



PASCO COUNTY, FLORIDA

PURCHASING DEPARTMENT
8919 GOVERNMENT DRIVE
NEW PORT RICHEY, FL 34654

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ADDENDUM TO REQUEST FOR PROPOSALS

September 9, 2009

TO: Concerned Offerors

RE: **Addendum No. 1 – RFP 09-154 Debt Collection Services**

The closing date for the above-referenced solicitation has been changed to **September 25, 2009**. The closing time of 4:30 p.m. remains unchanged.

This extension is due to our receipt of numerous questions, which will require additional time to address.

I appreciate your kind cooperation and regret any inconvenience this may have caused. If there are any additional questions, please contact the Purchasing Department at (727) 847-8194.

Sincerely,

Scott P. Stromer
Purchasing Director

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ADDENDUM TO REQUEST FOR PROPOSALS

September 21, 2009

TO: Concerned Offerors

RE: **Addendum No. 2**—RFP No. 09-154 (Debt Collection Services)

The closing date for the above-referenced solicitation has been changed to **October 2, 2009**, to allow additional time to consider the following information. The closing time of 4:30 p.m. remains unchanged.

Numerous questions were received regarding the above-referenced solicitation. The following represents the best information that is currently available and germane. It is important to note that the County is seeking a solution that maximizes recovery and minimizes out-of-pocket expenditures to secure such recovery. The County will entertain any proposal or methodology that proves to meet these requirements. The County currently uses a traditional contingency-based model of recovery, which has produced typical results. Items underlined below indicate additional information that must also be included in each firm's response.

1. The County anticipates a contract start date of December 1, 2009, or January 1, 2010.
2. The current service provider is Credit Control of Pinellas, Inc., and the contingency fee is 17%.
3. The County is seeking one (1) primary service provider for the specified services.
4. The majority of delinquent accounts are owed by private consumers.
5. The approximate age of each delinquent account is 160 days, with an approximate dollar amount of \$350.00 to \$400.00 each.
6. During the initial 160 days of delinquency, the County makes attempts to collect.

Addendum No. 2—RFP No. 09-154
(Debt Collection Services)

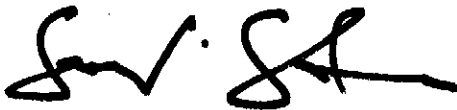
7. The County does not intend to move any accounts held by the incumbent service provider to the new service provider.
8. All accounts that involve the Emergency Services Department will contain HIPAA protected information. Accounts involving other agencies or departments, may or may not involve HIPAA protected information as this will depend on the activity.
9. Offerors shall submit a total of six (6) copies of their respective proposal. There is no need to distinguish between "original" and "copy," as all submittals shall be complete and identical.
10. Offerors are welcome to offer any methodology that utilizes fixed fees, contingency fees, a combination of fixed fees and contingency fees, or any other model that maximizes recovery and minimizes out-of-pocket expenditures to recover such recovery. All methodologies must be well-defined and guaranteed. Offerors must provide at least three (3) examples of actual collection rates from customers of similar size and scope for the methodology that is proposed. Customer name and complete contact information must be included for verification purposes.
11. The County estimates the number of bad debt accounts to be between 9,000 and 10,000 each year, with a value of between \$3.6 and \$4.2 million per year. This estimate only involves the Pasco County Emergency Services Department (Ambulance Billing). Because of the anticipated partnership with the Florida Association of Counties (FAC), this volume is expected to increase with the participation of other agencies throughout the State of Florida.
12. The successful vendor must have sufficient staff in Florida to provide adequate and timely service to the County and Participating Public Agencies (PPAs). Actual collection operations do not actually have to be performed within the State of Florida. No preference will be given to vendors who perform collection operations in the State of Florida.
13. The County will consider contracts from another PPA or the General Services Administration (GSA) provided they are consistent with the parameters and scope of work contained in the RFP.
14. At this point, no other PPAs have committed to participate in this program, but both Pasco County and FAC have extensive experience in developing contracts for use by other counties and local governments. Given the emphasis on maximizing return and minimizing out-of-pocket expenditures, and the widespread need to increase revenue, both Pasco County and FAC anticipate that the resulting contract will receive strong interest and support throughout the State of Florida.

15. PPAs will work with the successful vendor to determine the appropriate file format. Pasco County will use Microsoft Word format. Offerors shall provide a list of all supported file formats.
16. Placement of account types will vary depending on the technological sophistication of the successful vendor and the PPAs. Offerors shall provide a description of the placement methodology their firm prefers and can support.
17. Invoicing will vary depending on the technological sophistication of the successful vendor and the PPAs. Offerors shall provide a description of the invoicing methodology their firm prefers and can support.
18. FAC's administrative fee will be negotiated with the recommended vendor. Furthermore, there is no need to enter a fee amount on the Sample Administrative Agreement – this agreement is simply provided for reference purposes.
19. The pricing commitment that is incorporated into FAC's Administrative Agreement contemplates the "lowest available" rate to be based on similar work under similar circumstances.
20. If fixed fees are proposed, such fees shall be based on each account placed or assigned to the vendor. A sliding fee schedule, based on volume, is also acceptable provided that the fee for each account placed or assigned can be easily determined.
21. Telephone calls and letters will be made in the name of the County/PPAs
22. Offerors shall assume that the County/PPAs will want "thank you" letters sent to all accounts that pay. A separate fee for sending such "thank you" letters will not be considered.
23. A notice from a collection agency will not suffice in lieu of an attorney demand. An attorney demand is required.
24. If the fixed fee methodology is proposed and utilized, the County's purchase of services shall not expire after a specified time period. For example, if the County purchases a block of 1,000 claims/accounts, those claims/accounts shall remain valid as long as the County is still under contract with the vendor. The County's purchase does not expire if not used within a specified time window.
25. Sections 4.14.1 and 4.14.3 (Page 12 – Statement of Work) is intended to cover and facilitate communication with those that owe the County/PPAs, not the County/PPAs themselves.
26. Section 4.14.2 (Page 12 – Statement of Work) is intended to be used by the County/PPAs.

27. The components of the management reports contemplated in Section 4.15 (Page 12) will be established individually by the successful vendor and the County/PPAs to ensure timely access to the status of collection efforts at an aggregate level.
28. Reference to “. . . support system to provide assistance to local government entities. . .” on (Page 15, Item 7–Review and Assessment) relates to the successful vendors support of the County/PPAs as indicated earlier in the RFP and herein.
29. Section 23.3 (FAC Administrative Agreement) addresses circumstances where the successful vendor and FAC may wish to collaborate on the provision of products or services unrelated to the Administrative Agreement. Such collaborations will be mutually agreed to and addressed separate and apart from the Administrative Agreement.

I appreciate your participation in this process and hope the above information is helpful. Not every question asked was answered. In many cases, requested data was/is not readily available. Due to the time constraints, no further questions will be entertained prior to the new closing date. It is important to note that we are seeking the most innovative methodology that maximizes our recovery of payments and minimizes our out-of-pocket expenditures. It is incumbent upon each responding firm to “put their best forward” and offer a solution that makes the best business sense.

Sincerely,



Scott P. Stromer
Purchasing Director

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