NASSAU HEALTH CARE CORPORATION
REQUEST FOR PROPOSAL

Title of RFP: Medical Record Coding Review
Date of Issuance of RFP: Tuesday, October 21, 2008
Deadline for Submission of Written Proposal: Wednesday, November 12, 2008

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Please read the full text of the Request For Proposal (“RFP”) to which this schedule is attached for important information concerning the terms of this RFP.

SCHEDULE A: Description of Services Sought and Additional Criteria

I. Description of Services Sought

Nassau Health Care Corporation (“NHCC”) is seeking a Vendor to perform inpatient DRG coding validation for inpatient claims, on a pre-billing basis, for all payers, including Medicare and Medicaid. The purpose of this engagement is to verify coding accuracy and compliance, provide training/education for the coding staff; and assess and report on opportunities for improvement in hospital documentation.

Contractor Specific Requirements:

A. Coding accuracy and DRG assignment for inpatient DRG-based cases will be reviewed on a prospective (pre-billed) basis and be conducted onsite.

B. An agreed upon sample of pre-billed inpatient discharges will be reviewed on a daily basis. Vendor will work with NHCC personnel to determine sample cases selected for review.

C. Vendor will review the medical record to determine whether clinical documentation supports the assigned code(s); whether all appropriates codes were assigned; whether the documentation is insufficient for complete coding and whether coding guidelines were followed.

D. The process must consist of reviewing the medical record to determine:
1. ICD-9-CM principal diagnosis assignment (Does it meet UHDDS definitions; present on admission, is it the principal reason for admission and did the patient receive treatment or evaluation during the stay)

2. ICD-9-CM secondary diagnosis code assignment

3. ICD-9-CM additional diagnosis code assignment

4. ICD-9-CM principal procedure code assignment

5. ICD-9-CM secondary procedure code assignment

6. Verification of appropriate DRG assignment

7. Documentation to support code assignment

8. Discharge/transfer status code assignment

E. The sample selected shall be as agreed upon by the Hospital and Vendor.

F. Resources for identifying risk areas include but are not limited to:

1. OIG Work Plan
2. IPRO Reports
3. MEDPAR (CM’s Medicare Provider Analysis and Review) Data
4. Focus Medical Reviews
5. Claim Denials
6. Governmental Audits or Inspections
7. Compliance and Coding newsletters, journals, list-serves, other organizations.
8. Compliance Committee recommendations
9. Case Mix Index (an overall indicator of a facility’s overall resource use and is driven by ICD-9-CM coding)
10. Prior Audits
11. Review of the most frequently billed DRGs
12. DRG pairs
G. During validation process, Vendor will contact physicians to verify diagnoses and documentation

H. Upon completion of the medical record review, Vendor will calculate impact and reimbursement implications of any proposed changes. Detailed knowledge of the New York State Case Payment System and the Medicare Prospective payment System is required.

I. Vendor will provide monthly reports to Finance Department and Corporate Compliance Committee detailing findings, financial impacts and reasons for any proposed changes in DRG assignment.

J. Training classes will be provided for the coding staff that will include audit findings and the recommendations on an as-needed basis. Additional areas could include compliance issues, documentation requirements or a topic chosen by NHCC or the Vendor.

K. Consideration may be given to Vendors demonstrating experience in the New York State area.

L. Consideration may be given to Vendors that demonstrate experience performing these services for other metropolitan New York hospitals.

M. Consideration will be given to MBE’s and WBE’s demonstrating experience in performing these services.

Contractor Personnel

NHCC reserves the right to approve the Vendor’s personnel assigned to the project. Due to the importance of accurate code assignment, all Vendor personnel assigned to the project must have a significant level of experience in similar projects. Vendor must demonstrate proven success on similar engagements.

Additional Requirements

As part of this engagement, the Vendor must have the capability to evaluate the reimbursement and regulatory impact of any recommended DRG changes and perform electronic billing and collection on an as-needed basis. The Vendor’s reimbursement and billing capabilities must be highlighted in their Proposal.

Each Vendor must include in its Proposal a detailed description of its own organizational compliance program, including all Quality Assurance mechanisms, and the extent to which that program adheres to the OIG Compliance Program Guidance for Third-Party Medical Billing Companies.
II. Additional Selection Criteria, if any

In addition to the general Selection Criteria, proposers’ references and prior project outcomes at other facilities, including the timeliness of completion and of achievement of improvements, will be critical factors in the selection process. Proposers should provide detailed information about the cost, timeliness and financial outcomes on a range of prior projects.

III. NHCC Facility Data

Information regarding facility volumes can be found at NHCC’s website (www.numc.edu).
NASSAU HEALTH CARE CORPORATION
REQUEST FOR PROPOSALS

I. Introduction

NHCC is a public benefit corporation that operates the Nassau University Medical Center (“NUMC” or the “Hospital”); the A. Holly Patterson Extended Care Facility (“AHP” or the “Nursing Home”); and six health centers (the “Diagnostic and Treatment Centers” or “DTCs”).

NHCC is requesting proposals for the services described in Schedule A to this Request For Proposal (“RFP”). The deadline for submission of Proposals is set forth in the text immediately preceding Schedule A.

II. Process To Be Followed

This RFP is available to interested parties through the NHCC office designated in the text immediately preceding Schedule A. All requests for information concerning this RFP should be directed to that office in writing no later SEVEN (7) business days prior to the due date for Proposals.

Proposers must submit FIVE PAPER COPIES and one electronic copy of their Proposal by the Due Date specified in the text immediately preceding Schedule A.

Each written Proposal must include the forms attached in Appendix I to this Request for Proposal. Each proposer shall be notified whether it has been selected following completion of NHCC’s evaluation of all Proposals received. The selected proposer will then enter into negotiations with NHCC regarding the specific terms of an Agreement. If agreement cannot be reached with the selected proposer within a reasonable time, NHCC may reject that proposer and commence negotiations with one or more other proposers.

III. Contents of Proposals

A. Name of the proposer.

B. Contact person for the proposer, including name, address, phone and fax numbers, e-mail address and other contact information.

C. Background information regarding the proposer, including:

1. A summary description of its organizational structure (e.g., corporation, partnership, LLC, etc.), its history (including information on the date of its formation and the State of its formation), its management and ownership structure (including the name and address of its officers, and of each person, directly or indirectly holding a five percent (5%) or greater ownership interest in the proposer).

2. A description of the proposer’s existing business operations.
3. At least three (3) business references (including names of individuals, their titles, organizations, mailing addresses, telephone and fax numbers, and e-mail addresses).

4. A proposer that is a licensed health care provider or other licensed entity must include information concerning any material negative findings, sanctions imposed or pending regulatory or legal proceedings.

D. Qualifications of proposer to carry out this specific project or to provide these services, including a list of comparable projects and identification of individuals (including their names, titles, organizations, mailing addresses, telephone, fax numbers, and e-mail addresses) who may be contacted with respect to each comparable project.

E. The qualifications and experience of proposer’s staff and management for the project, including any proposed sub-contractors.

F. Scope of proposed services, including work plan and methodology.

G. Fee proposal.

H. Any contingencies or conditions on the Proposal.

I. Information required in Appendix I to this RFP.

IV. Confidential Information

A. The New York State “Freedom of Information Law,” Public Officers Law Article 6 permits access to government records, and may permit public access to proposals submitted in response to this RFP. To protect any portion of responses that constitutes technical, financial or other data whose public disclosure would cause substantial injury to a proposer’s competitive position, or would constitute disclosure of a trade secret, a proposer must designate any sections of its Proposal that meet those criteria. NHCC assumes no responsibility for disclosure of unmarked data for any purpose. NHCC will review such designations in making its determination whether disclosure is required, which determination shall be binding on the proposer.

V. Selection Criteria

A. Proposals from responsible parties (see Appendix I) will be reviewed and evaluated from the point of view of cost, qualifications – including the proposer’s status as a certified MBE or WBE, references and other appropriate factors relevant to: (i) the proposer’s ability to provide services; (ii) the anticipated quality of the services to be provided; and (iii) financial and other benefits to NHCC. Additional selection criteria are set forth in Schedule A.

VI. Terms and Conditions
A. This RFP constitutes an invitation to submit a Proposal to NHCC. Accordingly, NHCC reserves and, in its sole discretion, may exercise any or all of the following rights and options with respect to this RFP, any Proposal and any related agreements, without incurring any liability to proposers:

1. NHCC reserves the right to disqualify any and all Proposals that fail to meet the requirements specified in this RFP.

2. NHCC reserves the right to determine whether to interview some or all of the proposers, and to conduct such interviews privately.

3. NHCC reserves the right to select and enter into a contract with the proposer whose Proposal best satisfies NHCC’s overall interests.

4. Because this RFP is not a “competitive bid” process, the proposer submitting the lowest cost proposal, or the proposal projecting the greatest financial benefit to NHCC, may not necessarily be selected. NHCC instead reserves the right to select the Proposal it believes to be most beneficial to NHCC, with financial terms not being the sole determinative factor. NHCC’s decision-making and selection process will be discretionary and will be based on a variety of factors. By submission of its Proposal, each proposer expressly understands, acknowledges and accepts that this is not a “competitive bid” process, and that NHCC is under no obligation to award a contract through competitive bidding, or at all.

5. NHCC reserves the right to waive or extend deadlines.

6. NHCC reserves the right to conduct investigations with respect to the qualifications of each proposer, to make field investigations (including visits to the proposer’s business offices or field operations).

7. NHCC reserves the right to request additional information from any proposer and to rely upon any information obtained through NHCC’s own investigations.

8. NHCC reserves the right to cancel this RFP at any time whatsoever, with or without the substitution of another RFP.

9. NHCC reserves the right to supplement, amend or otherwise modify this RFP.

10. NHCC reserves the right to issue additional or subsequent RFPs with regard to the subject matter of this RFP.

11. NHCC reserves the right to negotiate with any proposer, or with all or none of the proposers. NHCC has no obligation to offer proposers the
opportunity to meet or improve upon terms negotiated with a selected proposer.

12. NHCC reserves the right, in its sole discretion, to discontinue negotiations at any time in NHCC’s sole discretion.

13. NHCC reserves the right to request a new or revised Proposal, including monetary terms, from any proposer at any time.

14. The successful proposer shall be required to execute a HIPAA compliant Business Associate Agreement prior to initiating any work at NHCC.

15. The successful proposer shall be required to provide proof of insurance in an amount, and with an insurance carrier, that is acceptable to NHCC.

B. Preparation of a response to this RFP will be at the cost, expense and risk of the proposer, with the express understanding and agreement of the proposer, irrespective of whether it is selected, that it waives all claims whatsoever for reimbursement from NHCC for any cost or expense incurred in the preparation of its Proposal and any subsequent contract negotiation.

C. Each and every submitting proposer expressly understands and agrees that this RFP is not, and shall not be construed as an offer or an enforceable contract.

D. The Agreement, if any that is negotiated with a selected Proposer shall constitute the entire agreement between NHCC and the selected Proposer, and shall set forth all the terms and conditions applicable to the subject matter of this RFP. In the event of a conflict between this RFP and that Agreement, the Agreement shall control.

E. No proposer who has submitted a Proposal to NHCC shall have the right to assign its submitted Proposal to a third party or the right to enter into an agreement with third parties to perform the services on proposer’s behalf without the prior written consent of NHCC, which consent may be withheld in NHCC’s sole discretion.

F. This RFP shall be construed in accordance with and governed by the laws of the State of New York, without regard to conflicts of law principles. All actions or proceedings relating, directly or indirectly, to this RFP shall be litigated only in courts located within Nassau County or in the United States District Court for the Eastern District of New York. Each proposer (by virtue of the submission of its Proposal), submits itself, its successors and/or assigns (if any) to the personal jurisdiction of such court, and waives any right to trial by jury.
APPENDIX A

REQUIRED DISCLOSURE OF INFORMATION: THE FORMS SET FORTH BELOW MUST BE FULLY COMPLETED AND RETURNED WITH A RESPONDING FIRM'S SUBMISSION. A SUBMISSION WILL NOT BE CONSIDERED COMPLETE WITHOUT SUBMISSION OF THIS ATTACHMENT.

Offerer’s Affirmation of Understanding and Agreement

Instructions:

NHCC must obtain the required affirmation of understanding and agreement to comply with procedures on procurement lobbying restrictions regarding permissible Contacts in the Restricted Period for a procurement contract in accordance with State Finance Law §§ 139-j and 139-k.

Offerer affirms that it understands and agrees to comply with the procedures of NHCC relative to permissible Contacts as required by State Finance Law §§ 139-j (3) and 139-j (6)(b).

By:_____________________________                  Date: ______________________

Name: ___________________________

Title: _____________________________

Contractor Name: _____________________________________________________

Contractor Address: ____________________________________________________

_____________________________________________________________________

_____________________________________________________________________

Appendix I - 1
Offerer Disclosure of Prior Non-Responsibility Determinations

**Background:**

Under New York State Finance Law § 139-k (2), covered governmental entities are obligated to obtain specific information regarding prior non-responsibility determinations. In accordance with State Finance Law §139-k, an Offerer must be asked to disclose whether there has been a finding of non-responsibility made within the previous four (4) years by a Governmental Entity due to: (a) a violation of State Finance Law §139-j or (b) the intentional provision of false or incomplete information to a Governmental Entity. The terms “Offerer” and “Governmental Entity” are defined in State Finance Law §139-k (1). State Finance Law §139-j sets forth detailed requirements about the restriction on Contacts during the procurement process. A violation of State Finance Law §139-j includes, but is not limited to, an impermissible Contact during the restricted period (for example, contacting a person or entity other than the designated contact person, when such Contact does not fall within one of the exemptions).

As part of its responsibility determinations, a covered governmental entity must consider whether an Offerer fails to timely disclose accurate or complete information regarding the above non-responsibility determination. In accordance with law, no Procurement Contract shall be awarded to any Offerer that fails to timely disclose accurate or complete information under this section, unless a finding is made that the award of the Procurement Contract to the Offerer is necessary to protect public property or public health safety, and that the Offerer is the only source capable of supplying the required Article of Procurement within the necessary timeframe.

**Instructions:**

A Governmental Entity must include a disclosure request regarding prior non-responsibility determinations in its solicitation of proposals or bid documents or specifications or contract documents, as applicable, for procurement contracts. The attached form is to be completed and submitted by the individual or entity seeking to enter into a Procurement Contract.
Disclosure of Prior Non-Responsibility Determinations Form

Name of Individual or Entity Seeking to Enter into Procurement Contract:
_____________________________________________________________________________
_____________________________________________________________________________
_____________________________________________________________________________

Address: ______________________________________________________________________
_____________________________________________________________________________
_____________________________________________________________________________

Name and Title of Person Submitting this Form: ______________________________________
_____________________________________________________________________________
_____________________________________________________________________________

Contract Procurement Number: ____________________________________________________

Date: _________________________________________________________________________
_____________________________________________________________________________

1. Has any Governmental Entity made a finding of non-responsibility regarding the individual or entity seeking to enter into the Procurement Contract in the previous four years? (Please Circle): No Yes

If yes, please answer the next questions:

2. Was the basis for the finding of non-responsibility due to a violation of State Finance Law §139-j? (Please Circle): No Yes

3. Was the basis for the finding of non-responsibility due to the intentional provision of false or incomplete information to a Governmental Entity? (Please Circle): No Yes

4. If you answered ‘yes’ to any of the above questions, please provide details regarding the finding of non-responsibility below:

Governmental entity: __________________________________________________________

Date of Finding of Non-Responsibility: ____________________________________________

Basis of Finding of Non-Responsibility: ____________________________________________
_____________________________________________________________________________
_____________________________________________________________________________
_____________________________________________________________________________

(Add additional pages as necessary)
5. Has any Governmental Entity or other governmental agency terminated or withheld a Procurement Contract with the above-named individual or entity due to the intentional provision of false or incomplete information? (Please circle)  No       Yes

6. If yes, please provide details below.

Governmental Entity: _______________________________________________________

Date of Termination or Withholding of Contract: _________________________________

Basis of Termination or Withholding: __________________________________________

_________________________________________________________________________
_________________________________________________________________________
_________________________________________________________________________
_________________________________________________________________________
_________________________________________________________________________

(Add additional pages as necessary)

Offerer certifies that all information provided to the Governmental Entity with respect to State Finance Law §139-k is complete, true and accurate.

By: ______________________________  Date: _______________________

Name: ____________________________

Title: _____________________________