



CITY OF DANBURY
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March 18, 2014

ADDENDUM #1

To

Bid #03-13-14-02 "Delinquent Ambulance Fee Collection Services"

This addendum shall be part of the Purchasing documents for the above captioned Bid. This addendum is to be acknowledged by the bidder by signing as provided below and returning with the bidder's proposal.

SEE ATTACHED: Questions / Answers, 3-pages

BID DUE DATE: Remains the same, no later than Thursday, March 27, 2014, 2:00 PM

Receipt of the addendum is hereby acknowledged.

Bidder _____

Signature _____

Title _____

Date _____

Charles J. Volpe, Jr.
Purchasing Agent
City of Danbury

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Bid #03-13-14-02 "Delinquent Ambulance Fee Collection Services"

Questions / Answers

- Q. Are you requiring the Contractor to have Connecticut office location?**
- A. Preferred
- Q. Would the City allow the Contractor to use a bank outside of the state Connecticut?**
- A. Yes
- Q. What is the total number of accounts available for placement under the new contract, including any backlog?**
- A. There are 4,250 accounts with an outstanding placement value of \$2,135,325.
- Q. What is the average age of accounts at placement?**
- A. Historically, 153 days
- Q. What is the monthly number of accounts expected to be placed with the contractor?**
- A. Approximately 2,600 accounts have been placed over the last two calendar years.
- Q. What is the monthly dollar value of accounts expected to be placed with the contractor?**
- A. Approximately \$1,250,000 has been placed over the last two calendar years averaging about \$52,000 monthly.
- Q. What is the current contractor's historic liquidation rate on these accounts?**
- A. The total dollars collected over the last two calendar years by the current collection firm amounted to about \$270,000.
- Q. What are the current contingency fee's being charged to the City under the present contract?**
- A. 25%
- Q. What estimated or actual dollars were paid to the Contractor annually during the current contract?**
- A. About \$30,000 - \$35,000 annually.
- Q. Will accounts held by the incumbents or any backlog be moved to the new contractor as a one-time placement at contract start up? If so, may bidder propose a separate fee for secondary placements?**
- A. Yes/Yes

Cont'd

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Questions / Answers

- Q. What percentage of accounts was litigated under the current contract?**
- A. Not available
- Q. What percentage of litigated accounts was outside the state of Connecticut?**
- A. Not available
- Q. The RFP states that customer service representatives shall be bi-lingual and/or have the ability to communicate with non-English speaking patients providing polite, prompt and attentive customer service. What non-English languages does the City require? What percentages of patients or calls require bilingual assistance?**
- A. The city's population is very diverse with nearly 50 differently dialects utilized as such there are a high number of patients requiring varying degrees of assistance.
- Q. Regarding RFP Section IX Performance Standards, C.1, Demand Letter Campaign – up to 5 letters: Is a total of five letters mandatory for all accounts, or will work standards be established between the City and the Contractor based on factors such as minimum balance?**
- A. The short answer is that it is dependent upon the firm's record of success. The City's is seeking a highly successful collections firm with a proven track record and collections methodology. The firm must remain compliant with industry standards and statutory requirements while utilizing the available technology.
- Q. Regarding RFP Section XIII Deposits and Remittances - Does the City require a physical lockbox in Connecticut?**
- A. Preferred
- Q. Is an individual City only trust account required that would not comingle with other client funds?**
- A. Absolutely no commingling with other client funds.
- Q. RFP Section III Proposal requirements item 13 states that all fees associated with the execution of the service shall be included in the collection fee percentage and require no further explanation. Are bidders allowed to provide a separate fee for accounts requiring legal efforts?**
- A. Yes - however it must be clearly illustrated as to what is/is not included.
- Q. If applicable, are bidders allowed to provide a separate fee for secondary placements?**
- A. Yes

Cont'd

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Questions / Answers

- Q. Does your current EMS billing vendor provide you with delinquent account collections? If so, what is the current cost of those collections in dollars and percent?**
- A. No - however, our prior EMS billing vendor did provide these services concurrently but through an affiliate company.
- Q. What is the anticipated start date for this contract?**
- A. July 1, 2014
- Q. Will the successful vendor assume responsibility for any backlog of unbilled and/or previously billed accounts?**
- A. Yes
- Q. On page 3 of the RFP requests that the proposer provides "complete list and brief description of each delinquent ambulance fee collection services contract currently in progress or completed." Is the City willing to narrow this list to a sample list of clients? If so, what size would be acceptable?**
- A. Yes - please keep your listing relevant in terms of size/scope, service type and geography i.e. similar size EMS services for a medium size City with a population between 75,000-100,000 located in the Northeast. You must include at least 6 references. Please note that we are interested in conversing with those municipalities/agencies in which a contract negotiations is currently in progress or have just completed.
- Q. What is the percentage weighting for each evaluation criterion?**
- A. TBD
- Q. Would it be acceptable to submit a redacted copy of our proposal (confidential information already blacked out) to assist the City with future Open Records requests?**
- A. Not acceptable.