as revised by Solicitation Addendum # 1 at:**

<p style="text-align:center">Friday, September 14, 2018, 2:00 PM, HST</p>

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1. Can you please provide an estimate of the monthly CDM request volumes? **This depends on any new procedures /equipment or drugs that are being reviewed / investigated. I would say an average would be around 50 to 75 inquiries per month. Of course this can change depending on resources provided by the CDM maintenance company.**

2. When was the last time HMC completed a CDM review? **April 2018**

3. If applicable, can you share any software or external services currently being utilized for maintaining the Chargemaster? **Rev Cycle Pro**

4. What financial system do the hospitals use? Is there a single instance of this financial system across all sites? **Meditech 6.15 – All facilities use this system**

5. As part of our broader Revenue Integrity Services and beyond the charge master review, our firm's CDM consultant can also meet onsite with key facility department leaders to review and update their service line planning. This assures all services are included appropriately in the charge master. The Consultant also works with onsite staff to review charge related denials to proactively prevent future claim denials. **Would East Hawaii Region be interested in the services? Yes**

6. In Section 4 – 4.2.1. the RFP states, "signed and dated by the Contractor's delegated signatory." Our firm does not sign invoices, a detailed invoice will be provided**. Is the signature requirement mandatory? No, we can work without it. This type of service isn't dependent upon a consultant filling out a time sheet every week or month.**

7.   How many business entities will require access to the product? (define name of each entity) **Please clarify – "The Product" meaning resource provided by chosen company? Entities meaning users with access to that resourc**e?

8.   How many licensed users are needed for access to coding, resources and Charge Management modules (all applications are one price). **3-5**

> **a.** How many users need CPT Assistant (AMA monthly publication)?   **2**
> b. How many uses need access to CPT Changes (AMA annual publication)? **2**
> c. How many uses need access to CPT Changes book (AMA annual publication)   **2**

9.   2.1.1. **Review**. "Complete review of the CDM once per year with an initial review of current CDM set up and recommendation of changes/corrections utilizes verbiage that needs clarification for establishing an appropriate bid price…"

> (i) For the initial detailed review of the Charge Master, several parameters are needed to appropriately price this service:
> > a. Is a system conversion / new Charging masterfile development anticipated during the time that the initial CDM Review will be performed? **No**
> >
> > b. Number of the Hospital Information System Charge Master files (e.g. are there separate file for Hilo Medical Center, Hale Ho'ola Hamakua and Ka'u Hospital, a single file for all three, additional Charge Master/ Fee Schedule files for clinics/physician practices, etc.?) **Single CDM**
> >
> > **c.** What is the total count of active charge items in each of the files for review? (i.e. total number of active charge items) **There are 2200 charge lines currently. This includes duplicate CPT codes that are set up for different facilities / departments.**
> >
> > **d.** What Hospital information system for billing is used for each of the files that is being reviewed (EPIC, Cerner, MediTech, etc.) **Meditech 6.15**
> >
> > **e.** Is your pharmacy application requiring review for HCPCS codes, units of service, or other data elements? If so, please identify data review needs and fields for review along with a count of the active records in the file. **Not at this time but would like to reserve the opportunity to add on at a later time if desired.**

Do you use a HCPCS billing multiplier in your system for converting drug charges to appropriately reported HCPCS units on the claim?   **Yes**   If so, does that field need review?   **Yes**

f. Are other application masterfiles needing review beyond those noted above? If so, please list them   **No**

g. For each Charge Master file or other masterfile for review what are the total number of CPT/HCPCS code fields for review per charge item? **Please clarify.**
    i. What payers are represented by the differing code fields? **Medicare, Medicaid, HMSA, Commercial**

h. For each Charge Master file or other masterfile for review what are the total number of Revenue Code fields for review per charge item along with the way each code field is used (i.e. payer that is represented, representing different provider types, etc.) (e.g. default Revenue Code, Medicare outpatient Revenue code (if different), etc.)   **7**

i. Is there expectation of review of override files, claims edits, bridge routines, or other claims logic rules relative to how Charge data is submitted on the claim? If so please clarify audit scope and needs.   **No**

j. Is there expectation of review of any menus or order screens; and/or any charge tickets? (more detail on scope of this work will be needed if so)   **No**

k. Is any level of consultative assistance desired relative to pricing analysis? If so, what type of pricing analysis is requested?   **No**

(ii) Will hospital staff be responsible for verifying and implementing all Charge Master updates and performing all file maintenance?   **Yes**

a. Is there any expectation of the vendor accessing, changing, or otherwise managing /changing/data entering the Hospital Information System and/or the actual charge data records? **No**

(iii) For the follow up complete reviews, is this requesting manual review of each line item again annually, or only new charges or changed codes?   **Only new charges or changed codes.**

Question #4–2.1.2 **Communication**. "Provide quarterly updates and documentation regarding any proposed/confirmed changes by CMS that will impact CD/billing…"

- Bidding Vendor **Questions:**
    (i) Beyond providing the change information through the vendor software, is there an additional method of communication desired and/or personal communication preferred to review with the hospital team the changes? (e.g. do you want to utilize support time for questions as listed under "Resource" or do you have other needs for consulting/educational/support time that you desire relative to

quarterly and new year's changes?). **For changes (such as CMS changes) I would prefer a call to discuss the upcoming changes and what they mean for our facility as well as written documentation of the changes (and meanings) emailed to the appropriate representatives).**

(ii) If Q&A is included in the quarterly update scope, who will be communicating with the vendor's consulting project manager? **CDM team and manager(s)**

(iii) Will the organization take responsibility to review the changes and make system changes without vendor involvement? **Yes**

Bidding Vendor *Question # 8*- **Section 4 4.1 Compensation and Pricing Schedule (page 17 of 52)**

(i) The Charge Master Services are listed with a rate per month requested in your RFP document. This is possible for support time or hourly-based education that is requested/approved/agreed upon.

    a. Invoicing in 4.2.2 for the support time billing and payment terms can be up to 30 days after invoice receipt, however, the wording of "…or the last day of the month immediately following the month in which the services were provided, whichever is later" needs to be removed to avoid delays in payment receipt over 30 days. **This would be addressed with the selected vendor should it be a concern.**

(ii) The software product offered is priced on an annual payment amount with payment due prior to product use. **If that is how it is priced, please reflect the annual payment amount in your pricing.**

(iii) Detailed Charge Master Reviews are priced based on a fixed fee with ½ of fees due at project initiation and ½ at delivery of the itemized review findings. Hourly time is not tracked or reported for these tasks.

    a. The section 4.2.2 payment terms will need to be modified to accommodate the above noted Detailed CDM Review invoicing and the software product annual licensing for the initial year and optional annual renewals. The term "immediately following the month in which the services were provided" will need to be removed for those two components to accommodate our billing methodology. Payment receipt for the software subscription is due prior to training or access. Payment receipt for CDM Review initial and delivery (the fixed rate engagement) can be up to 30 days after invoice receipt, but the wording of "…or the last day of the month immediately following the month in which the services were provided, whichever is later" needs to be removed to avoid delays of payment receipt beyond 30 days. **These changes will be addressed with the selected vendor understanding the solicitation is a template that attempts to**

cover multiple pricing methods and periods. If your firm requires different pricing structure and timeframes, please provide those in your response.

Terms and Conditions of our Agreement:

Several vendors have questioned or proposed varied or different terms for the final Agreement. As a State entity of the State of Hawaii we cannot delete statutory requirements that appear in our contracts. We also acknowledge that our standard Agreement doesn't provide language that vendors may deem mandatory in software contracts.   To that end, we will entertain terms that are additional (but contradictory) to our general conditions, in view of the software component that must be included in the final Agreement regardless of the selected vendor.