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**CITY OF MARATHON, FLORIDA  
RESOLUTION 2009-138**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARATHON, FLORIDA, AUTHORIZING THE CITY TO ENTER INTO A BILLING SERVICES AGREEMENT WITH PROFESSIONAL PRACTICE SUPPORT, INC.; AUTHORIZING THE CITY MANAGER TO EXECUTE THE AGREEMENT; AND PROVIDING FOR AN EFFECTIVE DATE**

**WHEREAS**, the City of Marathon, Florida (the "City") provides emergency medical services ("EMS") to the residents and visitors to the City; and

**WHEREAS**, the City entered into a billing services agreement with Professional Practice Support, Inc. ("PPS"), dated December 20, 2001, (the "Contract") to bill and collect healthcare and third party reimbursements for such services; and

**WHEREAS**, that agreement has lapsed and the City and PPS desire to enter into a new contract to commence on October 1, 2009 and continue through September 30, 2009 with three one year optional renewals on the same terms and conditions.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MARATHON, FLORIDA, THAT:**

**Section 1.** The above recitals are true and correct and incorporated herein.

**Section 2.** The Billing Services Agreement between the City and PPS for billing and collection of healthcare and third party reimbursements for emergency medical services, a copy of which is attached as Exhibit "A", together with such non-material changes as may be acceptable to the City Manager and approved as to form and legality by the City Attorney, is hereby approved. The City Manager is hereby authorized to execute the Contract on behalf of the City.

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

**PASSED AND APPROVED** by the City Council of the City of Marathon, Florida, this 22<sup>nd</sup> day of September, 2009.

**THE CITY OF MARATHON, FLORIDA**

  
\_\_\_\_\_  
**Mayor Mike Cinque**

AYES: Ramsay, Snead, Vasil, Worthington, Cinque  
NOES: None  
ABSENT: None  
ABSTAIN: None

**ATTEST:**

  
\_\_\_\_\_

Diane Clavier  
City Clerk

(City Seal)

**APPROVED AS TO FORM AND LEGALITY FOR THE USE AND RELIANCE OF THE CITY OF MARATHON, FLORIDA ONLY:**

  
\_\_\_\_\_  
City Attorney

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

THIS AGREEMENT ("Agreement") is made and entered into this 22<sup>nd</sup> day of September 2009, by and between The City of Marathon, a Florida municipal corporation, ("City") and Professional Practice Support Inc. ("PPS"), a Florida corporation specializing in computerized healthcare billing services.

**WITNESSETH:**

**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:

**Section 1. Scope of Services**

1.1 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 and incorporated herein. 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.

**Section 2. City's Obligations**

2.1 The City agrees to provide assistance, and any other services and materials PPS or its personnel 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 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 the City's security policies.

2.2 The City will be responsible for accumulating patient and insurance information for billing purposes and providing copies to PPS. via U.S. Mail. The City will designate PPS's mailing address as the designated address to which payments are directed.

2.3 The City will Maintain original copies of all medical data on run sheets, physician certifications and all other data required by law.

2.4 The City will complete and sign all necessary provider agreements required by clearinghouses and carriers for electronic transmission.

2.5 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.

2.6 Where capacity exists at PPS, the terms of this agreement may be extended to any municipality in Florida wishing to engage the services of PPS to provide EMS Billing.

### **Section 3. Term of Agreement**

3.1 This Agreement shall commence on October 1, 2009 and shall terminate on September 30, 2010 unless modified by mutual agreement of the parties or terminated earlier as provided for herein. The City shall have the option to renew this Agreement for three (3) additional one-year periods by providing PPS with written notice to renew no less than thirty (30) days from the expiration date. If this Agreement is renewed PPS shall be entitled to a fee increase of five percent (5%) annually for each subsequent year.

3.2 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 from the non-breaching party.

3.3 Upon the termination of this Agreement for any reason, within thirty (30) days of termination PPS shall return to the City copies of all City data, records, or materials of whatever nature or kind, including all proprietary City information. **PPS RESERVES THE RIGHT TO MAINTAIN THIS MATERIAL IN EITHER PAPER OR ELECTRONIC FORM.** PPS shall also furnish to the city all billing work in progress or portions thereof, including all incomplete work. PPS will retain all work product provided by the City or generated by PPS in the performance of its obligations under this Agreement for a period of five years following the termination of this Agreement. Thereafter, at the option of the City PPS shall return all materials to the City or properly destroy them.

### **Section 4. Fees, Expenses, and Payment**

4.1 The City shall pay PPS for services rendered and invoiced in accordance with the Florida Prompt Payment Act. If the City disputes and an invoice it shall notify PPS of the dispute within 10 days of receipt of the disputed invoice. PPS shall have 10 days to respond to the disputed invoice.

4.2 In the event this Agreement is terminated without cause, PPS shall be entitled to its percentage share of future collections from participating claims 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 120 days has accrued. Upon payment of accrued amounts invoiced via this method, the City shall have no further liability or obligation to PPS whatsoever for any further fees, expenses, or other payment whatsoever.

#### **Section 5. Rights to Data**

5.1 All right, title, and interest in any proprietary processes and licenses used in the performance of this Agreement, shall remain the property of the City.

5.2 Any files, documents, studies, reports, training curriculum and other data prepared by PPS in connection with this Agreement are and shall remain the property of the City, and shall be delivered to the City no later than thirty (30) days after termination of this Agreement.

#### **Section 6. Warranties**

6.1 The City warrants that it owns all right, title, and interest in and to any data, or materials furnished to PPS in furtherance of each parties obligations under this Agreement.

6.2 PPS warrants that it is the lawful owner or licensee of any software programs or other materials used by it 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.

#### **Section 7. Hiring of PPS Personnel**

9.1 The City acknowledges that PPS personnel provide a valuable service to the City. The City further acknowledges that it 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 providing services to the city under this Agreement. Accordingly, the City shall not recruit or hire any personnel of PPS who are or have been assigned to perform work for the City under this Agreement for one (1) year after termination of this Agreement.

#### **Section 8. Confidentiality & HIPPA Compliance**

8.1 PPS will safeguard City patient and business information. PPS recognizes the sensitivity of information provided to it by the City, and such material will only be used in the proper context of business.

8.2 PPS is a “Business Associate” of the City as defined under the Privacy Provisions of the Health Insurance Portability and Accountability Act (HIPAA). Accordingly, PPS will fully comply with all HIPAA as it pertains to the receipt, maintenance, and release of personally identifiable medical information given to PPS by the City. PPS shall only use and release the protected personally identifiable information to:

- a. Seek payment from insurance entities, and or individuals responsible for payment including the patient.
- b. Provide data aggregation services to the City related to the City’s healthcare operations.
- c. Release information on accounts being forwarded for collection agency action to an agency designated in writing by the City.

PPS will:

- a. Not use or further disclose the information other than permitted or required by this Agreement or as required by law;
- b. Use appropriate safeguards to prevent use or disclosure of the information provided provided by the City under this Agreement;
- c. Immediately report to the City any use or disclosure of the information provided by the City not in conformance with this Agreement of which it becomes aware;
- d. Refer to the City for action any requests for access to protected health information in accordance with sec 164.524 and 164.526 of HIPPA;
- e. Make available any information required to provide an accounting of disclosures in accord with sec. 164.528 of HIPPA;
- f. Make its internal practices, books, and records, relating to the use and disclosure of protected health information received from, or created or received by PPS on behalf of the City available to the Secretary of Health & Human Services as required by HIPPA;
- g. At termination of this Agreement, retain records containing protected health information for a period of not more than 5 years before returning or destroying these records as directed by the City. During this period, the provisions of this Agreement pertaining to the further use or disclosure of this information shall remain in full force.

## **Section 9. Limitation of Liability**

9.1 PPS's liability for damages, regardless of the form of action, shall not exceed the total amount paid for services under this Agreement unless the liability arises from illegal acts of PPS.

9.2 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.

## **Section 10. Miscellaneous Provisions**

10.1 The City shall have the right to audit all Deliverables for a period of one year from the date of City's acceptance of the Deliverables. Additionally, the City shall have the right to audit all Deliverables for a period of one year from the termination of this Agreement.

10.2 This Agreement shall be governed and construed in accordance with the laws of the State of Florida.

10.3 The parties submit to the jurisdiction of any Florida state or federal court in any action or proceeding arising out of or relating to this Agreement, and agree that all claims in respect of such action or proceeding may be heard and determined in such court. Each party further agrees that venue of any action to enforce this Agreement shall be in Monroe County, Florida.

10.4 PPS is an independent contractor under this Agreement. Services provided by the PPS shall be by employees of PPS and subject to supervision by PPS and not as officers, employees, or agents of the City. Personnel policies, tax responsibilities, social security and health insurance, employee benefits, purchasing policies and other similar administrative procedures applicable to services rendered under this Agreement shall be those of PPS.

10.5 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.

10.6 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  
Office of the City Manager  
9805 Overseas Highway  
Marathon, FL 33050

Professional Practice Support, Inc. (PPS)  
PMB 510 – 420 Wal-Mart Way  
Dahlonega, GA 30533

10.7 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.

10.8 PPS shall not discriminate against any employee or applicant for employment for work under this Agreement because of race, color, religion, sex, age, marital status or national origin, physical or mental disability.

10.9 The parties recognize that the services contemplated by PPS are of a unique nature and as such this Agreement shall not be assigned, transferred or otherwise encumbered, by PPS, without the prior written consent of the City.

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

10.11 If either the City or PPS is required to enforce the terms of this Agreement by court proceedings or otherwise, whether or not formal legal action is required, the prevailing party shall be entitled to recover from the other party all such costs and expenses including but not limited to court costs, and reasonable attorney's fees.

10.12 Headings are for convenience of reference only and shall not be considered on any interpretation of this Agreement.

10.13 Each Exhibit referred to in this Agreement forms an essential part of this Agreement. The Exhibits, if no physically attached, should be treated as part of this Agreement, and are incorporated by reference.


10.14 If any provisions of this Agreement or its application to any person or situation shall to any extent be held invalid or unenforceable, the remainder of this Agreement, and the application of such provision to persons or situations other than those as to which it shall have been invalid or unenforceable shall not be affected, and shall continue in full force and effect, and be enforced to the fullest extent permitted by law.

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

**WITNESSES:**

  
Print Name: D. H. 21213 EN

**PROFESSIONAL PRACTICE SUPPORT, INC.**


By:   
Print Name: Richard D. Issac  
Title: Pres.



**THE CITY OF MARATHON, FLORIDA**

  
\_\_\_\_\_  
Clyde Burnett, City Manager

**ATTEST:**

  
\_\_\_\_\_  
City Clerk

**APPROVED AS TO FORM AND LEGALITY FOR THE USE  
AND RELIANCE OF THE CITY OF MARATHON, FLORIDA ONLY:**

  
\_\_\_\_\_  
City Attorney

## Exhibit A

### Responsibilities of Professional Practice Support

1. Acquisition & maintenance of Software and Hardware at PPS offices necessary to support the City's billing and accounts receivable function.
2. Provide EMS Billing & AR Management services to The City consisting of:
  - a. 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 business days.
    - Check clearinghouse reports of transmissions within 24 hours and identifies reasons for any transmission rejections. Corrects and resubmits rejections within one 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 City's remitting address.
    - Posting of all payments in databases maintained for the City at PPS offices. These posting are made from Explanation of Benefit (EOB) statements and checks received on behalf of the City by PPS along with checks to be deposited and transferred to City's bank account.
    - Preparation of up to 5 monthly reports as selected by each Chief from a menu of over 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 120 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 the Citys via methods outlined in ***Attachment A page 1***. Invoices will be sent within the first 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 its 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 Monday thru Thursday (Federal Holidays excluded). In addition, PPS reserves the right to close the office for vacation periods not exceeding 20 business days per year.

- PPS will participate in direct EMT training required to assure accuracy of information used in billing.
  - PPS will scan run reports and related information and provide the City with those files in PDF format.
  - PPS shall process credit card payments for EMS runs for the City. Costs will be only the discount cost per transaction that is charged to PPS.
3. PPS will serve as agent for the City of Marathon Fire Rescue Service to receive payment in its name as provider of EMS services. PPS shall deposit all such payments to the City's designated bank account. Bank deposit slips will be reconciled with computer generated postings to patient accounts. Any necessary refunds from overpayments will be generated by the City from reports and information provided by PPS. These payment disposition instructions may be modified or revoked at any time by the City.
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 City:**

Billing and AR Management Fees

<b>Non-Medicaid Claims</b>	<b>8.25% of collections</b>
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<b>MEDICAID CLAIMS</b>
<b>\$10.50 PER CLAIM</b>

Adjustments to Billings

<b>Accuracy Incentives / Surcharges</b>	
85%+ accuracy in source information requiring no further inquiry by PPS	3% Discount
90%+ accuracy in source information requiring no further inquiry by PPS	6% Discount
78% to 84.9%	No Adjustment
<i>Discounts – subtracted from monthly bill to the City</i>	

**PPS Contractual Performance Requirements:**

PPS' failure to meet or exceed any performance requirement shall constitute a breach of this Agreement.

1. PPS and its employees shall provide the best customer service to The Citys, 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 City'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 2 workdays of the request.
6. PPS will follow-up on all unpaid claims submitted electronically or on paper between the 45<sup>th</sup> day and the 120<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.

**Collection Rate Goals**

Year Three and beyond ----- 78% of adjusted Charges