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Mr. Malcolm Scott
Client Management

Change Healthcare
8085 Rivers Avenue
Suite 100,
North Charleston, SC
29406

P 843-569-4038

F 770-776-5713

Sole Source Criteria Vendor Letter:

Change Healthcare has provided clinical pathology professional component bill for the University Physicians, PLLC since September 1, 2008. We operated under the name McKesson until Change Healthcare became a separate company from McKesson on March 1, 2017.

The purpose of this letter is to answer three questions concerning our services.

1. The product or services being purchased must perform a function for which no other product or source of services exist – what is the unique functionality of this product?

Change Healthcare provides the billing function of the professional component for the University Physicians, PLLC clinical pathology. The unique functionality for the professional component is billing charges with modifiers to carriers, rolling statements to patients and managing the account receivables. Clinical pathology is high volume (9-10 blood tests per patient) with low reimbursement (on average of \$2.00 per test).

2. What are the specific business objectives that can be met only through the unique product or services – why does UMMC need the specific unique functionality?

The objective of our service is to bill carriers for services the pathologist (medical doctors) perform. Our service include following state and federal guidelines as well as compliance initiatives. Each year we manage the new medical codes (CPT) and ClinLab allowable fees. Change Healthcare created an interface to bill the professional component from the UMISS EPIC system data (charges and demographics). We have trained and experienced pathology account receivables personnel. We also utilize in this contract our call center to work with patient issues. UMISS would need to hire multiple people in several job positions to meet the needs to run the business. These people would

require knowledge specific to pathology compliance and billing.

3. The product or services must be available only from the manufacturer and **NOT** through resellers who could submit competitive pricing for the product or services – does the vendor allow resellers/can anyone else give a quote for this item?

Change Healthcare does not have any agreements to have our billing services resold through another vendor.

Sincerely,

Malcolm scott
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