



Legislation Details (With Board Report)

**File #:** A 12-204                      **Name:** Credit Consulting Services Renewal & Amendment #4

**Type:** BoS Agreement                      **Status:** Passed

**File created:** 10/23/2012                      **In control:** Board of Supervisors

**On agenda:** 12/4/2012                      **Final action:** 12/4/2012

**Title:** Authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute Renewal & Amendment No. 4 to the Agreement (A-11010) with Credit Consulting Services Inc. for Bad Debt Collection Services at NMC, extending the Agreement to June 30, 2013 for a total Agreement amount not to exceed \$3,100,000 (no increase to previously approved amount) in the aggregate.

**Sponsors:** Sid Cato

**Indexes:**

**Code sections:**

**Attachments:** 1. Credit Consulting Services, 2. Completed Board Order

Date	Ver.	Action By	Action	Result
12/4/2012	1	Board of Supervisors	approved	

Authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute Renewal & Amendment No. 4 to the Agreement (A-11010) with Credit Consulting Services Inc. for Bad Debt Collection Services at NMC, extending the Agreement to June 30, 2013 for a total Agreement amount not to exceed \$3,100,000 (no increase to previously approved amount) in the aggregate.

**RECOMMENDATION:**

It is recommended the Board of Supervisors authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute Amendment No. 4 to the Agreement (A-11010) with Credit Consulting Services Inc. for Bad Debt Collection Services at NMC, extending the Agreement to June 30, 2013 for a revised total Agreement amount not to exceed \$3,100,000 (no increase to previously approved amount) in the aggregate.

**SUMMARY/DISCUSSION:**

Credit Consulting Services Inc. is one of two agencies that NMC uses to provide collection services for NMC's self-pay patients and bad debt collections. Credit Consulting Services receives a daily data file of all self-pay patients from NMC's Meditech system and is responsible to send three (3) collection notices to the patient within a 150 day time frame, if no response is received from the patient, then the account is put into bad debt collections. Credit Consulting Services has been providing this service to Natividad since 2007 and is a need to recover bad debt monies.

This Renewal and Amendment No. 4 extends the term of the Agreement through June 30, 2013 only. No additional dollars from the previously approved amount of \$3,100,000 are being requested at this time.

**OTHER AGENCY INVOLVEMENT:**

County Counsel has reviewed and approved this Renewal and Amendment No. 4 as to legal form and risk

provisions. Auditor-Controller has reviewed and approved this Renewal and Amendment No. 4 as to fiscal provisions. The Renewal and Amendment No. 4 has also been reviewed and approved by Natividad Medical Center's Board of Trustees.

**FINANCING:**

As a result of Amendment No. 3, the Board of Supervisors approved a \$700,000 increase for Fiscal Year 2011-2012 in the maximum liability for the Agreement (for a total Agreement amount not to exceed \$3,100,000 in the aggregate). As a result of this Amendment No. 4, no additional dollars will be added. Remaining funds from the previous year's purchase orders (approximately \$700,000) will be rolled over for Fiscal Year 2012/2013. \$700,000 is included in the Fiscal Year 2012/2013 Adopted Budget. There is no impact to the General Fund.

Prepared by: Vince Carr, Patient Financial Services Director, 783-2345

Approved by: Harry Weis, Chief Executive Officer, 783-2553

Attachments: Agreement, Amendments 1, 2, 3 and Renewal & Amendment No. 4.