The Rector and Visitors of the University of Virginia
On behalf of its Medical Center

Request for Proposal #BAB-041219

Bad Debt Collection Services and Self-Pay Receivables Management

Issued By:
Medical Center Procurement
University of Virginia Medical Center
Charlottesville, Virginia

April 12, 2019
A. GENERAL INFORMATION

Request for Proposal (RFP) Name: Bad Debt Collection Services and Self-Pay Receivables Management

RFP Number: #BAB-041219

Issue Date: April 12, 2019

Brief Description: The Rector and Visitors of the University of Virginia, a Virginia public corporation, on behalf of its Medical Center (hereinafter “Medical Center”, “UVaMC”, “UH” or “University”) seek an experienced firm to provide professional debt collection services on patient accounts assigned by the UVaMC on a daily, weekly or monthly basis.

Communications: Any questions and communications concerning this RFP must be sent to and through the Senior Contract Negotiator (SCN) listed below, or as otherwise indicated.

Proposal Due Date: The due date for this proposal is 5pm EST, Friday, May 17th, 2019. Proposals are to be sent using the contact information below. By mail, provide minimum of 8 copies of each proposal and a full electronic version of the RFP, either sent electronically or on CD ROM with the response. The University of Virginia (the “University”) may, at its discretion, accept late proposals if it is determined to be in the best interest of the University.

On Site Presentations/Negotiations: On site presentations/negotiations, if needed, will be held on/during the week(s) of June 3rd, 2019 (TBD).

Expected Award Date: June 28th, 2019

Term of Agreement: The term of a resulting Agreement or Purchase Order will be for three years, with the ability to renew on the same terms and conditions, for two additional one-year periods if mutually agreeable to the University and the Selected Firm. The Selected Firm and the University will mutually agree at least 180 days prior to each renewal period whether to renew the terms of the Agreement.

Refer all questions to: University of Virginia Medical Center
Department of Medical Center Procurement
1300 Jefferson Park Avenue, Room #1951
P.O. Box 800705
Charlottesville, VA 22903
Attention: Bruce Bradley, Senior Contract Negotiator
Phone: 434-243-2707
Fax: 434-982-4354
Email: BAB5G@hscmail.mcc.virginia.edu; Carbon Copy: ARP9B@hscmail.mcc.virginia.edu
This Request for Proposal (RFP) has been posted on Medical Center Procurement’s web site for your convenience. Addenda and attachments are posted if issued. The RFP can be downloaded at this web site: http://www.healthsystem.virginia.edu/internet/scm. It is the firm’s responsibility to ensure that the latest version of the entire RFP and related links are reviewed prior to submission of a proposal. We encourage you to check the web site frequently for any changes prior to the due date. Call Marjorie Chambers (434) 924-9374 if you have trouble accessing the RFP from the web. For questions about the content of the RFP, contact Bruce Bradley listed above.

For ease of reference, each firm or individual receiving this RFP is referred to as a “firm” and the firm or individual selected to provide services for the University is referred to as the “Selected Firm.” This RFP states the instructions for submitting proposals and the procedure and criteria by which a firm may be selected.

Overview of the Medical Center:

1. UVaMC Locations and Services

   The UVa Medical Center houses the outpatient and inpatient clinical portion of the University of Virginia Health System which also includes the Schools of Medicine and Nursing, the Claude Moore Health Sciences Library and the UVA Physicians Group (UPG). Inpatient and outpatient services are provided in a number of geographic locations which must be served by clinical and financial information systems. The Health System has routinely been included in rankings of high quality providers including Magnet recognition for superior nursing processes and quality patient, U.S. News and World Report’s Best Hospitals and Best Children’s Hospitals (7 nationally ranked specialties in 2016), and Best Doctors in America. Plans are underway for additional future facility and clinical program development which will be integral parts of the patient, family and clinician experience. The current and future array of services and sites include:

   a. University Hospital (UH)

      A full service, 10-story, 800,000 square foot academic medical center originally opened in 1989 offering the comprehensive array of inpatient and outpatient diagnostic, treatment and support services, serving a wide geographic region extending beyond Virginia into West Virginia, North Carolina, Maryland and beyond, including primary through quaternary care. It is staffed by more than 7,000 clinicians and staff, as well as over 1,000 volunteers. UH includes a Level I Trauma Center and a Level 4 Neonatal Intensive Care Unit. Ground and air transportation capabilities support and allow transport of patients from accident scenes, other hospitals and other locations. The inpatient services consist of approximately 600 beds. A hospital expansion project is underway that will renovate and expand the Emergency Department, expand interventional services and convert most of our semi-private patient rooms to private rooms. UH also has a 20 bed short stay unit, providing short term care for post procedure and observation patients.

   b. UVA Children’s Hospital

      UVA Children’s Hospital provides primary and specialty care in more than 30 specialties to children throughout Virginia. It is nationally ranked by U.S. News & World Report and includes a hospital-within-a-hospital at UVA Medical Center with 111 beds, a dedicated pediatric emergency department, a Neonatal Intensive Care Unit for infants, a Pediatric Intensive Care Unit for children younger than 18 and the UVA Child Health Research Center. The Battle Building, opened in 2014, consolidates outpatient children’s care at a single location in Charlottesville.

      i. The 200,000-square-foot Battle Building at UVA Children’s Hospital is consolidating UVA's outpatient care for children. It brings together hundreds of doctors and healthcare staff devoted to caring for kids and families into a building designed to place children at ease and promote healing. Children can receive primary care as well as care from pediatric providers in dozens of specialties, including allergy, cardiology, hematology/oncology and teen health.

      ii. Outreach Clinics – Physicians conduct Field Clinics throughout Virginia, providing pediatric subspecialty care in at least seven communities not able to support key subspecialties.
c. **University of Virginia Outpatient Surgery Center**

Located within the Battle Building, the Outpatient Surgery Center is comprised of twelve ORs and two procedure rooms as well as recovery room and related support services. A full array of anesthesia and surgical services is provided in this setting. Patients can be easily transported from the center to the UH if necessary for additional care or overnight stay if needed.

d. **UVA Transitional Care Hospital**

A 40 bed long term acute care hospital was established to expand the UH inpatient bed capacity and enhance operations and financial stability by relocating patients who require high intensity medical services with lengths of stay exceeding 25 days.

e. **Emily Couric Clinical Cancer Center**

The Emily Couric Clinical Cancer Center, located across the street from University Hospital, which provides the full array of services needed by patients with all kinds of cancer. The vision of those who planned the cancer center is that it will be “a place where families can come to be supported in their fight against cancer, knowing that they will receive the most advanced therapies possible. It is a place where their humanity will be valued, their individuality honored, and their intellectual, emotional, and spiritual struggle sustained.” The Emily Couric Clinical Cancer Center is designed to accommodate advances in such areas as genetic diagnosis and analysis, informatics, and molecular biology and is organized so that all disciplines and services can easily be brought to the patient to provide individualized care that is both sophisticated and tightly integrated. At the same time, the building is the center of a community that extends for hundreds of miles in all directions. The Emily Couric Clinical Cancer Center houses all outpatient services for adults diagnosed with cancer, including:

- Comprehensive services for patient-centered care
- Complete radiation-oncology treatment services
- Clinical trials office
- Complete patient and family services
- Clusters of exam and consultation rooms
- Telemedicine capabilities: Immediate and constant access to patient information is one of the most important conditions for the multidisciplinary care of cancer patients and is a foundation of success in this endeavor.

f. **UVA-Health South Rehabilitation Hospital**

A joint venture 40 bed rehabilitation hospital is located at Fontaine Research Park; this facility provides comprehensive rehab services for UVA and other patients needing such services who have been discharged by local hospitals.

g. **Outpatient Services On Grounds**

A wide variety of outpatient clinics are located in several sites in the vicinity of UVA. All are connected by enclosed walkways. The onsite clinics include:

- Primary Care Center – primary and specialty services located in a 125,000 square foot clinic adjacent to University Hospital; opened in 1977:
  - Dermatology
  - EEG and EP
  - Family Medicine
  - Heart and Vascular Center
  - Neurology
  - Gynecology
  - Pulmonary
  - Gamma Knife

- West Complex – an eight story 240,000 square foot facility constructed in 1960 and renovated over the past 20 years. Outpatient specialty services, in addition to administrative and office space, include:
  - Breast Care Center
h. Outpatient Services Off Grounds

A need for additional space as well as a desire to be more accessible and convenient for patients resulted in the development and expansion of services in sites off the main UVA grounds:

- Fontaine Research Park – subspecialty clinics, including Diabetes Education, Primary Care, ENT, PMR, Orthopedics, Hand Center, and Pituitary Clinic
- Northridge – a 60,000 square foot medical office building located about 4 miles west from UVaMC, constructed in 1989 and including primary and subspecialty clinics:
  - Cardiology and Thoracic Cardiovascular Surgery
  - Internal Medicine
  - Ophthalmology
  - Pediatrics
  - Women’s Center – obstetrics, gynecology, Midlife Center, mammography
- Orange – Medicine, pediatrics, some medical specialty clinics
- Continuum Home Health & Home Infusion – home health provides services in 15 localities and home infusion in Virginia and North Carolina
- Provider Based Primary Care locations – primary care practices located in communities surrounding Charlottesville operated as Provider Based Clinics, including Zion Crossroad Clinic, Stoney Creek Clinic, and Albemarle Family Medicine clinic
- Regional Primary Care – seven primary care offices owned and managed by UPG located primarily in rural regions surrounding Charlottesville including the Shenandoah Valley
- Telemedicine Program – UVA Health System provides telemedicine services throughout Virginia, serving rural communities and prisons with specialty care not routinely available.

i. UVA Imaging

A joint venture with Outpatient Imaging Associates (OIA) provides comprehensive imaging services at the Fontaine Research Park and Northridge. The UVA Department of Radiology provides medical staff for the centers, which provide accessible, patient-friendly services that are convenient for patients seen at UVA Clinics primarily at that location including Orthopedic Surgery and Physical Medicine and Rehabilitation.

j. Partnerships and collaborations

The MC has cultivated and values a distinct complement of partnerships and collaborations across the region. These include:

- Novant Health UVA Health System – a regional health system that includes three medical centers
- Collaborations for specialty care with Bon Secours Health System
- Program of All-inclusive Care for the Elderly (PACE) a collaborative with JABA and Riverside Health
- Radiosurgery Centers with Riverside Healthcare
- Management services and medical direction for the stereotactic radiosurgery and stereotactic body radiotherapy services at Winchester Medical Center
- Collaboration with Hospice of the Piedmont to provide a 10-bed inpatient hospice unit at the UVA Transitional Care Hospital
- A pediatric liver transplant partnership with Children’s Hospital of Pittsburgh of UPMC

2. Customer Related Entities and Affiliates:
• **Related Entities.** UVa Physicians Group (UPG), its majority owned subsidiaries listed below, and the University's majority owned subsidiaries listed below shall hereinafter be referred to as "Related Entities." UPG is the University of Virginia Physicians Group, a Virginia not-for-profit corporation that furnishes clinical services, including the practice plan for physician faculty at the University. The majority owned subsidiaries are: Community Medicine University of Virginia LLC, Virginia Urologic Foundation and University of Virginia Imaging LLC.

• **Affiliates.** Customer Affiliates include but not be limited to, health care providers, of whatever legal form, that UVA or the Related Entities owns or controls, or with which UVA or the Related Entities has entered into an agreement for the furnishing of health care services (or services directly in support of health care services) for consideration, or which are physician practices which refer patients to the University, whether under the University's existing organizational and network structure or under future arrangements. Examples include Riverside UVA Radiosurgery. However, the term "Affiliate" does not include a Health Care Software Vendor or an entity that furnishes primarily data processing services as, or predominantly in the nature of, a data processing service bureau.

### B. SCOPE OF GOODS & SERVICES

#### I. SCOPE OF GOODS AND SERVICES

Proposing vendors will be asked to perform collection services on all University referred patient accounts that will best meet the needs of the Medical Center and UPG. This is a two part RFP, with one piece dealing with collection of bad debt, and the other piece relating to an extended business office concept for management of self-pay receivables (including after insurance balances) up until the point of write-off. Firms can respond to either or both parts of the RFP. The solution(s) should include the firms' capabilities and detail the services required to meet the University's requirements. The proposed solution(s) should address the roles to be performed by both internal and external sources.

More information regarding scope & the proposal can be found in Attachment 3.

Service Level Agreement (SLA) requirements can be found in Attachment 4.

### C. BASIS OF SELECTION

The Medical Center will evaluate proposals and, if a firm is to be selected, select the firm on the basis of:

1. The firm’s plan to assist the Medical Center to meet its goals and requirements as discussed in this RFP including its Section B: Scope of Goods and Services.
2. The firm’s relevant experience, qualifications and success in providing the goods and/or services outlined in this Request for Proposal.
3. The firm’s references from institutions of higher education, teaching hospitals, and clients who are comparable to the Medical Center.
4. The firm’s financial proposal.
5. The quality of the proposal, specifically, the provision, adequacy and completeness of your response.
6. The contractual terms that would govern the relationship between the Medical Center and the Selected Firm. The firm will be deemed to have fully accepted the Medical Center’s Contractual Provisions: [http://www.medicalcenter.virginia.edu/scm/](http://www.medicalcenter.virginia.edu/scm/), unless specific modifications are requested in the firm’s written proposal, with an explanation as to why such modifications are required by the firm.
7. The firm’s Small, Woman-owned and Minority-owned (SWAM) businesses status and/or the firm’s plan for utilization of SWAM businesses.
8. Any other relevant factors as determined solely by the Medical Center.

### D. CONTENTS OF PROPOSAL

Proposals should be prepared simply and economically, providing a straightforward, concise description of capabilities to satisfy the requirements of the RFP. Emphasis should be on completeness and clarity of content, and
should be organized in the order in which the requirements are presented in the RFP. Firms should provide the following information:

1. A brief history of the firm and its experience, qualifications and success in providing the type of product requested.
2. A detailed description and the full specifications of the services proposed. Each firm should indicate in their proposal the firm’s ability to achieve / comply with each specification. In the event that the firm wishes to propose an alternate specification that, in any way, differs from the above specifications, the firm should detail their proposed change(s) and how the proposed change would compare to the listed specification. Proposals should be formatted in such a way to address each of the above specifications in a line-by-line process.
3. The firm’s capacity for accepting electronic payments through Electronic Data Interchange (EDI) or Automated Clearing House (ACH) and any additional discounts that may result from paying electronically.
4. At least three references where similar goods and/or services have been provided. Include the name of the firm / organization, the complete mailing address, and the name of the contact person and their telephone number.
5. The firm’s Small, Woman-owned and Minority-owned (SWAM) businesses status and/or how the firm intends to utilize SWAM firms in regards to this particular procurement.
6. An authorized representative of the responding Firm shall sign proposals. All information requested should be submitted; the Medical Center may reject proposals that are substantially incomplete or lack key information.
7. Each copy of the proposal and all additional documentation submitted should be bound or contained in a single volume where practical. Responders shall provide minimum of 4 copies of each proposal and a full electronic version of the RFP, either sent electronically or on CD ROM with the response.
8. Ownership of all data, materials, and documentation prepared for the Medical Center pursuant to this RFP shall belong exclusively to the Medical Center. Once an award is announced, all proposals submitted in response to this RFP will be open to the inspection of any citizen, or any interested person, firm or corporation, in accordance with the Virginia Freedom of Information Act. Trade secrets or proprietary information submitted by a firm as part of its proposal will not be subject to public disclosure under the Virginia Freedom of Information Act if the firm invokes the protections of Virginia Code Section 2.2-4342(F) in writing and follows its stated requirements prior to or upon submission of its proposal. A firm may not request that its entire proposal be treated as a trade secret or proprietary information. Nor may a firm request that it’s pricing be treated as a trade secret or proprietary information, or otherwise be deemed confidential. The Medical Center shall, upon receipt of any request under the Virginia Freedom of Information Act for materials that the Firm has identified as trade secrets or proprietary information in conformity with the requirements of Virginia Code Section 2.2-4342(F), notify the Firm that a request has been received, before responding to the request. Except as may be required by applicable law, the Medical Center shall not voluntarily disclose the designated trade secrets or proprietary information without prior written approval of the Firm.
9. Complete and return the information requested in Attachment 1, Firm Information. State point of contact information to include name, address, office telephone number, mobile telephone number, facsimile number and email address.
10. Provide the Medical Center with a written statement of any requested modifications to the Medical Center’s Contractual Provisions: [http://www.medicalcenter.virginia.edu/scm/](http://www.medicalcenter.virginia.edu/scm/) pursuant to C.6 above. Failure to provide such a written statement will be deemed as full acceptance of the Medical Center’s Contractual Provisions without exception.

**The Issuing Office for this Request for Proposal and the location to return the response to is:**

**U.S. Mail:**
Medical Center Procurement
University of Virginia Medical Center
P.O Box 800705
Charlottesville, Virginia 22908

**All Other Deliverers:**
Medical Center Procurement
University of Virginia Medical Center
1300 Jefferson Park Avenue, Room #1951
Charlottesville, Virginia 22903
E. TERMS AND CONDITIONS

I. Awarded firms shall adhere to University and Medical Center Policies and procedures.

II. This solicitation and any subsequent award will be governed by:

(a) The Selected Firm registering as a vendor with the University of Virginia Medical Center: http://www.healthsystem.virginia.edu/alive/scm/procurement.cfm

(b) In addition to the Medical Center’s Contractual Provisions: http://www.medicalcenter.virginia.edu/scm/, the following Insurance provision will apply:

Insurance. The Medical Center will not execute an Agreement or authorize the provision of goods and services until the Firm satisfies the insurance requirements of the Medical Center. In no event should the Selected Firm construe these minimum required limits to be their limit of liability to the Medical Center. The Medical Center reserves the right to approve any insurance proposed by the Selected Firm. The requirements are as follows:

1. Automobile Liability insurance with a minimum combined single Limit of Liability for bodily injury and property damage of $750,000 per accident on all owned, hired, and non-owned vehicles operated by the Selected Firm’s employees;

2. Commercial General Liability insurance with a minimum combined single Limit of Liability for bodily injury and property damage of $2 million per occurrence, to include premises/operations, products/completed operations, and contractual liability coverage and list the Medical Center as an additional insured, the proper name is: “The Commonwealth of Virginia, and the Rector and Visitors of the University of Virginia, its officers, employees and agents.”;

3. Workers compensation coverage, (i) with Employer’s Liability coverage of at least $100,000 and (ii) which meets all statutory requirements.

4. The Selected Firm will provide the Medical Center with a valid Certificate of Insurance evidencing all required coverage with its proposal, which shall remain in force throughout the terms of any resulting Agreement The Selected Firm shall only utilize insurers that hold at least an “A-“rating with A.M. Best Company. The Selected Firm shall notify the Medical Center in writing 30 days prior to the termination of any such insurance coverage for any reason whatsoever. The Selected Firm agrees to take no action that prohibits the utilization of this insurance or limits the liability of the Selected Firm for property damage or personal injury in conjunction with goods or services provided under this Agreement.

5. For clinical services, the contractual medical malpractice insurance limit requirement is $2,000,000.

6. For professional services, the Professional Errors & Omissions Liability insurance limit requirement is $1 million per claim.
ATTACHMENT 1

FIRM INFORMATION

Full Legal Name:__________________________________________________________
(Company Name as it appears with Federal Taxpayer ID Number)

Address:________________________________________________________________

Telephone Number:______________ Fax Number:____________________________

Web Address:____________________________________________________________

eMail Address:__________________________________________________________

DUNS Number:___________________________________________________________

SWAM Information:

Is your firm certified with the Commonwealth of Virginia’s Department of Minority
Business Enterprises (DMBE): YES____ NO____

Minority-Owned YES____ NO____

Women-Owned YES____ NO____

Small –Owned YES____ NO____

Your firm’s point of contact for this proposal:

Name:______________________________________________________________

Address:____________________________________________________________

Office Phone:________________________________________________________

eMail: ______________________________________________________________
Greetings:

The quality of service the University of Virginia is able to deliver to its customers is directly related to the excellent support we receive from you and many other outstanding suppliers of goods and services. Without you, we would not be able to fulfill our educational, health care and research missions. An important part of our procurement program involves our commitment to doing business with small, women- and minority-owned (SWaM) businesses. As one of our most important vendors, we look to you to help us achieve this objective.

We conduct substantial business with small firms. We have a particular institutional focus on developing long-term business relationships with minority-and women-owned businesses. We count on our majority firms to help us achieve our goal.

I seek your assistance in two areas. First, to the extent practical, I ask that you involve small, women-and minority-owned businesses in the delivery of services you provide to UVa. The office of Procurement and Supplier Diversity Services is ready to assist you in identifying qualified diverse business partners. Second, I seek your help in reporting your results through our quarterly subcontracting reports. The terms and conditions previously provided to your organization outlined this process.

This effort is important to us. We depend on you in so many ways – this is another way that we can partner with your company to make things better.

Sincerely,

Colette Sheehy

Vice President for Management and Budget
ATTACHMENT 3

ADDITIONAL SCOPE & PROPOSAL

The contractor shall promptly undertake the collection of the assigned accounts through proper and lawful means. The contractor shall comply with the Fair Debt Collection Practices Act, HIPAA and any guidelines established by the Federal Trade Commission and/or regulatory State agencies.

For purposes of pricing the bad debt collections’ piece, we have referred 156,587 UPG and 96,883 Medical Center accounts totaling $102,198,652 in Calendar Year 2018 with the implementation of a new Electronic Medical Records System. This includes both outpatient and inpatient accounts for true and residual self-pay balances. The average per month is 21,122 accounts totaling $8,516,554 for both entities. The minimum balance being referred will be $10.00. The average Medical Center account $726.52, and the average UPG account balance is $203.16.

For purposes of pricing the self-pay receivables management piece, we average monthly:

1. 5,337 self-pay (no insurance) outpatient accounts with aggregate balances averaging $2.13 million, or $400 per account.
2. 28,000 outpatient after insurance patient responsibility accounts with aggregate balances averaging ~$7.2 million, or $256 per account.
3. 1,264 inpatient after insurance patient responsibility accounts with aggregate balances averaging $6.0 million, or $4,775 per account.

The Medical Center may choose to award this RFP to multiple contractors with splits based upon alphabetic, balance, or other criteria as we deem appropriate. We, however, reserve the right to award this to only (1) contractor.

As to the bad debt collections piece:

We would like you to map out a process for billing and follow up on accounts for which insurance is identified.

The Medical Center also requests separate pricing options to include a minimum of:
- a flat contingency rate for all collections
- tiered contingency rates that are balance driven, and
- “at risk” pricing that guarantees the Medical Center a flat amount of recoveries per month based upon a given percentage (contractor to provide % as part of response) the dollar amount of accounts referred for each month. Vendors are encouraged to be creative on the at-risk pricing and should feel free to provide for incentive bonuses for collections beyond the % provided.

For pricing these options, vendors are to assume volumes at or near those identified above.

As to the self-pay receivables management piece:

We are requesting pricing and solutions based upon all, or a part of the above-listed self-pay volumes being placed for various periods as it applies to the entity, and the vendor acting in the name of the University to:

1. Obtain payment in full;
2. Establish appropriate payment plans in accordance with University approved guidelines
3. Assume responsibility for any and all communication on the account during the placement period
4. Direct all payments to the Hospital
5. Identify collection/problem accounts early in the process.
6. Identify and return accounts where previously unknown third party coverage is verified for the given dates of service.
7. Perform any other best practices model self-pay receivables’ managements functions

A. Pricing quotes should not assume that all accounts will be placed. For example, pure self-pay may be done (or not), along with certain after-insurance patient balance categories. Vendors should feel free to price according to account type (pure self-pay versus after insurance balances), account volumes, dollar balance thresholds, time given to
resolve, and age of the accounts placed. Vendors should recognize that all balances over $9.99 are pursued and would be included in our intended scope of services. An array of definitive pricing models and options are encouraged. Vendors are also encouraged to consider the efficacy and related costs to the Medical Center, if any, of placing an on-site resource here to manage day to day tasks and issues that are best resolved through close proximity to the Medical Center financial operations. We expect separate pricing for establishment of payment plan in lieu of collecting on full balance.

B. Contractual/Warranty Specifications
Vendors will be required to sign a Business Associate Addendum, included in this RFP as Attachment 5.

As to Bad Debt Collections

UVA Medical Center Accounts Only
- The contractor shall not file a lawsuit or refer an account to an independent attorney.
- The contractor shall suspend action either temporarily or permanently on any account upon receipt of notification from the Medical Center. The Medical Center may request the return of an account for any reason without cost.
- The contractor is not authorized to settle or compromise any balances without the expressed permission of Medical Center.
- The contractor shall return accounts, for consideration of legal action when:
  - Debtor is known to have assets and refuses to pay,
  - The contractor has actual knowledge that collectability will be rendered ineffectual by failure to take legal action, or
  - Debtor refuses to pay because of a dispute with the validity of the underlying debt.
- Unless previously closed by Medical Center request, or referred for a lawsuit, Contractor will close and return all accounts that:
  - have been placed with them for eighteen (18) months, and
  - for which there have been no payments made directly to contractor in the last 2 months (expressly excluding direct payments to Medical Center).
  - Debtor has legal counsel

The contractor will provide customized programming as requested to ensure seamless integration, including on-site technical resources to assist in programming for FTP based (or other electronic media) account referral, updating, remittance and return processing of accounts. The vendor(s), at no cost to Medical Center, will report accounts meeting the following criteria to the major credit reporting agencies:
1. Accounts with a balance of at least $50, and
2. that have been placed with the vendor for a minimum of 60 days

The contractor will not be eligible for commission payment on payments received by UVA Medical Center by virtue of intercepting patients’ tax refunds, lottery winnings and any other recovery related to participation in the Debt Set-off Program.

The vendor will not be permitted to settle or compromise balances absent documented authority from the Medical Center.

UPG Accounts Only
- The contractor shall not file a lawsuit or refer an account to an independent attorney without the review of UPG.
- The contractor shall suspend action either temporarily or permanently on any account upon receipt of notification from the UPG. The UPG may request the return of an account for any reason without cost.
- The contractor is not authorized to settle or compromise any balances without the expressed permission of UPG.
- The contractor shall refer accounts to be considered for legal action with an independent attorney when:
  - Debtor is known to have assets and refuses to pay,
- The contractor shall return accounts, for consideration of legal action when:
  - Debtor has legal counsel
  - Debtor refuses to pay because of a dispute with the validity of the underlying debt.
The contractor will provide customized programming as requested to ensure seamless integration, including on-site technical resources to assist in programming for FTP based (or other electronic media) account referral, updating, remittance and return processing of accounts. The vendor(s), at no cost to UPG, will report accounts meeting the following criteria to the major credit reporting agencies:

1. Accounts with a balance of at least $50, and
2. that have been placed with the vendor for a minimum of 60 days

**As to the Self-Pay Receivables Management**

The vendor will not be permitted to settle or compromise balances absent documented authority from the Medical Center.

The contractor shall suspend action either temporarily or permanently on any account upon receipt of notification from the Medical Center. The Medical Center may request the return of an account for any reason without cost.

The vendor will not be entitled to payment on accounts placed where debtors are verified as entitled to financial assistance as administered according to the Commonwealth of Virginia Indigent Care Guidelines.
ATTACHMENT 4

**SLA REQUIREMENTS**

- UVaMC is seeking to understand key service level agreement (SLA) metrics that will be tracked and monitored on an ongoing basis.
- Below are **required** SLA metrics that suppliers will need to monitor and track as part of the program.

<table>
<thead>
<tr>
<th>SLA Metric Description</th>
<th>Metric Definition</th>
<th>Vendor Agreement (Y/N)</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Initiation Time - 1</strong></td>
<td>Vendor will touch a newly placed account within 2 days of placement. <em>(Includes: account preparation)</em></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Initiation Time - 2</strong></td>
<td>Vendor will touch a newly placed account within 7 days of placement. <em>(Includes: address scrubbing and account preparation activities)</em></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Follow Up Duration</strong></td>
<td>Vendor will touch every unresolved account a minimum of every 20 days.</td>
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<td></td>
</tr>
<tr>
<td><strong>Patient Requests / Inquiries</strong></td>
<td>Vendor will respond to all patient requests/inquiries within 24 hours.</td>
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<td></td>
</tr>
<tr>
<td><strong>Summary Report</strong></td>
<td>Send a summary report of the status of all open accounts weekly to UVaMC (e.g. pending payment, call completed to patient, payment plan established, 2nd letter sent, etc.).</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Detailed Report</strong></td>
<td>Send a detailed report of the status of all open accounts weekly to UVaMC (e.g. pending payment, call completed to patient, payment plan established, 2nd letter sent, etc.).</td>
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</tr>
<tr>
<td><strong>Guarantors Messaging</strong></td>
<td>All statements and standard messages sent to the guarantors will be approved by UVaMC.</td>
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</tr>
<tr>
<td><strong>Customer Service Complaints</strong></td>
<td>Vendor tracks all customer service complaints and report/trend them weekly to UVaMC with the issue and a resolution within 24 hours.</td>
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<td></td>
</tr>
<tr>
<td><strong>Monthly Communication</strong></td>
<td>Establish monthly calls between the vendor and UVaMC to review vendor performance, payment reports, and issues.</td>
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<td></td>
</tr>
<tr>
<td><strong>Report Formatting</strong></td>
<td>Vendor and UVaMC will collectively determine report formats to include at minimum: inventory placements tracking, rolling 12 months and year over year recovery, waterfall reports</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Quarterly Business Review</strong></td>
<td>Establish on-site performance meetings every 6 months</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Reconciliation (Received &amp; Closed Accounts)</strong></td>
<td>Send a reconciliation file each week of accounts received and closed to UVaMC.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Vendor System Access</strong></td>
<td>Vendor will provide access into vendor system for UVaMC to review accounts</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Performance Monitoring</strong></td>
<td>Vendor will send required data to established 3rd party performance monitoring vendor</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
ATTACHMENT 5

BUSINESS ASSOCIATE ADDENDUM

This Business Associate Addendum (“Addendum” “BAA”), effective , 2019, (“Effective Date”), is entered into by (the “Business Associate”) and The Rector and Visitors of the University of Virginia, (the “Covered Entity”) (each a “Party” and collectively the “Parties”).

The Parties have entered into an agreement/PO dated , 2019 (the "Agreement") under which the Covered Entity discloses Protected Health Information (individually identifiable health information of patients, as defined in 45 C.F.R. § 160.103) to the Business Associate for purposes for the obligations described below, or the Business Associate creates, receives, uses or discloses Protected Health Information in its performance of the obligations described below. Both Parties are committed to complying with the Standards for Privacy of Individually Identifiable Health Information (the “Privacy Regulation”) and the Security Standards for the Protection of Electronic Protected Health Information (the “Security Regulation”) under the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”).

This Addendum sets forth the terms and conditions pursuant to which Protected Health Information that is provided by, or created or received by, the Business Associate from or on behalf of the Covered Entity, will be handled between the Business Associate and the Covered Entity and with third parties during the term of their Agreement and after its termination. The Parties agree as follows:

1. PERMITTED USES AND DISCLOSURES OF PROTECTED HEALTH INFORMATION

1.1 Services. Pursuant to the Agreement, the Business Associate provides services or goods for the Covered Entity that involves the use and disclosure of Protected Health Information. Except as otherwise specified herein, the Business Associate may make any and all uses of Protected Health Information necessary to perform its obligations under the Agreement provided that such use or disclosure of protected health information would not violate the Privacy Regulation if done by the Covered Entity or the minimum necessary policies and procedures of the Covered Entity. All other uses not authorized by this Addendum are prohibited. Moreover, Business Associate may disclose Protected Health Information for the purposes authorized by this Addendum only, (i) to its employees, subcontractors and agents, in accordance with Section 2.1(f), (ii) as directed by the Covered Entity, or (iii) as otherwise permitted by the terms of this Addendum including, but not limited to, Section 1.2(b) below.

1.2 Business Activities of the Business Associate. Unless otherwise limited herein, the Business Associate may:

a. use the Protected Health Information in its possession for its proper management and administration and to fulfill any present or future legal responsibilities of the Business Associate provided that such uses are permitted under state and federal confidentiality laws.

b. disclose the Protected Health Information in its possession to third parties for the purpose of its proper management and administration or to fulfill any present or future legal responsibilities of the Business Associate, if (i) the disclosures are required by law; or (ii) the Business Associate has received from the third party reasonable assurances regarding its confidential handling of such Protected Health Information as required under 45 C.F.R. § 164.504(e) (4).

1.3 Additional Activities of Business Associate The Business Associate also may:

a. at the request of the Covered Entity, aggregate the Protected Health Information in its possession with the Protected Health Information of other covered entities that the Business Associate has in its possession through its capacity as a business associate to said
other covered entities provided that the purpose of such aggregation is to provide the Covered Entity with data analyses relating to the Health Care Operations of the Covered Entity. Under no circumstances may the Business Associate disclose Protected Health Information of one Covered Entity to another Covered Entity absent the explicit authorization of the Covered Entity.

b. at the request of the Covered Entity, de-identify any and all Protected Health Information provided that the de-identification conforms to the requirements of 45 C.F.R. § 164.514(b), and further provided that the Covered Entity maintains any documentation required by 45 C.F.R. § 164.514(b) which may be in the form of a written assurance from the Business Associate. Pursuant to 45 C.F.R. § 164.502(d)(2), de-identified information does not constitute Protected Health Information and is not subject to the terms of this Addendum.

2. RESPONSIBILITIES WITH RESPECT TO PROTECTED HEALTH INFORMATION

2.1 Privacy Responsibilities of the Business Associate. With regard to its use and/or disclosure of Protected Health Information, the Business Associate hereby agrees to do the following:

a. request from the Covered Entity, access, and disclose to its subcontractors, agents or other third parties, only the minimum amount of Protected Health Information necessary to perform or fulfill a specific function required or permitted under this Addendum and/or the Agreement.

b. use and/or disclose the Protected Health Information only as permitted or required by this Addendum or as otherwise required by law.

c. report to the designated Privacy Officer of the Covered Entity, in writing, any use and/or disclosure of the Protected Health Information that is not permitted or required by this Addendum of which Business Associate becomes aware within 5 days of the Business Associate’s discovery of such unauthorized use and/or disclosure.

d. establish procedures for mitigating, to the greatest extent possible, any deleterious effects from any improper use and/or disclosure of Protected Health Information that the Business Associate reports to the Covered Entity.

e. implement appropriate administrative, technical and physical safeguards to maintain the security of the Protected Health Information and to prevent its unauthorized use and/or disclosure.

f. ensure that all of its subcontractors and agents that receive or use, or have access to, Protected Health Information under this Agreement agree in writing to the same restrictions and conditions on the use and/or disclosure of Protected Health Information that apply to the Business Associate pursuant to this Addendum.

g. make available all records, books, agreements, policies and procedures relating to the use and/or disclosure of Protected Health Information to the Covered Entity, or at the covered entity’s request, to the Secretary of HHS, in a time and manner designated by the Secretary, for purposes of determining the Covered Entity’s compliance with the Privacy Regulation, subject to attorney-client and other applicable legal privileges.

h. upon prior written request, make available during normal business hours at Business Associate’s offices all records, books, agreements, policies and procedures relating to the use and/or disclosure of Protected Health Information to the Covered Entity within 15 days for purposes of enabling the Covered Entity to determine the Business Associate’s compliance with the terms of this Addendum.

i. within 30 days of receiving a written request from the Covered Entity, provide to the Covered Entity such information as is requested by the Covered Entity to permit the Covered Entity to respond to a request by an individual for an accounting of the disclosures of the individual's Protected Health Information in accordance with 45 C.F.R. § 164.528.
j. document such disclosures of Protected Health Information and information related to such disclosures, as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of protected health information in accordance with 45 C.F.R. § 164.528.

k. to the extent the Business Associate is to carry out one or more of Covered Entity's obligation(s) under Subpart E of 45 CFR Part 164, comply with the requirements of Subpart E that apply to the Covered Entity in the performance of such obligation(s);

2.2 HITECH Act and Security Responsibilities of the Business Associate.

The Business Associate agrees to comply with the HITECH Standards. “HITECH Standards” means the privacy, security and security breach notification provisions applicable to a Business Associate under Subtitle D of the Health Information Technology for Economic and Clinical Health Act (the “HITECH Act”), which is Title XIII of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5), and any regulations promulgated thereunder. The parties recognize that additional regulations and guidance documents may be issued implementing and interpreting the HITECH Act during the term of the Agreement. The Business Associate agrees to comply with all applicable requirements of such additional regulations and guidance as they become effective, and agrees that to the extent such regulations or guidance require the Covered Entity to impose such requirements on the Business Associate, they are deemed imposed as and when they become effective.

The Business Associate further agrees:

a. To implement administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of the Electronic Protected Health Information (as defined in 45 C.F.R. §160.103) that it creates, receives, maintains or transmits on behalf of Covered Entity, and more specifically to secure all Electronic Protected Health Information with technologies and methodologies, including encryption, that render such information “secured” as defined in the guidance issued in 74 FR 19006 (April 27, 2009), pursuant to the HITECH Act;

b. To ensure that any agent, including a subcontractor, to whom it provides Protected Health Information agrees in writing to implement reasonable and appropriate safeguards to protect it, including but not limited to encryption that renders such information as “secured” as defined above;

c. To notify the Covered Entity as soon as possible, but no later than the third day on which a security breach is known by Business Associate or an employee, officer or agent of Business Associate other than the person committing the breach, or as soon as possible following the first business day on which Business Associate or an employee, officer or agent of the Business Associate other than the person committing the breach should have known by exercising reasonable diligence of such breach. “Security Breach” as used herein is defined as an acquisition, access, use, or disclosure of Protected Health Information in a manner not permitted under the HIPAA Privacy Rule. Notification will be made to UVA Information Security, Policy and Records Office at (434) 924-4165 with written notice as per section 5.5 of this Addendum. It will include, to the extent possible, the identification of each individual whose unsecured PHI has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, used or disclosed during the breach. The Business Associate will also provide any other available information at the time of notification or promptly thereafter as information becomes available. Such additional information will include (i) a brief description of what happened, including the date of the breach; (ii) a description of the types of unsecured PHI that were involved in the breach; (iii) the originals, or if not applicable, complete copies, of all documents containing exposed Protected Health Information and any related correspondence that come into the Business Associate’s possession. (iv) any steps the Business Associate believes individuals should take to protect themselves from potential harm.
resulting from the breach; and (v) a brief description of what the Business Associate is doing to investigate the breach, mitigate harm to individuals, and protect against any future breaches.

d. To cooperate with the Covered Entity as needed to further investigate and evaluate any Security Breach involving the Business Associate or of which the Business Associate has become aware.

e. In the event of impermissible use or disclosure by the Business Associate or any subcontractor of unsecured Protected Health Information that constitutes, in the reasonable judgment of the Covered Entity a breach requiring notification under applicable provisions of the HITECH Act and implementing regulations, at the discretion of the Covered Entity either the Business Associate or the Covered Entity, at the discretion of the Covered Entity, will notify in writing all affected individuals as required by Section 13402 of the Health Information Technology for Economic and Clinical Health (HITECH) Act. The Business Associate will be responsible for all costs associated with such notification, including any costs of credit monitoring services that the Covered Entity and Business Associate reasonably agree should be offered to affected individuals. For purposes of this paragraph, unsecured PHI means PHI which is not encrypted or destroyed. “Breach” shall have the meaning set forth in 45 CFR 164.402. .

f. To report promptly to the Covered Entity any Security Incident, as defined in Section 164.304 of the Security Regulation, of which it becomes aware. However, the Business Associate shall not be obliged to report an immaterial incident consisting solely of an unsuccessful attempt to improperly access information stored in systems under the Business Associate’s control.

3. ADDITIONAL RESPONSIBILITIES OF THE PARTIES WITH RESPECT TO PROTECTED HEALTH INFORMATION

3.1 Responsibilities of the Business Associate with Respect to Handling of Designated Record Set. In the event that the Parties mutually agree in writing that the Protected Health Information constitutes a Designated Record Set, the Business Associate hereby agrees to do the following:

a. at the request of, and in the time and manner designated by the Covered Entity, provide access to the Protected Health Information to the Covered Entity or the individual to whom such Protected Health Information relates, or his or her authorized representative, in order to meet a request by such individual under 45 C.F.R. § 164.524.

b. at the request of, and in the time and manner designated by the Covered Entity, make any amendment(s) to the Protected Health Information that the Covered Entity directs pursuant to 45 C.F.R. § 164.526. Provided, however, that the Covered Entity makes the determination that the amendment(s) are necessary because the Protected Health Information that is the subject of the amendment(s) has been, or could foreseeably be, relied upon by the Business Associate or others to the detriment of the individual who is the subject of the Protected Health Information to be amended.

3.2 Responsibilities of the Covered Entity with Respect to the Handling of the Designated Record Set. In the event that the Parties mutually agree in writing that the Protected Health Information constitutes a Designated Record Set, the Covered Entity hereby agrees to do the following:

a. notify the Business Associate, in writing, of any Protected Health Information that Covered Entity seeks to make available to an individual pursuant to 45 C.F.R. § 164.524 and the time, manner and form in which the Business Associate will provide such access.

b. notify the Business Associate, in writing, of any amendment(s) to the Protected Health Information in the possession of the Business Associate that the Business Associate will
make and inform the Business Associate of the time, form and manner in which such amendment(s) will be made.

4. TERMS AND TERMINATION

4.1 Term. This Addendum will become effective on the Effective Date and will continue in effect until all obligations of the Parties have been met, unless terminated as provided in this Section. In addition, certain provisions and requirements of this Addendum will survive its expiration or other termination in accordance with Section 5.1 herein.

4.2 Termination by the Covered Entity. As provided for under 45 C.F.R. § 164.504(e)(2)(iii), the Covered Entity may immediately terminate the Agreement and this Addendum if the Covered Entity makes the determination that the Business Associate has breached a material term of this Addendum. Alternatively, the Covered Entity may choose to: (i) provide the Business Associate with 10 days written notice of the existence of an alleged material breach; and (ii) afford the Business Associate an opportunity to cure said alleged material breach upon mutually agreeable terms. Nonetheless, in the event that mutually agreeable terms cannot be achieved within 10 days, Business Associate must cure said breach to the satisfaction of the Covered Entity within 10 days. Failure to cure in the manner set forth in this paragraph is grounds for the immediate termination of the Agreement and this Addendum.

4.3 Automatic Termination. This Addendum will automatically terminate without any further action of the Parties upon the termination or expiration of the Agreement between the Parties.

4.4 Effect of Termination. Upon the event of termination pursuant to this Section, the Business Associate agrees to return or destroy all Protected Health Information pursuant to 45 C.F.R. § 164.504(e)(2)(I), if it is feasible to do so, within 90 days of the termination. Prior to doing so, the Business Associate further agrees to recover any Protected Health Information in the possession of its subcontractors or agents. If it is not feasible for the Business Associate to return or destroy said Protected Health Information, the Business Associate will notify the Covered Entity in writing with a Certificate of Destruction that will include: (i) a statement that the Business Associate has determined that it is infeasible to return or destroy the Protected Health Information in its possession, and (ii) the specific reasons for such determination. The Business Associate further agrees to extend any and all protections, limitations and restrictions contained in this Addendum to the Business Associate’s use and/or disclosure of any Protected Health Information retained after the termination of this Addendum or the Agreement, and to limit any further uses and/or disclosures to the purposes that make the return or destruction of the Protected Health Information infeasible. If it is infeasible for the Business Associate to obtain, from a subcontractor or agent any Protected Health Information in the possession of the subcontractor or agent, the Business Associate must provide a written explanation to the Covered Entity and require the subcontractors and agents to agree to extend any and all protections, limitations and restrictions contained in this Addendum to the subcontractors’ and/or agents’ use and/or disclosure of any Protected Health Information retained after the termination of this Addendum, and to limit any further uses and/or disclosures to the purposes that make the return or destruction of the Protected Health Information infeasible. As noted all actions above must be completed no later than 90 days after the termination.
5. MISCELLANEOUS

5.1 Survival. The respective rights and obligations of the Business Associate and Covered Entity under the provisions of Sections 2.1, 2.2, 4.4, and 5.4, solely with respect to Protected Health Information that the Business Associate retains in accordance with Section 4.4 because it is not feasible to return or destroy such Protected Health Information, will survive termination of this Addendum indefinitely. In addition, Section 3 will survive termination of this Addendum, provided that the Covered Entity determines that the Protected Health Information being retained pursuant to Section 4.4 constitutes a Designated Record Set.

5.3 Amendments; Waiver. This Addendum may not be modified, nor will any provision be waived or amended, except in a writing duly signed by authorized representatives of the Parties. A waiver with respect to one event will not be construed as continuing, or as a bar to or waiver of any right or remedy as to subsequent events.

5.4 No Third Party Beneficiaries. Nothing express or implied in this Addendum is intended to confer, nor will anything herein confer, upon any person other than the Parties and the respective successors or assigns of the Parties, any rights, remedies, obligations, or liabilities whatsoever.

5.5 Notices. Any notices to be given will be made via fax or express courier to the address given below, except that notice of a security breach shall also be given as provided in section 2.2(c) of this Addendum.

If to the Business Associate, to:
  Name
  Title
  BUSINESS ASSOCIATE
  Address
  City, State, Zip
  Fax: (XXX) XXX-XXXX

If to Covered Entity, to:
  Corporate Compliance and Privacy Officer
  University of Virginia Health System
  1 Jefferson Park Avenue
  Box #800805, McKim #G043D
  Charlottesville, Virginia 22908-0805
  Phone: (434) 924-2938
  Fax: (434) 243-2716

with a copy (which will not constitute notice) to:
  Office of the University Counsel
  University of Virginia
  P.O. Box 400225
  Fax: 434-982-3070

5.6 Interpretation. Any ambiguity in this Addendum and the Agreement will be resolved to permit Covered Entity to comply with the Privacy and Security Rules and the HITECH Act and applicable regulations and guidance documents.
5.7 **Counterparts; Facsimiles.** This Addendum may be executed in any number of counterparts, each of which will be deemed an original. Facsimile copies hereof will be deemed to be originals.

6. **DEFINITIONS.**

Terms used, but not otherwise defined; in this Addendum will have the same meaning as those terms in 45 C.F.R. Parts 160, 162, and 164.

IN WITNESS WHEREOF, each of the undersigned has caused this Addendum to be duly executed in its name and on its behalf effective as of the Effective Date stated above herein.

**The Rector and Visitors of the University of Virginia**

By: ______________________________
Name: ____________________________
Title: ____________________________
Date: ____________________________

**BUSINESS ASSOCIATE**

By: ______________________________
Name: ____________________________
Title: ____________________________
Date: ____________________________