



County of Monterey

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

Board Report

File #: A 12-085, **Version:** 1

Authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute Amendment No. 4 to the Agreement (A-11010) with Metro Republic Commercial Service 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 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. 4 to the Agreement (A-11010) with Metro Republic Commercial Service 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 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 a need to recover bad debt monies.

This Amendment No. 4 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 \$448,500) will be rolled over for fiscal year 2012/2013.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved this Amendment as to legal form and risk provisions. Auditor-Controller has reviewed and approved this Amendment as to fiscal provisions. The Amendment 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 \$448,500) will be rolled over for Fiscal Year 2012/2013. \$445,000 is included in the Fiscal Year 2012/2013 Recommended 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 4.