



County of Monterey

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

Board Report

File #: A 16-091, **Version:** 1

- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute an Agreement with InfoImage of California, Inc. for medical bill mailing services for an amount not to exceed \$300,000 and with an Agreement term of July 1, 2016 through June 30, 2021; and
- b. Authorize the Deputy Purchasing Agent for NMC or his designee to execute up to three (3) future amendments to the agreement which do not significantly alter the scope of work and do not cause an increase of more than ten percent (10%) of the original cost of the agreement for all amendments.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute an Agreement with InfoImage of California, Inc. for medical bill mailing services for an amount not to exceed \$300,000 and with an Agreement term of July 1, 2016 through June 30, 2021; and
- b. Authorize the Deputy Purchasing Agent for NMC or his designee to execute up to three (3) future amendments to the agreement which do not significantly alter the scope of work and do not cause an increase of more than ten percent (10%) of the original cost of the agreement for all amendments.

SUMMARYDISCUSSION:

As part of the Fair Trade and Lending Act, Federal and States laws require NMC to send an Explanation of Services letter to every patient who receives services. InfoImage is the company NMC uses to send out this first mailing to every patient.

NMC produces approximately twenty to thirty thousand Explanation (Statement) of Services letters per year. InfoImage services allow NMC's electronic medical record program (MediTech) to interface easily into the statement of services providing 100% data-to-mail integrity and eliminating duplications or corrupt data. InfoImage completes all processing of the letters including, sorting, filing, bar-coding, delivery and special handling of foreign mail. InfoImage provides integrated services with the US Postal Service and remains current with postal rules and regulations to meet compliance.

It is mandatory that NMC send statements to all self-pay patients and waiting for insurance to pay patients. NMC is required by law (Fair Trade Lending Act) to send statements out to all patients with a balance.

InfoImage is a preferred provider with over 25-years of experience meeting Fair Trade and Lending Act laws for many hospitals and hospital organizations throughout the U.S.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved this Agreement as to legal form and risk provisions, and the Auditor-Controller has reviewed and approved as to payment provisions. The Agreement has also been reviewed and approved by NMC's Finance Committee on March 24, 2016 and by its Board of Trustees on April 1, 2016.

FINANCING:

The cost for this Agreement is \$300,000 of which \$60,000 is included in the Fiscal Year 2016-17 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.

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

Approved by: Gary R. Gray, DO, Chief Executive Officer, 783-2504

Attachments on file with Clerk of the Board:
Agreement with InfoImage of California, Inc.