



Date: April 23, 2018

To: EMSA Board of Trustees and
Legal Ethics and Public Relations Committee

CC: Jim Winham, CEO
Kent Torrence, CFO

From: Frank Gresh, CIO
Angela McLain, CRO/CCO

Re: Zoll Billing Pro Trial/Purchase

As we have discussed previously, this memo will outline the need for the Zoll Billing Pro module, our planned trial, and the costs associated with it.

The Zoll Billing Pro module is an upgrade to our existing billing system in a variety of ways. First, the new system employs a lot of automation to verify demographics and insurance, discover insurance and analyze a self-pay patient's ability to pay their bill. Some of this automation is duplicative of processes we currently employ, the Zoll Billing Pro module actually automates it, thus reducing staff time required to manually do some of that verification. The discovery piece is also duplicative of our current process with Solution Group, but we felt there is value in the other pieces that we will explain further below.

One of the major values we see in Billing Pro is the "PCR on Demand" functionality. This part of the program actually brings the important parts of the PCR (Patient Care Report) on to a single pane for the billing staff to work from. The present process for billing staff to pull up a PCR requires them to wait anywhere between 5 and 25 seconds for the actual PCR report to populate with all of the data. Within Billing Pro, this process is immediate (literally fractions of a second), and displays the essential parts of the PCR on the screen thus shortening the time it takes for the billing staff to do their work with that particular run.

The cost for Billing Pro is based on a per run cost of \$2.15, using an average of 12,500 transports per month, the cost for this will be \$26,875 per month. With that being said, we will be eliminating several expenses each month as a result of this trial. The cost breakdown for the expenses being eliminated and the new costs are outlined in the table below:

	Costs
Accurint (Demographics Lookup)	\$ (2,050.00)
Emdeon	\$ (2,126.00)
Zoll Eligibility Module	\$ (6,035.00)
Statements (Estimated)	\$ (4,000.00)
Reduction in Returned Mail	\$ (900.00)
Zoll Billing Pro	\$ 26,785.00
Monthly Net Increase	\$ 11,674.00
Annual Net Increase	\$ 140,088.00

While there is an overall cost increase with Billing Pro, we believe that between the cost shifts listed above (from the current product to Billing Pro), reduction in future headcount increases (difference presently is roughly three FTE), and potential for increases in revenue make a solid business case for this trial. In addition, the reduction of costs associated with our new early out and collections process will help ease the budgetary impact of this trial.

We are requesting to start a six-month trial of the Billing Pro module. Our belief is that we will see improved productivity of staff in the billing department as a result of the improved efficiency with automation and the PCR on Demand functionality. This improvement in efficiency could directly impact the need to hire additional headcount in billing (i.e. potentially reduce or eliminate). It will also help drive down the days outstanding, in other words it will help us get the bill out of the door faster, which could lead to increases in revenue. We have two primary goals that we are hoping to achieve, and several secondary goals.

Primary Goals

1. Increased throughput of a run through the billing process. We will be tracking the time from the run dropping in to the RescueNet Billing system through the time it takes to get the initial bill out. We will track and measure that on a monthly (and perhaps even weekly) basis during the trial. Our goal is to reduce the average days to bill from 20 to 8.
2. Ability to process more runs through pre-verification and coding on a daily basis. This will be tracked daily and weekly. Not having to add additional headcount is our primary goal for these processes.

Secondary Goals

1. Identify runs up front that the new automated discovery systems that Zoll is using finds more runs with demographic or payor information than our present process with Solutions Group.
2. Identify runs where the new automated discovery systems that Zoll is using finds different or more information than our present process with Solutions Group.
3. See a decrease in runs being denied.
4. See a decrease in the amount of returned mail.

We acknowledge as part of this proposal that the new collections vendor and “early out” process may also have some impact on several of those secondary goals, but we think the Billing Pro module may improve those areas as well.

We will evaluate our progress towards the goals outlined as well as document any other improvements noted as part of the trial period. With your approval, we plan to start the Billing Pro trial on June 1st.

From a purchasing perspective, this is both a sole source and non-competitive procurement. Item IX.A.3 in the EMSA Purchasing Policy as amended 5/24/2017 explains about sole source for proprietary software, which this clearly is. There is not another vendor out there that has a similar module that is fully integrated with the Zoll Billing System. This is also considered to be Non-competitive from the standpoint that this is a trial program and there is no real reason to use a competitive procurement process.