

Medical Billing Systems Inc.
Douglas Buckner ~ CEO
888-381-7066
DBuckner@mbs-online.org

LEA Medi-Cal Billing Program

Prepared for: Pleasanton Unified Schools

Attention: Ms. Myla Grasso

**RE: Information about MBS Inc. ~ as it relates to the
Local Educational Agency Medi-Cal Billing Option**

Medical Billing Systems Inc.
LEA Medi-Cal Billing Specialists
Compliance. Clarity. Service.

July 22, 2015

RE: Pleasanton Unified RFP / LEA Medi-Cal Billing

Hello,

Please find enclosed the RFP response from Medical Billing Systems Inc. (MBS).

I appreciate the opportunity to present my company to you folks. This response is not in the exact requested RFP format; if that disqualifies us from the jump then that's fine. MBS has 24 years of experience providing excellent service and support for our LEA Clients. We already work for two of the member Districts in your SELPA ~ Dublin Unified and Livermore Unified. I urge you to contact him OR any of the enclosed references. They can speak to our ability.

I've detailed our information in our standard format for RFP occasions. If the information contained herein interests you please feel free to contact me personally at 888-381-7066 or email DBuckner@mbs-online.org.

I know we can get Pleasanton Unified to the place you envision as it relates to the LEA Medi-Cal program. I can also see in the future a cohesive SELPA wide matrix that accounts for the unique relationships that exist. Most importantly a stable, compliant, service oriented LEA program for your District can be realized.

Thank you for your consideration.

Sincerely,

Douglas Buckner / CEO of MBS Inc.

1175 Shaw Ave., #104
Clovis, CA 93612
888 – 381 – 7066
www.mbs-online.org

In Response to the RFP:

I. Company Qualifications ~

Medical Billing Systems Inc. (MBS) was started in Sept. 1992. Our California office is located in Clovis CA ~ 1175 Shaw Avenue, Suite #104 PMB 330, 93612

The goal was simple; create a company that provided outstanding customer service no matter the Client size. Rather than trying to be all things to all people I decided to specialize in Medi-Cal billing. It gives us a unique perspective on the entire Medi-Cal billing process since so much of LEA billing is children.

Our first Clients were Pediatricians and Emergency Room Physician Groups. It turned out that these groups wanted access to this patient population but had no idea how to navigate its intricacies. So that's how MBS got its start. That knowledge came in very handy as we transitioned to all LEA Clients beginning in 1995.

We still have COEs as Clients from back in 1995. We pride ourselves in that kind of continuity. As we progressed and evolved over the years it's been with the mission of customer service first. In fact the 3 pillars we stand on are Compliance, Service and Clarity for our Clients.

With an almost 24 year track record I could spend a long time detailing our history and qualifications. But rather I'd like to suggest you contact our Clients (references further back in RFP) for the best perspective.

When you stop to consider that every company you're going to interview for this job will bill Medi-Cal the exact same way, ie.... electronic protocol, codes, rules, it really comes down to Client service and support. This is where MBS excels. Just ask our Clients.

One of our biggest strength is flexibility. We will design a program unique to Pleasanton's needs. Sure we have a proven program of operation but each Client has nuance. In order to best support your providers in the field we need to be nimble. A company can have the finest billing system in the world but if it does not facilitate participation, it's really of little use. It's been my experience that Administrators want a system that works for their folks and gives them predictability and stability in the LEA revenue stream.

I can assure you MBS will deliver. How? Keep reading and you'll find out.

I appreciate the opportunity to present my company to you today.

Organizational Chart ~

Douglas Buckner - Founder & CEO
Deborah Buckner - Office Operations
Jim Helman - Software Development & Systems ~ Contractor
Ovation Services - Payroll & Benefits ~ Contractor
Audrey Warr - Medi-Cal Eligibility Coordinator
Production Staff - 12 members

Statement of Qualifications ~ (for LEA Medi-Cal billing)

*MBS is an approved Medi-Cal submitter with the State of California since 1992. We are authorized to submit Medi-Cal, and all TPL / OHC and private insurance carrier claims.

*MBS is an authorized DHCS 270/271 Transaction Clearinghouse for the purpose of obtaining Medi-Cal eligibility for our Clients IEP population.

*MBS employs staff with knowledge in ICD-9 Coding and a combined 50 + years of billing experience.

II. Company Client Base / References

Placer COE / Phillip Williams and Vicki Bingham – 530-745-1311
Client since 2010 ~ under contract through 6/30/2016

Sutter COE / Ms. Shelly Sexton – 530-822-2910
Client since 2000 ~ under contract through 6/30/2016

Chico Unified Schools / Eric Snedeker and Linda Fillerup – 530-891-3000 ext. 138
Client since 2006 ~ under contract through 6/30/2016

Tehama COE / Angela Harmon – 530-528-7248
Client since 1996 ~ under contract through 6/30/2016

Fairfield-Suisun Unified / Judy Galbreth or Andrew Green – 707-399-5074
Client since 2010 ~ under contract through 6/30/2016

III. Services

***Training of Pleasanton's staff?** ~ The CEO will personally train your staff. MBS visits each Client twice per year. Always in August or September for staff training and again in April or May for an Admin. meeting. All meetings are conducted by the CEO.

***Forms required for Pleasanton Unif. Data Preparation?** ~ MBS will allow a Client to choose between 3 different types of recordkeeping. Hard Copy billing, MicroSoft .XL templates that can be sent as email attachments or our **Direct Electronic Billing Software** (D.E.B.) ~ a web-based application.

Pragmatically some of the veteran providers of service will not anxiously embrace any new technology. Therefore in order to get complete participation we allow a "blended" approach to recordkeeping. MBS will encourage evolution to the App. over the next 2 years.

***Methods used to maintain knowledge of current billing procedures, rules, and laws?** ~ MBS visits the multiple Medi-Cal / DHCS based websites weekly for updates. With almost 24 years of working with Medi-Cal MBS has developed relationships with contacts inside the State agencies and with various LEA committee members. In addition we're part of the Medi-Cal email bulletin program.

***Methods used to guarantee compliance with HIPAA requirements?** ~ Every new Client signs a Business Associate Agreement along with MBS as required by CMS. This BAA allows confidential transfer of data between Client and MBS. The State also requires a Data Use Agreement (DUA) be signed between MBS and our Clients. We also have an LEA Medi-Cal "start-up" checklist that confirms Qualified Practitioner status, LEA Masterfile compliance and our forms insure compliance with their structure.

All of the MBS record-keeping scenarios are DHCS / CMS compliant. When the Audits & Investigations Unit conducts updated trainings we immediately amend our forms to exactly match the A & I criteria.

***Provision of monthly management reports as support for the claims submitted to Medi-Cal, reported by practitioner?** ~ MBS has a standard report package that includes breakdowns by Procedure Codes, Practitioner Name, amounts paid and units submitted. We send a report package out with each Medi-Cal warrant received. Some Clients request Quarterly reports and all Clients get the Fiscal year end report.

MBS utilizes Crystal Writer software that allows us to customize reports based upon a Clients individual need. You might have a SELPA structure that requires additional reports. MBS will insure your needs are met. Right now we have 12 Clients with some type of customized report over and above our standard package.

MBS will provide “pre-filled” CRCS templates for Pleasanton Unified that will include IRUS data, Certification info. and related Worksheets.

Description of administrative oversight? ~ MBS conducts documentation review prior to being sent to production staff. Any errors are flagged and then the CEO contacts the practitioner directly (with Client permission) for clarification. If we don’t have the Client permission we refer back to the designated Client contact person.

We conduct RAD analysis and will re-submit denied claims as dictated by the RAD codes.

Every MBS Client receives an email in advance of their next LEA check amount due. That email shows next check amount, YTD amount and Projected Total Income.

We also send out “Breaking News” emails to our Clients should something happen that affects our billing. Each Client receives a twice yearly update regarding LEA Medi-Cal. It is sent to your email inbox each January 5th. and August 5th. DHCS typically announces its rules changes July 1st. and January 1st. MBS analyzes the changes, converts them to normal human English and distributes to our Clients.

Assignment of Account Manager to provide technical assistance? ~ MBS has a dedicated toll-free number for Clients AND a singular email address for Client questions. The CEO answers both. I want the same person that trains your providers to be the same one they access for their questions. It provides the best continuity.

IV. Cost ~ for the 15-16 FY the MBS fee is \$2,500.00. Fee based on a conservative projected LEA income of \$25,000.00 (based on historical revenue data).

MBS typically signs one year contracts running from July 1. to June 30. All of our contracts have a 30 day notice to quit without cause. MBS will provide the following services for a flat fee based upon a .10 factor. (*)

- *Training of Pleasanton Unif. staff.
- *Prepare and submit a Medi-Cal Eligibility file from current active IEPs.
- *Build the Pleasanton Unif. Medi-Cal student database.
- *Prepare and submit Pleasanton Unif. Medi-Cal claims.
- *Follow up on all denied claims for proper adjudication.
- *Maintain accurate billing records of amounts billed and payments received.
- *Prepare financial reports and forward to Pleasanton Unif. after each Medi-Cal check.
- *Forward to Pleasanton Unif. any information relating to rules changes that will have an impact on billing practices.
- *Submit all Pleasanton Unif. claims within 45 days of receipt.

(*) All MBS contracts are based upon the previous years NET revenue divided by a .10 factor then stated as a flat-fee. If your total NET LEA revenue for fiscal 14-15 finishes up at \$200,000.00 then our fee would be \$20,000.00 for fiscal 15-16.

***** Please see the enclosed FAQ from DHCS (specifically Q6 ~ on page 2) for important compliance info. as it relates to your RFPs billing fee request.**

MBS contracts are year to year for 2 simple reasons..... One ~ if we meet expectations we continue to get re-hired.

Two ~ the LEA Medi-Cal program undergoes changes yearly. They're preparing to expand the program (re: SPA 15-021) that will allow many additional revenue sources.

In addition the CRCS overpayment / underpayment audits will cause fluctuations in an LEAs yearly revenue. If you've agreed to a 3 year fee based upon 15-16 FY realities you may find it to be more expensive than intended. To forecast 3 years in advance for a billing fee is not in our Clients best interest.

MBS has a provision in our billing contract that allows for an adjustment of the final FY payment. We only adjust a final payment downward. If we miss a FY revenue projection on the "high side" there's no change in the billing fee. This is the mechanism we use to maintain our .10 of a Clients NET LEA revenue.

Finally.....

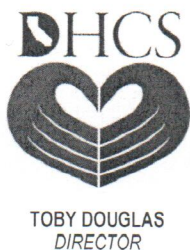
I encourage you to contact our Clients. You probably know some of them already. They can best speak to our abilities and dedication to Compliance, Service and Clarity.

Our goal is to establish and build relationships over the years we work together. I know we can build Pleasanton Unified a stable, fully functioning and predictable LEA program.

Feel free to contact me for further clarification on any topic contained herein.

Sincerely,

Doug Buckner
Founder / CEO



State of California—Health and Human Services Agency
Department of Health Care Services
LEA Medi-Cal Billing Option Program
Frequently Asked Questions (FAQs)



EDMUND G. BROWN JR
GOVERNOR

General Program Requirements

****PLEASE REVIEW THE LEA MEDI-CAL BILLING OPTION PROVIDER MANUAL FOR COMPLETE LEA PROGRAM AND POLICY INFORMATION****

Q1. Is there a booklet that explains the LEA Medi-Cal Billing Option? Do you send periodic updates to LEA providers regarding program changes?

- A. Yes, there is a specific portion of the Medi-Cal provider manual that explains the LEA Medi-Cal Billing Option Program. To obtain a copy, you can contact the Telephone Service Center (TSC) at 1-800-541-5555, or download an electronic copy on-line via the Medi-Cal website or on the LEA Program website. Updates to the Medi-Cal provider manual are automatically sent to all enrolled LEA providers; other parties may request to receive provider bulletins and manual replacement pages by calling the TSC at 1-800-541-5555.

Q2. Can private schools participate in the LEA Medi-Cal Billing Option Program?

- A. Private schools do not qualify as LEA providers because they operate independent of federal, state or local government funding. However, the Individuals with Disabilities Education Act (IDEA) 2004 does include provisions to ensure that students in private schools have access to special education services. For example, in certain cases a student may receive services at the public school district where the private school is located. According to California Education Code, Sections 56170 - 56177, a public agency must administer funds and property used to provide special education and related services.

Q3. How can LEAs participate in the LEA Advisory Workgroup meetings?

- A. All LEAs that participate in the LEA Medi-Cal Billing Option may participate in the LEA Advisory Workgroup. Upon receipt of the annual report from the LEA, a LEA Medi-Cal Billing Option Program analyst will include the contact information that the LEA provides on the Provider Enrollment Information sheet to the LEA Ad hoc Workgroup email list. If an LEA would like to participate in the Ad Hoc Workgroup and does not receive an email, they can contact the LEA Medi-Cal Billing Option Program by sending an email to the LEA mailbox at LEA@dhcs.ca.gov.

Q4. What is the timeline for implementing RMTS for the LEA Medi-Cal Billing Option Program?

- A. DHCS is in the process of preparing a timeline for the implementation of RMTS for the LEA Medi-Cal Billing Option Program. Once the timeline is finalized, this information will be shared with all of the stakeholders.

Q5. Why did the LEA paid claims withholds change?

- A. All LEAs are charged withholds from total paid claims reimbursement to reimburse the state for costs to administer the LEA Program. LEAs are currently subject to two withholds for the entire fiscal year. A 1% administrative fee is levied against LEA reimbursements for claims processing and program related costs. A 2.5% withhold is levied against LEA reimbursements to cover program enhancement and audit administration associated costs, not to exceed \$650,000 annually as authorized in Assembly Bill (AB) 92 chapter 712, statutes of 2010, and to fund support activities outlined in Welfare and Institutions Code (W&I Code) 14115.8, not to exceed \$1,500,000 annually. The total annual amount of the 2.5% withhold is not to exceed \$2,150,000 annually. As part of assembly bill (AB) 2608, SNFD determined that collecting throughout the entire fiscal year (as opposed to starting and stopping mid-year) would allow for proportionate withhold collection from all LEAs.

Q6. Are there regulations stipulating that a billing vendor may not be paid on a percentage basis?

- A. In the March 2009 provider training sessions, Audits and Investigations personnel cited the following regulations:
California Code of Regulations § 51502.1. Requirements for Electronic Claims Submission.
(a) As used in this section, the following definitions shall apply:
(1) "Biller" includes any employee, officer, agent or director of the entity which will bill on behalf of a provider pursuant to a contractual relationship with the provider which does not include payment to billers on the basis of a percentage of amount billed or collected from Medi-Cal.

In addition, the Code of Federal Regulations, Title 42: Public Health, includes detail on payments made to business agents:

PART 447—PAYMENTS FOR SERVICES

Subpart A—Payments: General Provisions

§ 447.10 Prohibition against reassignment of provider claims

(f) Business agents. Payment may be made to a business agent, such as a billing service or an accounting firm, that furnishes statements and receives payments in the name of the provider, if the agent's compensation for this service is—

- (1) Related to the cost of processing the billing;
- (2) Not related on a percentage or other basis to the amount that is billed or collected; and
- (3) Not dependent upon the collection of the payment.

Medical Billing Systems Inc.

Implementation Guide

For Informational Purposes Only

The Next 5 Steps :

- FILL OUT A PROVIDER PARTICIPATION AGREEMENT (PPA) FOR DEPT. OF HEALTH SERVICES (DHCS). MUST BE RENEWED YEARLY. **DONE / ACTIVE LEA**

MBS HAS THE REQUIRED TEMPLATES / FORMS AND WILL WALK YOU THROUGH THE PROCESS IF NECESSARY

- PLEASANTON UNIFIED WOULD CHOOSE A BILLING COMPANY. (I SUGGEST MBS INC.) AND FILL OUT A TELECOMMUNICATION AGREEMENT. THIS WOULD ADD YOUR PROVIDER NUMBER TO MY CALIFORNIA SUBMITTER I.D. ROSTER. IT TAKES E.D.S. 30 DAYS TO PROCESS AGREEMENTS.
- PLEASANTON UNIFIED WOULD FILL OUT A BUSINESS ASSOCIATE AGREEMENT, 835 TRANSACTION AGREEMENT AND DATA USE AGREEMENT FOR HIPPA COMPLIANCE. MBS HAS ALL OF THE REQUIRED FORMS ~ IT'S A SIMPLE TASK.
- PLEASANTON UNIFIED WOULD GATHER A LIST OF ALL OF THE ACTIVE I.E.P.s. THIS LIST SHOULD INCLUDE FIRST, LAST NAME, DOB, AND GENDER. WE'D LIKE TO GET THIS LIST IN GENERIC ALPHA FORMAT.

MBS WOULD CHECK THAT LIST FOR MEDI-CAL ELIGIBILITY. THAT WOULD BE OUR STARTING DATABASE

- FINALLY WE SET UP A TIME FOR A TRAINING. THE PROVIDER OF SERVICE ASKED TO ATTEND ARE:

SPEECH
PSYCHOLOGISTS
COUNSELORS
NURSES / LVN's
HEALTH AIDES
O.T. / P.T.

WE'LL ALSO DISCUSS TRANSPORTATION ISSUES ~ SPECIFICALLY WHEELCHAIR STUDENTS AND HOW THEY'RE TRANSPORTED.

WE HAVE SET-UP ALL OF OUR CLIENTS IN THIS FASHION. THIS IS HOW THE EVENTS TYPICALLY UNFOLD.

PROPOSAL FORM
FOR
LEA MEDI-CAL BILLING OPTION PROGRAM REIMBURSEMENT SERVICES
FOR THE
PLEASANTON UNIFIED SCHOOL DISTRICT
(Include this form with response)

Submitted herewith is our proposal to provide LBO claims services for the Pleasanton Unified School District and participating SELPA agencies for the claim years ending June 30, 2016, June 30, 2017 and June 30, 2018.

We propose to perform these services in accordance with the requirements of the Department of Health Care Services.

The undersigned agrees to perform the claims specified at a total cost not to exceed:

- A. \$ 2,500.00 % of claims for the claim year beginning July 1, 2015 and ending June 30, 2016
B. _____ % of claims for the claim year beginning July 1, 2016 and ending June 30, 2017
C. _____ % of claims for the claim year beginning July 1, 2017 and ending June 30, 2018

List any additional charges:

** PLEASE SEE DHCS - FAQ'S - SPECIFICALLY Q6 ON PAGE #2*

Hourly option: If your proposal is based on hourly charges, please detail on a separate sheet such charges with a "not to exceed" figure for each of the three fiscal years.

The services will be performed in accordance with the requirements outlined in this RFP and will be performed by the personnel identified in the "Statement of Qualifications". The firm will enter into an agreement with the Pleasanton Unified School District in the form submitted with this Request for Proposal.

MEDICAL BILLING SYSTEMS INC.
Name of Firm

By: *[Signature]*

Date: 7-22-2015

Title: CEO / FOUNDER

STATEMENT OF QUALIFICATIONS (Cont.)

2. Indicate the relevant experience of the firm's staff members who will be assigned to this project. *LEVEL 3 DATA INPUT = 3 YEARS EXPERIENCE BILLING LEA CLAIMS.*
3. What is the physical business location of the office that would be providing services to the District? *PLEASE SEE #1*
4. How many years has the firm been in business proving these services? *24 YEARS*
5. Is the firm connected with any other company as a subsidiary, parent affiliate, or holding company? If yes, please explain.
No
6. Has the firm even declared bankruptcy? If yes, please explain.
No
7. Has the firm been a party to any litigation? If yes, please explain.
No
8. Additional comments regarding the firm's qualifications:

MEDICAL BILLING SYSTEMS INC.
Name of Firm

By: *David Bunker*

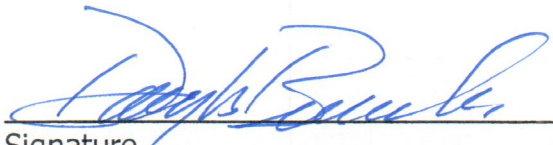
Date: 7-22-2015

Title: CEO / FUNDING

1. Customer Name:
2. Address (City, State & Zip):
3. Customer Contact Name:
4. Phone:
5. Years working (worked) with customer:

ACKNOWLEDGEMENT OF ADDENDA

By signing below, you acknowledge that you have read any addenda or additional information for RFP 2015-16.01 LEA Medi-Cal Billing Option Reimbursement Services that are posted on the Pleasanton Unified School District's website at <http://go.pleasantonusd.net/bids> and that you have included such addenda in your bid response.


Signature

Douglas Buckner
Name (printed)

CEO
Title

7-22-2015
Date

STATEMENT OF QUALIFICATIONS

FOR

MEDI-CAL CLAIMS AND MEDI-CAL MAA REIMBURSEMENT SERVICES

AT

PLEASANTON UNIFIED SCHOOL DISTRICT

(Include this form with proposal)

1. Company Information

Name of Firm: MEDICAL BILLING SYSTEMS INC.

Address: 1175 SHAW AVE, #104

CLOVE, CA 93612

Telephone: (888) 381-7066 Fax: (888) 381-4848

Primary contact for this RFP: DOUGLAS BUCKNER

Primary contact email: DBUCKNER@MBS-ONLINE.ORG

Primary contact phone: 888-381-7066

Names of personnel, with classifications, who will be assigned to the project:

NAME

CLASSIFICATION

MELODIA BROWN DATA INPUT - LEVEL 3

REFERENCES

List three California school districts or county offices for whom the firm has provided LEA billing option reimbursement services. Please indicate the most recent year services were performed.

**PLEASE SEE PAGE # 2 OF RFP*

Reference #1

1. Customer Name:
2. Address (City, State & Zip):
3. Customer Contact Name:
4. Phone:
5. Years working (worked) with customer:

Reference #2

1. Customer Name:
2. Address (City, State & Zip):
3. Customer Contact Name:
4. Phone:
5. Years working (worked) with customer:

**NONCOLLUSION DECLARATION TO BE EXECUTED BY
BIDDER AND SUBMITTED WITH BID**

(Public Contract Code section 7106)

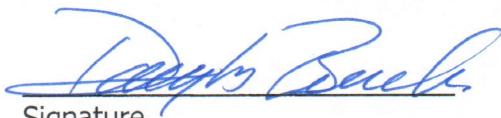
The undersigned declares:

I am the CEO (title) of MBS INC. (company name), the party making the foregoing bid.

The bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation. The bid is genuine and not collusive or sham. The bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid. The bidder has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, or to refrain from bidding. The bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the bidder or any other bidder, or to fix any overhead, profit, or cost element of the bid price, or of that of any other bidder. All statements contained in the bid are true. The bidder has not, directly or indirectly, submitted his or her bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, to any corporation, partnership, company, association, organization, bid depository, or to any member or agent thereof, to effectuate a collusive or sham bid, and has not paid, and will not pay, any person or entity for such purpose.

Any person executing this declaration on behalf of a bidder that is a corporation, partnership, joint venture, limited liability company, limited liability partnership, or any other entity, hereby represents that he or she has full power to execute, and does execute, this declaration on behalf of the bidder.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration is executed on 7-22-2015 [date], at CLOVIS [city], CALIF. [state].


Signature

DOUGLAS BUCKNER
Print Name

	ACOE	DUSD	LVJUSD	MHSD	PUSD	SGUSD	TOTAL
Projected 2015-16 P1 ADA	487.58	9,603.00	12,085.00	21.46	14,389.61	259.13	36,845.78
Special Education Students	145	592	1,683		1,480	12	3,912
Students on Free & Reduced Lunch		755	3,237			10	4,002
FTE Special Education Teachers (SDC)	7	16	46	0	29	0.8	98.80
FTE Psychologists	1	7.3	10.9	0	11	0	30.20
FTE Speech Pathologists	0.5	8.8	17.3	0	18.2	0.3	45.10
FTE Nurses	0.5	2	4.3	0	3	0	9.80
FTE Occupational/Physical Therapists	0.67	3	0	0	2	0	5.67
FTE Program Specialists	0	3	3	0	4.4	0	10.40
FTE Resource Specialists	2	13.6	33.9	0.1	33.3	0	82.90
ACOE = Alameda County Office of Education							
DUSD = Dublin Unified School District							
LVJUSD = Livermore Valley Joint Unified School District							
MHSD = Mountain House School District							
PUSD = Pleasanton Unified School District							
SGUSD = Sunol Glen Unified School District							