



**MARICOPA COUNTY SPECIAL HEALTH CARE DISTRICT dba
MARICOPA INTEGRATED HEALTH SYSTEM**

2611 E Pierce Street, 2nd Floor, Phoenix, Arizona 85008

**MARICOPA
INTEGRATED
HEALTH SYSTEM**

Count on us to care

Request for Quotations

Recovery Audit Services

PURPOSE: Maricopa County Special Health Care District dba: Maricopa Integrated Health System (MIHS) hereby solicits sealed quotes from qualified Proposers to provide Recovery Audit services with the intent to provide analysis and auditing of MIHS payments to vendors for goods and services and other sources of information and recovery of overpayments, including identification of possible fraud. MIHS seeks Proposers who will perform quality work accomplished with minimum disruption to MIHS' operation.

HOW TO RESPOND TO THIS RFQ: To respond to this Request for Quotations, the Offeror must:

- Submit a quote with a supporting proposal describing how you would perform and provide Recovery Audit Services on behalf of Maricopa Integrated Health System. The quote must contain sufficient detail in response to the requirements below to allow MIHS to make an informed and realistic evaluation of the Offeror's services.
- Submit with your quotation the following:
 1. License, certification(s), vehicle registrations, etc.
 2. Certificates of insurance for:
 - A. Commercial general liability.
 - B. Vehicle liability.
 - C. Worker's compensation.
 3. Completion of Attachment A: Authorization to Submit Proposal and Required Certifications.
 4. Completion of Attachment B: Organizational and Financial Information
 5. Three professional references by using the reference forms in Attachment C: Professional References.
 6. Completion of pricing quotation in Attachment D: Pricing.
 7. Response to Attachment E: Response to Work Statement Requirements.
 8. Response to Attachment F: Exceptions to Work Statement Requirements and/or General Contract Provisions.
 9. Completion of Attachment G: Proposer's Checklist.

CODE: The MIHS Procurement Code governs this procurement and is incorporated by this reference (<http://www.mihs.org/docs/DistrictProcurementCodeEff06-25-2008.pdf>). Pricing on written quotations is to remain confidential until the transaction is complete, i.e., the purchase order is issued. The respondent understands that the successful respondent is to be an Independent Contractor in the performance of work and the provision of services under any contract issued and is not to be considered an officer, employee, or agent of MIHS.

EVALUATION CRITERIA AND PROCESS:

Evaluation criteria to be utilized in determining the successful Proposer are listed below. The order of appearance does not signify relative importance. Although price will be a factor in quote evaluation, it

may be a consideration of lesser importance to other items identified in the quote. MIHS reserves the right to accept other than the lowest priced quote.

- Response to RFQ Requirements.
This will include a thorough and detailed review of the responses to the Work Statement and Functional Requirements specifications, the quality, completeness, accuracy and level of detail of the response, the demonstration of the Proposer's understanding of the concepts and requirements of the system, and Oral Presentations.
- Pricing.
This will include a thorough and detailed review of the Proposer's pricing. Although price will be a factor in quote evaluation, it is specifically a consideration of lesser importance to other items identified in the quote. MIHS reserves the right to accept other than the lowest priced quote.
- Organizational Experience.
This will include a thorough and detailed review of the submitted Organizational Information and follow-up of Proposer's References including customer responsiveness.
- Financial Stability and Viability.
This will include a thorough and detailed review of the submitted Financial Statements and Financial Information. **Quotes submitted without the requested financial statements, including balance sheets, income statement and cash flow statements may be deemed non-responsive and the quote returned.**
- Respondent Exceptions to Specifications and Contract Provisions.

A committee composed of various representatives from MIHS departments will evaluate responsive quotes. The Committee may request additional information from Proposers through oral presentations or correspondence. The Committee will prepare an objective ranking of the quotes. MIHS may, at its sole discretion, reject any or all quotes submitted in response to the Request for Quotes.

INQUIRIES: Direct all inquiries to Thomas Kealy at: (602) 344-1494 or e-mail at: thomas.kealy@mihs.org or by mail to:

Maricopa Integrated Health System
Contracts Management Department
ATTN: Thomas Kealy
2611 E Pierce Street
Phoenix, AZ 85008-6092

DEADLINE FOR RESPONSE: Quotes must be received at the above address no later than Monday, June 22, 2009 at 2:00PM Arizona Time. Quotes may be e-mailed (see above e-mail address) or faxed to Thomas Kealy at (602) 344-1813.

ATTACHMENT A: AUTHORIZATION TO SUBMIT PROPOSAL AND REQUIRED CERTIFICATIONS

By signing below, the Proposer hereby certifies that:

- * They have read, understand, and agree that acceptance by MIHS of the Proposer's offer by the issuance of a purchase order or contract will create a binding contract;
- * They agree to fully comply with all terms and conditions as set forth in the MIHS Procurement Code, and amendments thereto, together with the specifications and other documentary forms herewith made a part of this specific procurement;
- * They are in compliance with A.R.S. § 35-397 and A.R.S. § 35-391 and do not have scrutinized operations in Iran or the Sudan and are not in violation of the Export Administration Act.

The person signing the Proposal certifies that he/she is the person in the Proposer's organization responsible for, or authorized to make, decisions regarding the prices quoted.

The Proposer is a corporation or other legal entity.

No attempt has been made or will be made by the Proposer to induce any other firm or person to submit or not to submit a Proposal in response to this RFQ.

- All amendments to this RFQ issued by MIHS have been received by the person/organization below. All amendments are signed and returned with the Proposal.
- No amendments have been received.

The price and terms and conditions in this Proposal are valid for 120 days from the date of submission.

FIRM SUBMITTING BID

ADDRESS

TELEPHONE

CITY

STATE

ZIP CODE

FAX

FEDERAL TAX ID NUMBER

EMAIL

AUTHORIZED SIGNATURE

DATE

PRINTED NAME AND TITLE

MINORITY BUSINESS/WOMEN BUSINESS/SMALL BUSINESS/DISADVANTAGED BUSINESS
(check appropriate item):

- Minority Business Enterprise (MBE)
- Women Business Enterprise (WBE)
- Small Business Enterprise (SBE)
- Disadvantaged Business Enterprise (DBE)

ATTACHMENT B: ORGANIZATIONAL and FINANCIAL INFORMATION

The Proposer shall use this document to describe the background of its company, its size and resources, details of relevant experience, and financial statements.

1. Name of Proposer: _____
dba: _____
2. To whom should correspondence regarding this contract be addressed?
Individual's Name: _____
Company Name: _____
Address: _____
City/State/Zip: _____
Phone: _____ Fax: _____ Email address: _____
Contact Person (if different from above): _____
3. Date business was established: _____
4. Ownership (e.g., public company, partnership, subsidiary): _____
5. Primary line of business: _____
6. Total number of employees: _____
7. Detail corporate experience within the last five years relevant to the proposed RFQ, including specific details regarding the Proposer's experience.
8. Is your agency acting as the administrative agent for any other agency or organization? _____
If yes, describe the relationship in both legal and functional aspects.
9. Detail the qualifications and professional background of all management, technical, and on-site staff who would be directly involved in providing the proposed services. Include copies of their current resumes.
10. Provide a copy of the current organizational chart indicating all personnel who would be involved in providing the proposed services.
11. Provide financial statements for the legal contracting entity for the last two years including:
 - (a) Interim financial statements for the three most recent quarters (balance sheet, income statement, cash flow)
 - (b) Audited financial statements for the last two fiscal years (balance sheet, income statement, cash flow, notes to financial statements, audited report)
12. Does the organization have any uncorrected audit exceptions? _____

If yes, please explain.

13. Has any state or federal agency ever made a finding of non-compliance with any relevant civil rights requirement with respect to your program? _____
If yes, please explain.
14. Have there ever been any felony convictions of any key personnel (i.e., Administrator, CEO, Financial Officers, major stockholders or those with controlling interest)? _____
If yes, please explain:
15. Has anyone in your organization, or has your organization, ever been restricted or, in any way sanctioned, or excluded from participation in any governmentally funded healthcare programs including, but not limited to, Medicare or Medicaid/AHCCCS? _____
If yes, please explain.
16. Identify the unique capabilities that set your firm apart from your competitors.
17. Please describe any innovations created by your firm that has proved beneficial to the industry or your own audit processes.
18. Describe the technology you employ for each audit.
19. Does your firm have auditors who are independent contractors?
20. How are your auditors compensated?
21. Outline the methods, procedures and processes to ensure quality control for the audit team.
22. Does your firm have local offices to support this audit?
23. List any partnerships or strategic alliances with your firm that could be utilized in support of this audit.
24. Provide a description of your audit processes.
25. Does your firm perform the audit work onsite?
26. What resources and involvement will be required of the client to perform the audit?
27. What dollar ranges to do you consider when planning your audit approach?
28. What financial accounting systems do you support?
29. What is your escalation process should a problem arise?
30. Briefly explain how you handle vendor correspondence.
31. Do you have an in-house team of recovery specialists attempting soft recoveries within your firm?
32. How much control do clients have over which vendor/contractors are contacted or findings are used in the recovery process?
33. Is billing based on actual recovery, receipt of check, use of debit memo, or findings only?

34. How often do you report findings?
35. In your experience, which audit reports are the most helpful to the client?
36. Do you perform benchmark reporting? If so, is it by industry, size of organization, revenues, size of accounts payable department, or number of invoices processed?
37. Provide an example of your report format.
38. Do you provide ad hoc reporting capability?
39. Do you offer web-based reporting?

ATTACHMENT C: PROFESSIONAL REFERENCES

Enter the information requested below for at least three professional references. These references should be current or recent clients for whom the Proposer has provided Recovery Audit Services similar to those solicited under this RFQ:

REFERENCE #

Organization Name: _____

Address: _____

City/State/Zip: _____

Contact Person: _____ Title: _____

Contact Person Phone Number: _____

Please provide a description of the services provided. Clearly identify the similarities and dissimilarities to the services being proposed in response to this RFQ.

Description for Reference:

ATTACHMENT D: PRICING

The document is to be used by the Proposer to specify proposed rates for Recovery Audit Services. Rate quotes are to be provided for the initial contract term of August 1, 2009 to July 31, 2011.

Please provide specific information about fees for Services including (a) how fees are calculated and (b) when fees are billed below:

Upon successful negotiations with Proposer(s), pricing information will be inserted into Section IV, Compensation, Paragraph 2, Pricing.

The price and terms and conditions in this Proposal are valid for 180 days from the date of submission.

I hereby certify that I acknowledge acceptance of the rates for the initial contract period of August 1, 2009 to July 31, 2011.

Signature of Authorized Individual

Printed Name of Authorized Individual

Name of Submitting Organization

Date

ATTACHMENT E: RESPONSE TO WORK STATEMENT REQUIREMENTS

The Proposer must explain how they will meet all the requirements of the Work Statement. The Proposer shall insert appropriate text to indicate specifically how it will satisfy each requirement. The Proposer should use as much detail as necessary to clearly convey how they will ensure provision of these services. Proposers should not simply restate the requirements, but describe how each task will be accomplished.

Nothing prohibits the addition of supplemental services, not identified in this solicitation and deemed necessary by MIHS and agreed to by the selected Contractor(s).

Services associated with this procurement and the resulting contract(s) may be added or deleted by the District, as needed.

WORK STATEMENT

1. SERVICE GOAL

To provide analysis and auditing of MIHS payments to vendors for goods and services and other sources of information and recovery of overpayments, including identification of possible fraud. MIHS seeks Proposers who will perform quality work accomplished with minimum disruption to MIHS' operation.

2. VOLUME

MIHS' total FY2008 accounts payable spend for purchased services and professional fees amounted to \$89,520,955.

3. SERVICE OBJECTIVES

OBJECTIVE 1: Recovery auditing will include the identification of overpayments, or asset misdirection, recouping amounts or assets identified for MIHS.

OBJECTIVE 2: The Contractor will be expected to review and analyze accounts payable and purchasing information from MIHS' internal and external sources to discover payments in excess of contractual and legal requirements.

OBJECTIVE 3: The Contractor will track or collect payments and remit the funds to MIHS. The Proposer will be expected to collect funds from vendors who are no longer active with MIHS.

OBJECTIVE 4: MIHS expect to pay contingent fees based on recoveries.

OBJECTIVE 5: The Contractor will also be expected to provide best practice recommendations and training to MIHS for improvements based upon observations and discoveries made during and throughout the recovery audit period.

OBJECTIVE 6: The Contractor will be expected to provide at a minimum a bi-weekly report of recoveries and confirmed credits.

4. RECOVERY AUDIT PERIOD

The audit will cover fiscal years 2005 through 2009. MIHS' fiscal year begins July 1 and ends June 30.

5. AUDIT SCOPE AND AUDIT EXCLUSIONS

- A. MIHS has decided to investigate the possible benefits of outsourcing a recovery audit of its accounts payable spend. The recovery audit shall include the audit, claims management, data warehousing and reporting invoice transactions. The Contractor shall be able to conduct a comprehensive audit using a variety of information sources, submit and close claims in a timely manner, assist in identifying opportunities for cost reduction or avoidance, provide valuable vendor activity reporting, maintain a productive relationship with MIHS' vendors, be stable and flexible in the industry and employ the most current technology.
- B. Source information available to auditor to include, but not be limited to paper invoices, credit memos, microfiche invoices, etc.
- C. Processing statistics to include, but not be limited to, annual revenue, annual payables volume, annual invoices process, total vendors, etc.

6. REPORTING REQUIREMENTS

- A. Management reporting shall include the capability to import electronic information into MIHS' business management system, McKesson STAR, as well as reports that provide analysis on claims submitted, in process, closed, paid and other pertinent data.
- B. The reporting should provide analysis that identifies opportunities for cost reduction and avoidance.
- C. The Contractor shall provide access to the management reporting via an Internet portal to allow MIHS managers to access the data as needed during the month. In addition, the Contractor shall provide a method to indicate how recently MIHS' data files were updated.
- D. MIHS Accounts Payable will make the final determination on which accounts will be audited prior to when Contractor begins the audit.

Nothing prohibits the addition of supplemental services, not identified in this solicitation and deemed necessary by MIHS and agreed to by the selected vendor(s).

ATTACHMENT F: EXCEPTIONS TO WORK STATEMENT REQUIREMENTS AND/OR GENERAL CONTRACT PROVISIONS

Proposers must use this section to state any exceptions to the RFQ requirements and/or any requested language changes to the **MIHS General Provisions**. Proposer(s) may inspect the General Provisions at: <http://www.mihs.org/docs/GeneralProvisions-May52008.doc>. This is the only time proposers may contest these issues. Requests for changes after the date proposals are due will not be considered and could subject the proposer to non-award on grounds of non-responsiveness.

Please sign and include this statement with your proposal.

I have read MIHS' General Provisions and:

- I accept them
- I have stated my exceptions and have included them in this proposal.

Signature of Authorized Individual

Printed Name of Authorized Individual

Name of Submitting Organization

Date

ATTACHMENT G: PROPOSER'S CHECKLIST

- _____ Authorization to Submit Proposal
- _____ Organizational and Financial Information
- _____ Professional References
- _____ Pricing
- _____ Response to Work Statement Requirements
- _____ Exceptions to Work Statement Requirements and/or General Contract Provisions
- _____ Proposer's Checklist

All items must be included in the Proposer's submission in order to be considered responsive to this RFQ.