

**RESOLUTION NO. 02-11-14**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARATHON, FLORIDA, AUTHORIZING THE CITY TO ENTER INTO AN AGREEMENT WITH PROFESSIONAL PRACTICE SUPPORT, INC., TO PROVIDE COMPUTERIZED BILLING SERVICES WITH REGARDS TO AMBULANCE REVENUE FEES; AUTHORIZING THE CITY MANAGER AND CITY ATTORNEY TO FINALIZE THE TERMS AND CONDITIONS OF SAID AGREEMENT; AUTHORIZING THE MAYOR TO EXECUTE SAID AGREEMENT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Marathon ("City") desires to enter into an Agreement between Professional Practice Support, Inc. ("PPS") and the City of Marathon ("City") to provide computerized billing services to the City of Marathon's Fire Rescue Department in order to collect ambulance revenue fees from the transport of patients by the City Fire Rescue.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MARATHON, FLORIDA, AS FOLLOWS:

**Section 1.**     **Recitals.** The above recitals are true and correct and are incorporated herein by this reference.

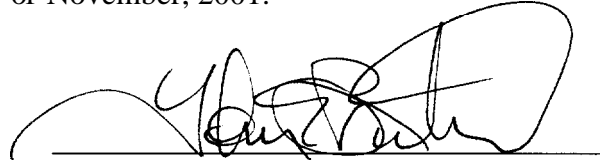
**Section 2.**     **Term.** This Agreement shall commence as of the date of signing and shall continue for one (1) year from the Commencement date. The City may renew this Agreement on the same terms and conditions for up to one, one (1) year renewal by providing written notice to PPS at least 60 days prior to expiration of the Agreement or any renewal.

**Section 3.**     **Agreement.** The Billing Service Agreement, in substantially the form and substance that is attached hereto as Exhibit "A", is hereby approved. The City Manager and the

City Attorney are authorized to finalize the terms and conditions of said Agreement, if necessary, and the Mayor is authorized to execute said Agreement on behalf of the City.

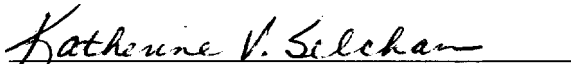
**Section 3.** **Effective Date.** This resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED this 14th day of November, 2001.




\_\_\_\_\_  
JOHN BARTUS, VICE-MAYOR

ATTEST:



\_\_\_\_\_  
KATHERINE V. SILCHAN  
CITY CLERK

APPROVED AS TO LEGAL SUFFICIENCY:



\_\_\_\_\_  
NIM BOUSHE  
CITY ATTORNEY

#4461v1

**AGREEMENT BETWEEN  
CITY OF MARATHON, FLORIDA  
AND  
PROFESSIONAL PRACTICE SUPPORT, INC.  
FOR  
HEALTHCARE BILLING SERVICE**

This is an Agreement between the City of Marathon, Florida, a municipal corporation organized and existing under the laws of the State of Florida, its successors and assigns, hereinafter referred to as the "CITY

AND

Professional Practice Support, Inc., hereinafter referred to as PPS, whose principal place of business is PMB 290 – 2740 Southwest Martin Downs Boulevard, Palm City, FL 34990 and who is represented by Mr. Richard Isaac.

**WHEREAS**, the CITY, as a provider of Emergency Medical Services to its citizens, desires to contract with a computerized healthcare billing service to provide billing services; and

**WHEREAS**, PPS represents that it has expertise in the area of healthcare billing and third party reimbursement and is ready, willing, and able to provide billing and consulting assistance to the CITY on the terms and conditions set forth herein: and

**WHEREAS**, the CITY, in reliance on PPS's representations, is willing to engage PPS as an independent contractor, and not as an employee, on the terms and conditions set forth herein;

**NOW, THEREFORE**, in consideration of the obligations herein made and undertaken, the parties, intending to be legally bound, covenant and agree as follows:

**ARTICLE 1**

**SCOPE OF SERVICES**

1.1 Through this Agreement PPS shall provide electronic & paper billing and consulting services in the area of EMS healthcare insurance and patient billing, which are more fully described in Exhibit A attached hereto. PPS shall render such services and deliver the required reports and other deliverables ("Deliverables") in accordance with the responsibilities set forth in Exhibit A.

- 1.2 PPS shall provide and make available to the CITY such resources as shall be necessary to perform the services called for by this Agreement.
- 1.3 The CITY shall notify PPS of the acceptance of deliverables as consistent with the Florida Prompt Payment Act.
- 1.4 Right of Audit. The CITY shall have the right to audit all deliverables for the period of one (1) year from the date of City acceptance of deliverable. The CITY shall have the right to audit all deliverables one (1) year from the termination of the Agreement.
- 1.5 The CITY agrees to provide assistance, and any other services and materials PPS or its personnel & subcontractor may reasonably request in order to perform the work assigned to them. All work shall be performed at PPS facilities unless otherwise mutually agreed and shall be performed in a workmanlike and professional manner by employees of PPS having a level of skill in the area commensurate with the requirements of the scope of work to be performed. PPS shall make sure its employees at all times observe security policies of the CITY.
- 1.6 Anything herein to the contrary notwithstanding, the parties hereby acknowledge and agree that the CITY shall not control the manner, means, or method by which PPS or its contractor performs the services called for by this Agreement. Rather, the CITY shall be entitled only to direct PPS with respect to the elements of services to be performed and the results to be derived by the CITY, to inform PPS as to where and when such services shall be performed, and to review and assess the performance of such services for the limited purposes of assuring that such services have been performed and confirming that such results were satisfactory.
- 1.7 Where capacity exists at PPS, the terms of this agreement may be extended to any municipality in Florida wishing to have PPS accomplish their EMS Billing.

## ARTICLE 2

### TERM OF AGREEMENT

- 2.1 This Agreement shall commence on December 19, 2001, and unless modified by mutual agreement of the parties or terminated earlier pursuant to the terms of this Agreement, shall continue for one (1) year from the Commencement Date. The City may renew this Agreement on the same terms and conditions for up to one (1), one (1) year renewal by providing written notice to PPS at least sixty (60) days prior to expiration of the Agreement or any renewal.

- 2.2 This Agreement may be terminated by either party without cause upon thirty (30) days prior written notice. This Agreement may be terminated by either party for cause with no further notice if the other party breaches any term hereof and the breaching party fails to cure such breach within the ten (10) days of receipt of a written notice to come from the non-breaching party.
- 2.3 Upon termination of this Agreement for any reason, PPS shall promptly return to the CITY all copies of any CITY data, records, or materials of whatever nature or kind, including all materials incorporating the proprietary information of the CITY except as provided below. PPS shall also furnish to the CITY all work in progress or portions thereof, including all incomplete work. PPS will retain all pertinent material provided by the City that was used in submitting claims for the five (5) year period following the contract termination as required by law. Material will be returned after five (5) years or properly destroyed at the option of the City. PPS reserves the right to maintain this material in either paper or electronic form.
- 2.4 Within ten (10) days of termination of this Agreement, PPS shall submit to the CITY an itemized accounting for any fees or expenses theretofore accrued under this Agreement. If the Agreement is terminated for convenience, PPS shall be entitled to its percentage share of future collections from the CITY that were billed through the termination date. That future share shall be calculated as of the date of termination by totaling the amount of outstanding claims and applying adjusted charges to collections ratios for the most recent completed fiscal year to the PPS contract percentage fee. If a full year's data has not been completed, data used to determine the average collection rate will be based on months where over one hundred twenty (120) days has accrued. The CITY, upon payment of accrued amounts invoiced via this method, shall have no further liability or obligation to PPS whatsoever for any further fees, expenses, or other payment.

### **ARTICLE 3**

#### **FEES, EXPENSES, AND PAYMENT**

- 3.1 In consideration of the services to be performed by PPS, the CITY shall pay PPS for approved invoices in accordance with the provisions of the Florida Prompt Payment Act. If an invoice is disputed, the City shall notify PPS of the dispute within ten (10) days of receipt of the invoice. PPS shall have ten (10) days to respond to the disputed invoice.
- 3.2 In the event PPS or the CITY terminate this Agreement, unless such termination is due to a breach or default by PPS, PPS shall be entitled to a pro rata payment for work in progress but yet uncollected by the method described in Section 2 paragraph 2.4 above.
- 3.3. Upon renewal of this Agreement, as per section 2.1 above, PPS agrees that the fees and charges for any services, as described in Exhibit A, shall not exceed those specified in the initial contract (five point seventy five percent, (5.75%)) with increases negotiated for increased postal rates.

## **ARTICLE 4**

### **TREATMENT OF PPS & THE CITY PERSONNEL**

- 4.1 Compensation of PPS's Personnel. PPS and the City shall bear sole responsibility for payment of compensation to their respective personnel. PPS shall pay and report, for all personnel assigned to the CITY's work, federal income tax withholding, social security taxes, and unemployment insurance applicable to such personnel as employees of PPS. PPS shall bear sole responsibility for any health or disability insurance, retirement benefits, or other welfare or pension benefits (if any) to which such personnel may be entitled. PPS agrees to defend, indemnify, and hold harmless the CITY, the CITY's officers, directors, employees, and agents, and the administrators of the CITY's benefit plans from and against any claims, liabilities, or expenses relating to such compensation, tax, insurance, or benefit matters; provided that the CITY shall promptly notify PPS of each such claim when and as it comes to the CITY's attention, cooperate with PPS in the defense and resolution of such claim, and not settle or otherwise dispose of such claim without PPS's prior written consent, such consent not to be unreasonably withheld.
- 4.2 Workers' Compensation. Notwithstanding any other workers' compensation or insurance policies maintained by the CITY, PPS shall procure and maintain workers' compensation coverage in accordance with State law for their employees involved in the CITY work.
- 4.3 State and Federal Taxes. As PPS personnel are not CITY employees, the CITY shall not take any action or provide PPS's contract personnel with any benefits or commitments inconsistent with any of such undertakings by PPS. In particular:
1. The CITY will not withhold FICA (Social Security) from PPS's payments.
  2. The CITY will not make state or federal unemployment insurance contributions on behalf of PPS or Contract personnel.
  3. The CITY will not withhold state and federal income tax from payment to PPS.
  4. The CITY will not make disability insurance contributions on behalf of PPS.
  5. The CITY will not obtain workers' compensation insurance on behalf of PPS or its personnel.

## **ARTICLE 5**

### **RIGHTS IN DATA**

- 5.1 As between the CITY and PPS, except as set forth below in this Section 5, all right, title, and interest in any proprietary processes and licenses used in the performance of this Agreement, shall remain the property of the the City.
- 5.2 All right, title, and interest in and to all Deliverables, shall be held by the CITY as long as the terms and conditions of this Agreement have been met.

## **ARTICLE 6**

### **PROPRIETARY INFORMATION**

- 6.1 PPS acknowledges that in order to perform the services called for in this Agreement, it shall be necessary for the CITY to disclose to PPS contract personnel certain Trade Secrets, as defined in Section 6.2 hereof, that have been developed by the CITY at great expense and that have required considerable effort of skilled professionals. PPS further acknowledges that the Deliverables may of necessity incorporate such Trade Secrets. PPS agrees that it shall not disclose, transfer, use, copy, or allow access to any such Trade Secrets to any employees or to any third parties, except for those who have a need to know such Trade Secrets in order to accomplish the requirements of this Agreement. In no event shall PPS disclose any such Trade Secrets to any competitors of the CITY.
- 6.2 As used herein, the term "Trade Secrets" shall mean any information, process or procedure that is commercially valuable to the CITY and is not generally known in the industry. The obligations set forth in Section 6.1 as they pertain to Trade Secrets shall survive termination of this Agreement and continue for so long as the relevant information remains a Trade Secret. Any requests for information of this nature will be promptly referred to the CITY.

## **ARTICLE 7**

### **CONFIDENTIALITY OF AGREEMENT; PUBLICITY; USE OF MARKS**

- 7.1 PPS shall not at any time use the CITY's name in any advertising or publicity without the prior written consent of the CITY.

## **ARTICLE 8**

### **RR IES**

- 8.1 The CITY warrants that it owns all right, title, and interest in and to any data, or materials furnished to PPS.
- 8.2 PPS warrants that:
- a. any applicable law, rule, or regulation; any contracts with third parties; or any third-party rights in any patent, trademark, copyright, trade secret, or similar right; and
  - b. PPS is the lawful owner or licensee of any software programs or other materials used by the contractor in the performance of the services called for in this Agreement and has all rights necessary to convey to the CITY the unencumbered ownership of Deliverables.

**ARTICLE 9**

**OF THE CITY OF PEORIA**

- 9.1 Additional Value From Hiring. The CITY acknowledges that PPS contract personnel provides a valuable service by identifying and assigning personnel for the CITY's work. The CITY further acknowledges that the CITY would receive substantial additional value, and PPS would be deprived of the benefits of its work force, if the CITY were to directly hire PPS's personnel after they have been introduced to the CITY.
- 9.2 No Hiring Without Prior Consent. Without the prior written consent of PPS, the CITY shall not recruit or hire any personnel of PPS who are or have been assigned to perform work until one (1) year after termination of this Agreement.

**ARTICLE 10**

**CONFIDENTIALITY**

- 10.1 PPS will safeguard the CITY patient and business information. PPS recognizes the sensitivity of information from which we work. Such material will only be used in the proper context of business

**ARTICLE 11**

**LIMITATION OF LIABILITY**

- 11.1 Total Liability. The CITY agrees that PPS's liability hereunder for damages, regardless of the form of action, shall not exceed the total amount paid for services under the applicable estimate or in the authorization for the particular service if no estimate is provided unless the liability arises from illegal acts of PPS.
- 11.2 Force Majoure. PPS shall not be liable to the CITY for any failure or delay caused by events beyond PPS's control, including, without limitation, the CITY's failure to furnish necessary information; sabotage; failure or delays in transportation or communication; failures or substitutions of equipment; labor disputes; accidents; shortages of labor, fuel, raw materials or equipment; or technical failures.

**ARTICLE 12**

**INSURANCE REQUIREMENTS**

- 12.1 PPS shall maintain General Liability Insurance in the amount of \$1,000,000, with the CITY named as an additional insured. The CITY shall be notified thirty (30) days prior to any changes in coverage.



## ARTICLE 13

### MISCELLANEOUS

- 12.1 This Agreement shall be governed and construed in all respects in accordance with the laws of the State of Florida as they apply to a contract executed, delivered, and performed solely in such State.
- 12.2 The parties are and shall be independent contractors to one another, and nothing herein shall be deemed to cause this Agreement to create an agency, partnership, or joint venture between the parties. Nothing in this Agreement shall be interpreted or construed as creating or establishing the relationship of employer and employee between the CITY and PPS .
- 12.3 All remedies available to either party for one or more breaches by the other party are and shall be deemed cumulative and may be exercised separately or concurrently without waiver of any other remedies. The failure of either party to act in the event of a breach of this Agreement by the other shall not be deemed a waiver of such breach or a waiver of future breaches, unless such waiver shall be in writing and signed by the party against whom enforcement is sought.
- 12.4 All notices required or permitted hereunder shall be in writing addressed to the respective parties as set forth herein, unless another address shall have been designated, and shall be delivered by hand or by registered or certified mail, postage prepaid.
- |   |   |
|---|---|
| City of Marathon<br>Office of the City Manager<br>10045-55 Overseas Highway<br>Marathon, FL 33050 | Professional Practice Support, Inc. (PPS)<br>PMB 290 - 2740 SW Martin Downs Blvd<br>Palm City, FL 34990 |
|---|---|
- 12.5 This Agreement constitutes the entire agreement of the parties hereto and supersedes all prior representations, proposals, discussions, and communications, whether oral or in writing. This Agreement may be modified only in writing and shall be enforceable in accordance with its terms when signed by the party sought to be bound.
- 12.6 This Agreement is enforceable only by PPS and the CITY. The terms of the Agreement are not a contract or assurance regarding compensation, continued employment, or benefit of any kind to any PPS's personnel who are assigned to the CITY's work, or any beneficiary of any such personnel, and no such personnel, or any beneficiary thereof, shall be a third-party beneficiary under or pursuant to the terms of this Agreement.
- 12.7 This Agreement shall be governed by the laws of the State of Florida. Venue for any litigation arising under this agreement shall be in Monroe County, Florida. In the event that either party litigates to resolve a dispute arising under this agreement, the prevailing party shall be entitled to reimbursement of its costs and reasonable attorney fees.

IN WITNESS WHEREOF, the parties hereto have caused have caused this Agreement to be executed by their duly authorized representatives, on the date and year first above written.

ATTEST

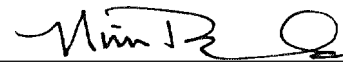
Katharine V. Selchan  
CITY CLERK

CITY OF MARATHON

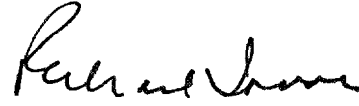
By:   
ROBERT MILLER, MAYOR

Date: December 18, 2001

APPROVED AS TO LEGAL SUFFICIENCY

  
CITY ATTORNEY

PROFESSIONAL PRACTICE SUPPORT, INC.

By:   
MR. RICHARD ISAAC

Date: December 20, 2001

Exhibit AResubmission of Professional Practice Support, I

1. Acquisition & maintenance of Software and Hardware at PPS offices necessary to support the CITY billing and accounts receivable function.
2. Provide EMS Billing & Accounts Receivable Management services to the City consisting of:
  - Full Service Electronic Billing and Accounts receivable management under standard contract to include:
    - Set-up with clearinghouse and required testing.
    - Electronic (& paper when required) billing of insurance carriers from data collected at the time of the EMS run and submit claim within three (3) business days.
    - Checks clearinghouse reports of transmissions within twenty-four (24) hours and identifies reasons for any transmission rejections. Corrects and resubmits rejections within one (1) business day where necessary information is available at PPS.
    - Sequential preparation and mailing of not less than four Patient Statements (or more if reasonable) and Secondary Insurance Claims where applicable per EMS run using the EMS the CITY'S remitting address.
    - Posting of all payments in databases maintained for the CITY at PPS offices. These posting are made from of Explanation of Benefit (EOB) statements and checks received on behalf of the CITY by PPS along with checks to be deposited and transferred to client's bank account..
    - Preparation of up to five (5) monthly reports as selected by each Chief from a menu of over thirty (30) report formats available. Specialized reports are available at additional programming cost.
    - Follow-up telephonic contact with insurance carriers on any claim remaining unpaid longer than sixty (60) days. Follow-up will also be made on any insurance claim that falls below the expected reimbursement.
    - Follow-up soft collections to patients who have not responded to statement billings and more aggressive collections only when authorized by the CITY.
    - PPS will prepare invoices to the CITY via methods outlined in *Attachment A page 1*. Invoices will be sent within the first ten (10) working days each month and be based on collections posted in the previous month.
    - PPS will respond and appreciates knowing where there are opportunities to better serve its customers. They will remain ready to receive such calls.
    - PPS will maintain regular office hours and be available, toll free, to the CITY and their patients in responding to billing questions. Toll-free numbers will be provided on all patient statements. . PPS will be available for such calls, either in person or by voice-mail relay page, from 9AM to 5 PM during the normal business week. (Federal Holidays excluded) PPS reserves the right to close the office for vacation periods not exceeding 15 business days per year.
    - PPS will attend Face-to-face pre-contract meetings at the CITY'S site to provide smooth transition.

**EXHIBIT A (continued)**

- PPS will participate in Direct EMT training required to assure accuracy of information used in billing.
3. PPS will serve as Billing & Collections agent for the CITY. All payments will go directly to the CITY. The City Manager shall provide the CITY mailing address for payments.
  4. The overall objective will be to maximize number of claims submitted electronically, shorten payment response time, and systematically increase follow-up of unpaid insurance claims, and increase collection rates.

**Responsibilities of the CITY:**

1. The CITY will be responsible for accumulating patient and insurance information and providing PPS copies via -Mail for billing purposes. The CITY will be assigned a mailing address for these mailings.
- The CITY will maintain original copies of all medical data on run sheets, physician certifications and all other data required by law.
3. The CITY will complete and sign all necessary provider agreements required by clearinghouses and carriers for electronic transmission.
4. The CITY will cooperate with PPS to enhance the accuracy of data collected by EMS personnel at the time of the run and if necessary, provide PPS personnel access to EMS personnel for the purposes of training when the need for training is mutually agreed upon by PPS and the CITY.
5. The CITY shall meet with PPS representatives at contract signing to discuss data needs, & individualize fee schedules. And meet with PPS on a regular basis to assure quality service.
6. The CITY shall pay PPS invoices for services in accordance with the Florida Prompt Payment Act.
7. The CITY shall provide a remittance address for payments as soon as practical after signing this agreement to allow time for printing of materials.

**Exhibit A (continued)**

8. The CITY shall provide to PPS on at least a weekly basis, copies of checks received, copies of explanation of benefits received from insurance companies, copies of requests for additional information from insurers, and copies of patient statement stubs received with payments.
9. The CITY also must provide timely response to insurers request requesting W-9 forms from insurers.

**Fees:**

SEE ATTACHMENT A

**ATTACHMENT A**

**Billing and AR Management Fees**

**Non-Medicaid Claims ..... 5.75% of collections**

**MEDICAID CLAIMS  
\$9.50 PER CLAIM**

**ADJUSTMENTS TO BILLINGS**

<b>Accuracy Incentives / Surcharges</b>	
85%+ accuracy in source information requiring no further inquiry by BILLING CONTRACTOR .....	3% Discount
90%+ accuracy in source information requiring no further inquiry by BILLING CONTRACTOR .....	6% Discount
78% to 84.9% accuracy in source information .....	No Adjustment
Less than 78% accuracy in source information .....	3% Surcharge
Less than 68% accuracy in source information .....	6% Surcharge
<b><i>Discounts /Surcharges- subtracted /added from bill to the CITY monthly.</i></b>	

IT A (continued)

**Contractual Performance Requirements:**

Performance requirements for PPS are outlined below. Failure to meet or exceed any performance requirement can be basis for a CITY cure notice under the provisions of paragraph 2.2 of the contract provisions.

1. PPS and its employees shall consistently strive to provide the best customer service to the CITY and its patients.
2. PPS will Bill all Transport runs within three (3) workdays of receiving complete & accurate billing / insurance data.
3. PPS will re-bill rejected claims within three (3) workdays of receiving notice of such rejection and obtaining the necessary information to correct the reason for the rejection.
4. PPS will provide reports on request within the capabilities of the database and the customer's set-up instructions on data capture.
5. PPS will respond to all customer questions and request in a timely manner, dependent on the nature and extent of the information requested. In every case the time-frame for any particular request will be agreed upon within two (2) workdays of the request.
6. PPS will follow-up on all unpaid claims submitted electronically between the twenty first (21<sup>st</sup>) day and the fortieth (40<sup>th</sup>) day following submission. Follow-up on unpaid paper claims will be between the forty-fifth (45<sup>th</sup>) day and the seventieth (70<sup>th</sup>) day following submission.
7. PPS will strive to raise collection rates of the CITY. Success will likely vary due to current collection rates, & social economic status of the community served. Goals for collection rate improvement are established below without regard to community social economic status. These goals will be further refined for each contract signed with the CITY through individual analysis and agreement.

**Collection Rate Goals**

Year One -----73% of adjusted charges  
 Year Two ----- 80% of adjusted Charges

SCANNED

12/21/01 #4737 KS ✓