



County of Monterey

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Board Report

File #: A 13-076, **Version:** 1

Authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute Amendment No. 5 to the Agreement (A-11010) with Metro Republic Commercial Service Inc. for Bad Debt Collection Services at NMC, extending the Agreement to June 30, 2015 for a total Agreement amount not to exceed \$3,100,000 (no change 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. 5 to the Agreement (A-11010) with Metro Republic Commercial Service Inc. for Bad Debt Collection Services at NMC, extending the Agreement to June 30, 2015 for a total Agreement amount not to exceed \$3,100,000 (no change to previously approved amount) in the aggregate.

SUMMARY/DISCUSSION:

Metro Republic Commercial, Inc is one of two agencies that NMC uses to provide collection services for NMC's self-pay patients and bad debt collections. Metro Republic Commercial 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. Metro Republic Commercial has been providing this service to Natividad since 2007 and is needed to recover bad debt monies.

This Amendment No. 5 extends the term of the Agreement only, no extra dollars from the Board of Supervisors previously approved dollar amount (\$3,100,000) is being requested. The remaining funds from the previous year's purchase orders (approximately \$1,900,000) will be rolled over for fiscal year 2013/2014.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved this Amendment No. 5 as to legal form and risk provisions. Auditor-Controller has reviewed and approved this Amendment No. 5 as to fiscal provisions. The Amendment No. 5 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 to the Agreement for Fiscal Year 2011-2012 (for a total Agreement amount not to exceed \$3,100,000 in the aggregate). Amendment No. 4 was approved for Fiscal Year 2012-2013 at the same aggregate amount. As a result of this Amendment No. 5, no additional dollars will be added. Remaining funds from the previous year's purchase orders (approximately \$1,900,000) \$700,000 is budgeted in the Fiscal Year 2013/14 Recommended Budget. Amounts for remaining years of the Agreement will be included in those budgets as appropriate. There is no impact to the General Fund.

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Prepared by: Vince Carr, Patient Financial Services Director, 783-2345
Approved by: Harry Weis, Chief Executive Officer, 783-2553

Attachments: Amendment No. 5, Original Agreement, Amendment numbers 1, 2, 3, and 4
Attachments on file with the Clerk to the Boards Office