



**City of Rochester Hills
AGENDA SUMMARY
FINANCIAL ITEMS**

**1000 Rochester Hills Dr.
Rochester Hills, MI 48309
248.656.4630
www.rochesterhills.org**

Legislative File No: 2007-0582

FROM: Ron Crowell, Fire Chief

DATE: August 31, 2007

SUBJECT: Ambulance Billing

REQUEST:

City Council waiver under Section 2-273(b), of the 3 year requirement for long term contracts, under Section 2-281, which allows City Council the authority to waive any regulation or procedure pertaining to purchasing, deeming it to be in the best interest of the City.

City Council approval of a 5-year contract with AccuMed Billing, Inc. and authorization for the Mayor to execute the contract on behalf of the City.

City Council authorization for a blanket purchase order to AccuMed Billing, Inc. in the amount not-to-exceed \$90,000.00, through December 31, 2008.

REASON FOR PURCHASE:

Request for Proposals were solicited for ambulance billing services. Proposals were evaluated and interviews were conducted with shortlisted firms. AccuMed Billing, Inc. was selected as providing the best value for the City based on qualifications and experience with the public sector clients, 100% focus on billing activities and the capacity to provide electronic data capture and required reporting to the State of Michigan and Oakland County Medical Authority. Negotiations followed, resulting in a reduction in the current percentage paid to the billing company based on the amount collected to 7.25%. This rate is firm for the term of a 5-year contract and offers the City an option to renew for five additional years.

In order that the City may entered into a 5-year contract, City Council is requested to waive Section 2-273(b) of the Purchasing Ordinance, which allows contracts to be entered into for up to three years, provided funds are available for the first fiscal period at the time of issuance. Under Section 2-281, City Council may waive the 3 year requirement, recognizing the best value to the City. The five-year contract insures the monthly percentage of the amount collected at 7.25%. This rate includes the utilization of electronic data capture and reporting. The contract may be terminated in the event the City discontinues to provide emergency medical services.

AccuMed Billing, Inc. has provided excellent services during the past five years for emergency medical services. AccuMed is a full service company, specializing in EMS and fire services billing, serves over 125 municipal providers and maintains a collection rate exceeding the national standard.

PROCESS:

Vendor Name and Address:

AccuMed Billing, Inc.
PO Box 2122
Riverview, Michigan 48192

Reason for Selection:

Best Value/Most Qualified

Method of Purchase:

Contract/Blanket Purchase Order

BUDGET:

Fund Name	Department Account No	Account No. Description	2008 Proposed Budget Amount	Cost	Remaining Budget
206	344.801000	Professional Services	\$110,000	\$90,000	\$20,000

RECOMMENDATION:

City Council waive under Section 2-273(b), the 3 year requirement for long term contracts, under Section 2-281, which allows City Council the authority to waive any regulation or procedure pertaining to purchasing, deeming it to be in the best interest of the City.

City Council approve of a 5-year contract with AccuMed Billing, Inc. and authorize the Mayor to execute a contract on behalf of the City.

City Council authorize a blanket purchase order to AccuMed Billing, Inc. in the amount not-to-exceed \$90,000.00, through December 31, 2008.

RESOLUTION

NEXT AGENDA ITEM

RETURN TO AGENDA

APPROVALS:	SIGNATURE	DATE
Department Review		
Department Director		
Budget Content: Finance Director		
Purchasing Process: Supervisor of Procurement		
Mayor		
City Council Liaison		

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