



**State of West Virginia
Public Employees Insurance Agency
(PEIA)**

**Credit Balance & Recovery
Request for Quotation**

November 19, 2010

Request for Quotation

PEIA Credit Balance Identification, Tracking & Recovery Program

The West Virginia Public Employees Insurance Agency (PEIA) is seeking a vendor to identify, track and collect credit balances due PEIA from healthcare providers who render services to PEIA PPB Plan members.

Background

PEIA is the agency of the State of West Virginia that provides group health coverage for nearly 200,000 state, county and municipal employees, retirees, and dependents in West Virginia and across the country. The agency paid 329 million dollars in medical claims expense for the Fiscal Year 2010 (July 2009 through June 2010). These charges were reimbursed using a variety of methodologies (DRGs, APCs, RBRVS, percent of charge, etc.) based on member location and/or provider type (ambulatory surgery center, critical access hospital, rehabilitation facility, etc.), contractual agreement and/or location.

Currently, PEIA has a vendor contract for a real-time internet-based credit balance tracking program that functions in conjunction with its Third Party Administrator (TPA), Wells Fargo, TPA, for collection of the monies due PEIA. Nationwide on-site audits are conducted on an ongoing basis. For FY 2009, nearly \$400,000 was recovered by previous vendor and for FY 2010 over \$131,000 was recovered by the current vendor.

Scope of Services

The successful vendor will work cooperatively with the PEIA and Wells Fargo staff to provide a secure, real-time, internet-based system where providers self-report credit balances due PEIA on a regular basis, and return those payments when the self-reports are due. The credit balances may result from duplicate/similar claim overpayments, coordination of benefit errors or incorrect payments based on contractual agreements

Specifically, the vendor will:

1. Provide a secure, internet-based tracking system to allow for self-reporting and crediting of payments to the appropriate accounts.
2. Produce provider communications and any relevant forms to be used.
3. Provide monthly reports of recoveries collected to PEIA's TPA via hard copy or through access to reports from internet-based tracking system, to allow reconciliation with claims data.
4. Conduct nationwide on-site credit balance recovery audits to assist in the identification and recovery of overpaid claims
5. Resolve credit balance accounts and recover overpayments in a timely manner.

6. Produce monthly recovery report and invoice for services rendered in a format acceptable to PEIA. Develop a process with PEIA TPA that will effectively and efficiently remove refund requests already initiated by TPA. The successful vendor will use Wells Fargo's refund report and must exclude claims for which Wells Fargo has requested refunds.

In addition, the successful vendor will assess current credit balance recovery policies and/or procedures of both the PEIA and its TPA, and review any provider contracts to recommend amendments and/or enhancements of both.

Submission Requirements & Evaluation

In response to this Request for Quotation (RFQ), please submit a comprehensive quotation for a twelve (12) month period, to commence approximately 30 days upon awarding of the contract; a detailed timeline for this project; and evidence of the minimum requirements noted below.

Minimum requirements that must be met by the Vendor are:

1. The vendor must have completed or currently conducting, within the past five years, credit balance recovery for at least three clients with more than \$150 million in facility claims paid in a 12 month period.
2. The vendor must have work experience, similar to that described in this audit, with five (5) different clients during the past five years. A brief description of the completed or ongoing work and each client's company name, contact name, address and telephone number must be submitted as a reference.
3. The vendor must guarantee a refund recovery rate of a minimum of \$150,000 per fiscal year and provide language penalty for failing to achieve this amount.
4. The vendor must utilize facility on-site collection agents at PEIA's largest facilities by amount paid to confirm a quick turn-around on maximum recoveries.

Evaluation of the Quotation will be based on the vendor meeting the minimum requirements specified above and the vendor's overall credit balance recovery capabilities, clarity of communications/forms/reports, reasonableness of the fee within the constraint listed below, and quality of relevant references. Each of these areas will be equally weighted in reviewing the Quotation.

Responses should be directed to the sole contact for this RFQ:

Ms. Karen A. Hall, MBA, CPA
Quality Assurance and Compliance Manager
WV Public Employees Insurance Agency
601 57th St., SE, Suite 2
Charleston, WV 25304-2345

Fax: 1 877 233-4295
Email: Karen.A.Hall@wv.gov

Time Table

RFQ Released November 19, 2010
Questions Due to PEIA November 29, 2010
PEIA Response to Questions December 6, 2010
Quotations Due December 20, 2010
Contract Award TBD

Cost Constraint

PEIA prefers a fee structure based on a percentage of actual dollars recovered. Complete the table below with the proposed percentage for the contingency fee. There will be no direct costs billed to the PEIA (i.e., postage costs, such as the cost of stamps or meters, will not be charged to the PEIA).

Credit Balance Recovery Design, Development & Implementation (DDI)	_____ %	Percent of actual dollars recovered by vendor
---	---------	---

PEIA Options

The PEIA reserves the right to cancel the RFQ and to reject any or all quotations.

Questions

Questions about this RFQ should be submitted in writing to Ms. Hall at the fax number or email address listed above. The questions may be submitted via fax or email; however, the PEIA assumes no liability for assuring accurate/complete FAX/email transmission/receipt and will not acknowledge receipt except by addressing the question. All questions with their responses will be provided to all potential vendors who are known by Ms. Hall by 4 p.m. on the date shown above.