

PRF72: Statewide Contract for Debt Collection Services

UPDATED: December 30, 2020

Contract #:	PRF72
MMARS MA #:	PRF72*
Initial Contract Term:	February 1, 2020 – January 31, 2025
Maximum End Date:	One 5-year extension to 2030
Current Contract Term:	February 1, 2020 – January 31, 2025
Contract Manager:	Betsy Alvarez, (617) 727-5000, debtcollectioncontract@mass.gov
UNSPSC Codes:	93-15-00-00 – Public administration and finance services – Debt Collection Services

*The asterisk is required when referencing the contract in the Massachusetts Management Accounting Reporting System (MMARS).

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Contract Summary

This is a Statewide Contract for Debt Collection Services. New to this Statewide Contract for Debt Collection Services is the collection of multi-state transportation and tolling debt.

The Commonwealth of Massachusetts, Office of the Comptroller (CTR), as designated through the Operational Services Division (OSD) issued a re-bid of a (CTR) Statewide Contract for the acquisition of a full suite of Debt Collection Services. This statewide contract, PRF72 (PRF72DesignatedCTR) replaces PRF55 (PRF55DesignatedCTR) which expired January 31, 2020. These services will maximize collections of delinquent account receivables, thereby enhancing the Commonwealth's revenues, using the most cost-effective state of art collection methods and following the highest professional standards of integrity for collection services.

The debt collection services provided under this Statewide Contract are authorized by M.G.L. c. 29, § 29D and shall be available for all debts, including transportation and tolling debts, owed to Commonwealth Agencies and legislatively

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authorized Eligible Entities. Debts include non-tax revenue pursuant to 815 CMR 9.00 and can include fines, fees, licenses, permits, interest income, assessments, third party payments, fleet debt, Pay by Plate debt, parking tickets and all other transportation debt as outlined in Appendix 4 of the RFR, and any other types of receivables that are capable of being collected. This Statewide Contract does not include revenues specifically governed by separate statutes such as revenues from taxes through the Department of Revenue, lottery operations, Commonwealth investments or as otherwise determined by the Comptroller's Office, however, these debts may be added to this Statewide Contract at any time by the Departments with separate authority for debt collection and these Eligible Entities may use this Statewide Contract at any time.

Bidder Qualification – Four (4) current contractors were retained and Five (5) new contractors were selected. As a result, contract users are able to concentrate on the specific requirements of their debt types and which DCAs can best service their debts.

DCAs demonstrate leading industry standards in technology, security, Payment Card Industry (PCI) compliance and other protocols to ensure the highest level of security and privacy in the transmission, acceptance and handling of account referrals, remittance of funds and reports. DCAs demonstrate state of the art collection methods, including skip tracing, letters, calls, predictive dialing, electronic payment methods such as major credit card, checks (ACH, hard copy, and checks by phone), money gram, Western Union, IVR, all at no additional charge to debtors, that ensure the broadest level of collection success, and prompt submission of funds to the Eligible Entity. DCA bids demonstrate dedicated IT and security staff. DCAs are familiar with the requirements of HIPAA and its accompanying regulations, and will comply with all applicable HIPAA requirements in the course of this contract.

Benefits and Cost Savings

Statewide contracts are an easy way to obtain benefits for your organization by leveraging the Commonwealth's buying power, solicitation process, contracting expertise, vendor management and oversight, and the availability of environmentally preferable products.

Experienced Debt Collection Agencies (DCAs) have been selected for the Debt Collection Statewide Contract with the following benefits and cost savings:

- Multiple Statewide Contractors with a wide range of debt collection services
- Competitive debt collection rates;
- More than 10 years Government Collection experience;
- Capacity to provide services to multiple Commonwealth departments simultaneously;
- Able to accept all types and sizes of debt, and expertise to seek collections internationally;
- A high level of audit standards with robust internal controls;
- State of the art collection methods, security protocols and PCI compliance;
- Ability to provide location services for other business purposes not related to collections on a fee-for-service basis;
- Familiarity with HIPPA requirements and its accompanying regulations;
- Ability to handle daily deposits of electronic payments and daily reconciliation of all activities as well as other schedules built for each Eligible Entity;
- Responsibility to pay any NSF fees and to re-collect the amount of any bounced checks without rebilling for fees paid;

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- Contingent fee payments are only paid when debts have been collected from the amount of the debt collected;
- Automated close out deadlines to limit the time debts are actively worked on based upon industry standards.
- Other value added services provided as part of the collection services to provide the best value to the Commonwealth.

Find Bid/Contract Documents

- To find all contract-specific documents, including the Contract User Guide, RFR, specifications, price sheets and other attachments, visit [COMMBUYS.com](https://www.commbuys.com) and search for PRF72 to find related Master Blanket Purchase Order (MBPO) information.
- To find vendor-specific documents, including price sheets, see links to individual vendor MBPOs on the [Vendor Information](#) page.

Who Can Use This Contract

Applicable Procurement Law

Executive Branch Goods and Services: M.G.L. c. 7, § 22; c. 30, § 51, § 52; 801 CMR 21.00;

Eligible Entities

Please see the standard list of Eligible Entities on our [Who Can Use Statewide Contracts](#) webpage.

Pricing, Quote and Purchase Options

Purchase Options

The purchase options identified below are the only acceptable options that may be used on this contract:

Contingency Fee: The Contract for these services is a contingent fee contract. In contrast to traditional fee-for-service contracting, this contract authorizes Eligible Entities to retain DCAs to assist in collection of delinquent debts and to pay the DCAs based upon the amount of the debts actually collected. Contractors are engaged strictly on a contingency fee basis.

Contractors only receive payment when the contracting Eligible Entities receive and record total revenues collected and then bill the Eligible Entity for the contingent fee amount negotiated as part of this contract. For the purposes of collecting a debt, the amount owed by a debtor (“total debt”) will be the amount of the base debt identified by the Eligible Entity/Department plus any late fees, penalties or interest plus the contingent fee payment added to the debt by the Department. Fee payments will be based upon the percentage of the total debt actually collected. Other fees for skip tracing etc. that are not performed as part of the collection of a debt will be separately billed as outlined in the Bidder’s RFR Response.

Eligible Entities have not been appropriated funding for this Debt Collection Services Statewide Contract. Any payments to the Authorized Debt Collection Agency, including payments for authorized legal services or other costs or fees, may only be paid from amounts (1) actually collected by the Authorized Debt Collection Agency for a debt assigned by an Eligible Entity, and (2) properly invoiced or deducted from total debt base amounts and contingent fees collected in accordance with this Statewide Contract.

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Pricing Options

Pricing details: Contingent fees are posted for each type of debt based upon age and whether or not litigation services are included.

Quotes: Eligible Entities are not required to solicit quotes for debt types but should select a contractor from the pool of contractors based upon pricing and qualifications that best suits the debt types to be submitted for collection.

Product/Service Pricing and Finding Vendor Price Files

Pricing may be found by clicking on individual vendor MBPOs on the [Vendor Information](#) page.

When contacting a vendor for this statewide contract, always reference PRF72 to receive contract pricing.

How To Purchase From The Contract

When selecting a contractor, Eligible Entities should review the Contractor Response Document, Pricing Document and “[How to Get Started Instructions](#)”, which are posted as attachments at the bottom of each Vendor Tab for the authorized DCAs to select one or more DCAs to accept the Eligible Entity debt. The DCA contact person will then work with the Eligible Entity to establish user IDs and passwords to log in to use the DCA web portal. DCA’s will also complete the implementation process to identify Eligible Entity bank accounts to make EFT/ACH deposits, outline parameters of debt types, authorized payment types, remitting and posting schedules for collected payments, the format for uploading debt information, and the process to begin accepting debt payments and remitting net proceeds to the Eligible Entity designated bank account(s).

Eligible Entities who are state Departments should notify CTR when establishing new engagements during this boarding stage at debtcollectioncontract@mass.gov.

Specifications That Apply To Debt Collection Agencies and Eligible Entities

The following specifications apply to both DCAs and Eligible Entities for use of this Statewide Contract. The documents listed below are incorporated by reference into this Statewide Contract, or as amended.

DCAs and Eligible Entities are required to comply with and perform the duties, responsibilities and requirements outlined below under the Debt Collection Services Statewide Contract. Eligible Entities and DCAs collecting Commonwealth debt must comply with these terms and the terms of the Statewide Contract. Any of the terms contained in this document may not be amended or modified in writing or by actions or performance without prior written approval of the Office of the Comptroller (CTR). Past practice that does not comply with these specifications shall not be grandfathered.

Compliance with Debt Collection Requirements

Please see a compilation of laws (federal and state), regulations, cases and web sources on debt collection on our [Massachusetts law about debt collection](#) webpage

DCAs and state departments are required to notify CTR through debtcollectioncontract@mass.gov whenever a state department begins a new engagement to enable CTR participation in the implementation process.

Eligible Entity Dunning and Review Accuracy of Debt To Be Referred

Prior to referring debt to a DCA, State Departments are required to ensure all debt has been pursued in compliance with 815 CMR 9.00 and that the debt is not disputed. [Click here for](#) the referenced Regulations. Other non-Executive Eligible

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Entities are required to follow their own published debt collection and due process procedures. If they do not have published procedures, the 815 CMR 9.00 process should be used.

Comptroller Intercept Process

Please find more information regarding our Intercept process on our [Intercept Web Application](#) webpage

Payment Plans.

Eligible Entities may authorize a DCA to establish installment payment plans with debtors for the full amount of the total debt. Payment plans should provide for at least a 25% down payment, depending upon the debt type and financial circumstances of the debtor, and should have a maximum duration not to exceed 6 months, unless the Eligible Entity approves a longer period not to exceed in any case 12 months. **Payments plans negotiated in the final year of the Statewide Contract may not be negotiated to extend beyond 6 months after the termination date of the Contract.** Contingent fees will be due at the time each payment installment is remitted to the Eligible Entity. DCAs must provide reports of all activity as specified by CTR including payment plans on a monthly basis. If a debtor defaults on a payment plan, the DCA must immediately notify the Eligible Entity for further instructions. DCAs may not request or accept post-dated checks to be deposited on the payment plan schedule, however, DCAs may establish electronic check authorizations, ACH or other electronic payments options in accordance with law.

Referral to the Attorney General's Office.

State Departments in consultation with the Attorney General's Office (AGO), will determine if sufficiently large cases will be referred to the Attorney General's Office for litigation. If referral to the AGO is made, a DCA will transmit all records and information regarding the case to the Eligible Entity for transmittal to the AGO.

Litigation Services.

Please refer to the following [815 CMR 9.00 - Debt Collection and Intercept](#) section 9.05 (5) for information on Statewide Debt Collection Litigation services.

Early Recall For Cause.

An Eligible Entity may recall a debt through an "early recall" prior to the 6 month cycle for cause for poor performance, failure to perform, overly aggressive or discourteous handling of clients, failure to provide timely reporting, failure to remit funds timely or accurately, failure to comply with the terms of the Statewide Contract, relevant statutes and regulations or other requirements of this Contract or general or special law, fraud or other cause. The DCA must return the debt immediately and the Eligible Entity does not need to provide an opportunity to cure. The DCA will not be entitled to any fee on a recalled debt for cause.

Early Recall "Without Cause."

Although not recommended, an Eligible Entity may recall a debt through an "early recall" prior to the 6 month cycle for any reason or no reason "without cause" but will remain liable for the debt collection fee to this DCA if the debt is ultimately collected by the Eligible Entity directly or by another DCA. The Eligible Entity will be required to pay the original DCA the contingent fee from amounts remitted to the Eligible Entity either directly from the debtor or from net proceeds remitted to the Eligible Entity after the 2nd referral DCA fee has been netted. Since early recall without cause may result in double fees for collection activities, early recall without cause should be limited. The debtor may not be charged for dual DCA fees

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if two DCAs have been used in the debt collection process. If dual fees are required to be paid, only the active DCA may add the fee to the original debt (which may NOT include the 1st DCA fee) and the Eligible Entity will have to pay the original DCA after the DCA has collected the debt and netted its fees and remitted the net proceeds to the Eligible Entity.

Performance and Payment Time Frames Which Exceed Contract Duration

- Eligible Entities are obligated to review all DCA's Close and Return reports each month and perform reconciliation of debts referred, collected and fees remitted.
- The Eligible Entity is obligated to review all debt returned that was unable to be collected and determine whether to close out the debt through write-off, or to re-refer the debt under a 2nd or 3rd DCA referral or intercept. State Departments will follow the Write-Off procedures issued by CTR. Non-state departments are required to follow their own procedures for closing out receivables.
- A DCA is required to provide any information, support and cooperation necessary to close out any debt when deemed uncollectible, either by return of the debt from the DCA, automatically after 6 months from the date of referral, whenever an engagement has been terminated with an Eligible Entity either without cause or for cause, or when this Statewide Contract has terminated, either for cause, without cause or at the end of the procurement period. At any of these times a DCA will be required to provide the Eligible Entity or CTR with a full accounting of all referred debts, status and recommended close out procedures, including the close out schedule of payment plans and any debts in litigation.



Contract User Guide for PRF72DesignatedCTR

Strategic Sourcing Team Members

- Betsy Alvarez, CTR
- Robert Brun, RGT
- Stephen Collins, DOT
- Alison Connolly, RGT
- Sarah Johnson, SCA
- Amy Nable, CTR
- Allison O'Keefe, LOT
- Tim O'Neill, CTR
- Stefanie Rucker, CTR
- Valerie Walker, EQE



Contract User Guide for PRF72DesignatedCTR

Vendor List and Information*

Company Name	Master Blanket Purchase Order #	DBA	Primary Address	Contract Manager	Phone	Email	COMMBUYS ID
** The Master MBPO (All contract documents)	MBPO# PO-20-1080-OSD03-SRC02-18683						
The Allen Daniel Associates, Inc.	PO-20-1080-OSD03-SRC02-18647		159 Overland Rd. Suite 406, Waltham MA 02451	Daniel B. Desatnick	781-647-7722 x2222	daniel@adacollect.com	206506
F.H Cann & Associates, Inc.	PO-20-1080-OSD03-SRC02-18643		1600 Osgood St. Suite 2-120, North Andover, MA 01845	Sheri Traficante-Cann	978-215-3602	scann@fhcann.com	00010622
Financial Asset Management System, Inc.	PO-20-1080-OSD03-SRC02-18648		655 Molly Lane Suite 110, Woodstock GA, 30189	Sharon Stickles	404-293-7639	s.stickles@fams.net	208479
Linebarger Goggan Blair & Sampson, LLP	PO-20-1080-OSD03-SRC02-18649		6 Harris St Newburyport, MA 01950	Eleanore Hargreaves	857-214-2844	eleanore.hargreaves@lgbs.com	213634
Penn Credit Corporation	PO-20-1080-OSD03-SRC02-18645		2800 Commerce Drive, Harrisburg, PA 17110	Rhett Donagher	800-800-3328 ext. 3003	rhett.donagher@penncredit.com	00014156
Performant Financial Corporation	PO-20-1080-OSD03-SRC02-18646	Premiere Credit of North America, LLC	2002 Wellesley, Blvd, SU 100, Indianapolis, IN 46219	Steve Sturgeon	317-322-3633	ssturgeon@premierecredit.com	
Duncan Solutions	PO-20-1080-OSD03-SRC02-18644	Professional Account Management, LLC	633 W. Wisconsin Ave Suite 1600, Milwaukee, WI 53203	Eric Hunn	215-275-9375	ehunn@duncansolutions.com	00012371
Reliant Capital Solutions, LLC	PO-20-1080-OSD03-SRC02-18641		670 Cross Pointe Road, Gahanna, Ohio 43230-6862	David Shull	614-452-6102	dshull@reliant-cap.com	00022762

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OPERATIONAL SERVICES DIVISION

Windham Professionals, Inc.	<u>PO-20-1080-OSD03-SRC02-18642</u>		384 Main Street, Salem NH, 03079	Chris Baker	603-401-3703	<u>chris.baker@windhampros.com</u>	00004997
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*Note that COMMBUYS is the official system of record for vendor contact information.

**The Master MBPO is the central repository for all common contract files. Price files may be found in the individual vendor's MBPO.

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