

**COLLECTION AGENCY SERVICES AGREEMENT (PD 17-18.028)**

**THIS AGREEMENT** is made and entered into by and between Escambia County, a political subdivision of the State of Florida (hereinafter referred to as "County"), whose address is 221 Palafox Place, Pensacola, Florida 32502, and Affiliated Creditors, Inc. (hereinafter referred to as "Agency"), a foreign for-profit corporation authorized to transact business in the State of Florida, FEI/EIN 62-1113076, whose principal address is 176 Thompson Lane, Suite 101, Nashville, TN 37211 (each at times referred to as "Party" or, collectively, as "Parties").

**WITNESSETH:**

**WHEREAS**, on January 29, 2018, the County issued an Invitation to Bidders (PD 17-18.028) seeking the services of an agency to perform collection services for past due accounts of the County's Department of Public Safety, Division of Emergency Medical Services; and

**WHEREAS**, Agency was the most responsive and responsible bidder proposing to provide such collection services; and

**WHEREAS**, the County recognizes that the collection of such past due monies owed to the County is essential to the financial safety and welfare of the residents of Escambia County; and

**WHEREAS**, the County desires to enter into an agreement with the Agency for the provision of such services as set forth herein.

**NOW THEREFORE**, in consideration of the mutual terms and conditions, promises, covenants and payments hereinafter set forth, County and Agency agree as follows:

**ARTICLE 1**  
**Recitals and Definitions**

**1.1 Recitals.** The recitals contained in the preamble of this Agreement are declared to be true and correct and are hereby incorporated into this Agreement.

**1.2 Definitions.** For the purpose of this Agreement, the following terms shall have the following meanings:

*Administrator* shall mean the County Administrator of the County or his designee. The Administrator is the administrative head of all departments and divisions of the County. In the administration of this contract, as contrasted with matters of policy, the Parties may rely upon instructions or determinations made by the Administrator or his designee.

*Board of County Commissioners* shall mean the Board of County Commissioners of Escambia County, Florida, which is the governing body of Escambia County.

*Clerk of the Circuit Court* shall mean the Clerk of the Circuit Court of Escambia County, Florida, which is a constitutional officer serving as Clerk of the Court and ex officio clerk to the Board of County Commissioners, auditor, recorder and custodian of all County funds.

*Office of Management and Budget* shall mean the Office of Management and Budget under the direction of the County Administrator.

*Participating Departments* shall mean all County departments or divisions authorized by the Administrator to refer accounts under this Agreement and the Clerk of the Circuit Court.

**ARTICLE 2**  
**Scope of Services**

**2.1 Collection of Accounts.** Agency shall provide the following:

- (a) Agency shall serve as the collection agency for all accounts of the Department of Public Safety, Division of Emergency Medical Services (EMS) that are referred by the County.
- (b) Agency may also serve as a collection agency on accounts referred by the Clerk of the Circuit Court and accounts of other County departments referred by the County Administrator or participating department heads.

**2.2 Minimum Collection Activity.** For each account, Agency shall provide, at a minimum, as follows:

- (a) Upon initial assignment, Agency will immediately send a letter to each debtor. Within ten (10) calendar days of receipt of account, Agency shall attempt to call each debtor with a balance greater than \$25.00.
- (b) Every account without a valid address possessing a balance of \$25 or more will receive skip tracing efforts.
- (c) Agency shall assess each account and continue activation with either a letter series or phone calls.
- (d) Agency shall monitor all account payments initiated.

**2.3 Collection Methodology.** Agency shall establish the collection methodology once a debtor is contacted. This methodology will include the appropriate telephone script to be utilized for court related debt as well as other departmental debt. Every effort will be made to understand the nature of the specific debt so that this information can be utilized by our collection staff.

Agency will advise County of the methodology of all collection services and adhere to County's input. While the Agency shall remain responsible for compliance with applicable laws, the County expressly reserves the right to approve such collection methods utilized by the Agency for all County referred accounts.

**2.4 Timeline for Collection.** Unless the County should provide written notice to return an account, Agency shall retain all accounts until the expiration or termination of this Agreement. The County shall retain full discretion to remove an account at any time provided that County shall credit Agency with subsequent collections procured directly as a result of Agency's prior efforts.

**2.5 Agency Collections.** Agency will accept payments on all assigned accounts. Agency may not collect any interest, service, or carrying charges on any account unless otherwise

instructed to do so in writing by the County. Agency shall be solely responsible for all costs or expenses, including, but not limited to, attorneys' fees and court costs incurred by the Agency in the collection of the referred accounts. Agency may arrange payment schedules within the debtor's current income and ability to pay.

Agency shall be allowed to bill any insurance(s) determined for any referred account, other than Medicare Part B, Florida Medicaid, or Alabama Medicaid. These accounts shall be returned to Escambia County EMS Billing Office for appropriate insurance billing.

**2.6 Payments Received.** Agency shall deposit all payments collected in an interest-bearing account and shall distribute such funds plus any interest accrued to the County on a monthly basis to the Clerk of the Circuit Court or Participating Departments as directed by the County. A separate accounting for each department shall be provided to the Clerk of the Circuit Court and copied to such Participating Department and the Office of Management and Budget. Agency shall, in turn, receive its collection fee based on the amount received from the debtor and the applicable rate.

**2.7 Reporting Requirements.**

**2.7.1 Placement Summary Reports:** Within two (2) business days of receiving a referral from the County, Agency shall acknowledge receipt of the account(s) by providing a Placement Summary Report, which at a minimum shall contain the account number and total dollar amount of the referral.

**2.7.2 Monthly Reports:** In a manner prescribed or acceptable to the County, Agency shall submit to each Participating Department, with copies to the Office of Management and Budget, a monthly report with an alphabetical listing of all accounts, noting all payments collected since the prior report, noting any accounts against which collection efforts have commenced, recommending actions to be taken on problem accounts, and summarizing receipts and other actions on accounts by month of assignment. Agency shall submit each report no later than the 15th day following the month that is the subject of the report.

**2.7.3 Uncollectable Accounts:** On a monthly basis, Agency shall also submit to the Participating Departments a report of all accounts which, after making every reasonable effort to collect, Agency has deemed uncollectable. The report must contain, at a minimum, the debtor's name, the debtor's most recent address and telephone number, and the patient account number on EMS accounts. At the request of County, Agency shall further document its effort to collect any specific amount.

Agency shall make a determination and advise the County as to whether or not the debt may be recovered through litigation. Unless otherwise directed, Agency shall return such accounts to County and shall have no right to a commission for any sums thereafter collected upon these accounts. Such returns shall be made in a format acceptable to the County.

**2.7.4 Quarterly Reports:** No less than quarterly, Agency shall submit to Participating Departments, with copies to the Office of Budget and Management, a quarterly report to include a list of all open accounts and the status of such accounts including payments, requested adjustments, skip tracing activities and results.

**2.7.5 Yearly Reports:** On an annual basis, Agency shall furnish a report to each Participating Department summarizing the activity of all accounts during the preceding year.

**2.7.6 Complaints:** Agency shall provide County with a copy of any and all letter(s) of complaint within ten (10) calendar days of receipt by the Agency, and the County will provide Agency a copy of any notice of complaint received by it within ten (10) calendar days of receipt by the County Administrator.

Within thirty (30) calendar days of receipt of a complaint or notice of a complaint, Agency will provide a written report to the County informing the County Administrator of the disposition of each complaint. Minimum elements of the complaint report will include a statement of the complaint, results of the complaint investigation by Agency, identification of the collector(s) involved, and a positive statement of corrective action taken to avoid recurrence of such a complaint in the future. Upon request of the County Administrator, Agency shall remove any employee from the future collection of County referred accounts.

**2.8 Quality Control.** Agency agrees to maintain a quality assurance program for its employees including, but not be limited to, periodic instruction in the lawful and ethical practices of account collection. Additionally, Agency shall affirm that none of the Agency's Employees or Contractors is prohibited from doing business with the Centers for Medicare and Medicaid Services as evidence that they are routinely checked on a monthly basis against the Office of Inspector Generals' List of Excluded Individuals and Entities database.

**2.9 Compliance with Laws.** Agency shall at all times undertake to collect County referred accounts through all ethical and lawful means. In the performance of this Agreement, Agency shall comply with all applicable Federal, State and local laws, rules, regulations or ordinances, and all current and future provisions required thereby to be included herein, are hereby incorporated by reference.

**2.10 Suspension of Collection and Recall.** Upon receiving written notice from the County, Agency shall immediately suspend collection efforts on any account referred for collection. Upon receiving written notice, Agency shall return any referred account, without charge or penalty to County, except the applicable fees earned to date. County reserves the right to reevaluate and to adjust, cancel, or recall any accounts referred to Agency.

**2.11 Legal Action.** Agency may initiate legal action only upon the express written consent of the County. Where legal action is necessary, the County will make reasonable efforts to provide witnesses, certified copies of official records, and other necessary documentation.

### **ARTICLE 3** **Compensation and Method of Payment**

**3.1 Compensation.** Agency shall be compensated for collection services as follows:

(a) **Primary Collection:** Agency agrees to accept as full payment for services rendered for the collection of accounts referred by the Emergency Medical Services Department a sum equal to 15% of monies actually collected by Agency.

(b) Secondary Collection: Agency agrees to accept as full payment for services rendered for the collection of accounts that have been previously forwarded to a collection agency, a commission sum equal to 30% of monies actually collected by Agency.

(c) Early-out Patient Pay Collection: Agency agrees to accept as full payment for services rendered for the collection of Patient Pay accounts submitted, within sixty (60) calendar days from date of service, a sum equal to 10% of monies actually collected by Agency.

3.2 Payment of Fees. Agency shall receive its fees following transmittal to the County of all monies collected in the manner provided in this Agreement. Payments under this Agreement and interest on any late payments shall be governed by and construed in accordance with the Local Government Prompt Payment Act, §§218.70, et seq., Florida Statutes, as amended.

3.3 Fees for Direct Payments. County agrees that when an account is referred to Agency, Agency is entitled to the fees described herein without regard to whether payment is made to the County or the Agency. The Participating Department will notify the Agency of any direct payments made as a result of Agency's efforts and will pay Agency the appropriate fee for all such direct payments. After notification of direct payments by County, Agency shall document such payments in its monthly reports. The fee for such payments shall be paid as provided in ¶3.2 above. The County will, upon request, verify payments on specific accounts and credit the Agency as specified above.

#### **ARTICLE 4** **Term and Termination**

4.1 Term. This Agreement shall commence upon the date last executed and continue in effect for a term of twelve (12) months. This Agreement may be renewed for two (2) additional one (1) year terms. The parties may indicate their wish to extend this Agreement by providing written notice to the other party no later than thirty (30) days before the expiration of the initial or any subsequent one-year (1) term. In no event shall the Agreement extend beyond thirty-six (36) months in duration after exercising all options for renewal.

The parties understand and agree that upon the expiration or termination of this Agreement, the County shall in no way be further obligated to Agency and shall not be impaired from negotiating with and contracting with any other publicly or privately-owned entity wishing to offer collection services to County.

#### 4.2 Termination.

4.2.1 Termination for cause. The County reserves the right to immediately terminate this Agreement for cause upon the failure of Agency to fulfill in a timely and proper manner its obligations under this Agreement, including but not limited to, the violation of any state, federal or local laws and ordinances. In the event of a termination for cause, Agency will return all accounts to County.

4.2.2 Termination for convenience. County reserves the right, at any time during the term (including without limitation, at the end of any one year period), and for any reason whatsoever in County's sole discretion, to terminate this Agreement for convenience with respect to all or any portion of the collection services. County may exercise its right of

termination for convenience by furnishing to Agency written notice of its election to do so, which notice shall specify the services that County has elected to remove from the scope and operation of this Agreement. The termination of convenience as to such services shall be effective thirty (30) calendar days following the date of the receipt of such notice by the Agency. In no event shall a termination for convenience be deemed a default by County under this Agreement, and a termination for convenience shall not subject the County to any penalty, claim for damages, liquidated damages or any other claim of any type by Agency.

**ARTICLE 5**  
**Indemnification and Insurance Requirements**

5.1 **Indemnification.** Agency shall indemnify, defend, and hold harmless Escambia County, and its officers, directors, employees, and affiliates, from and against any and all liability, loss, cost, or expense including, without limitation, reasonable attorney's fees, arising out of or in connection with the negligence, recklessness, or wrongful misconduct of the Agency in the performance of its duties and obligations pursuant to this Agreement. The parties understand and agree that such indemnification by the Agency relating to any matter, which is the subject of this Agreement, shall extend throughout the term of this Agreement and any statutes of limitation thereafter. The Agency's obligation shall not be limited by, or in any way to, any insurance coverage or by any provision in or exclusion or omission from any policy of insurance. The Agency agrees to pay on behalf of Escambia County, as well as provide a legal defense for the County, both of which will be done only if and when requested by the County, for all claims relating to this Agreement. Such payment on the behalf of the County shall be in addition to any and all other legal remedies available to the County and shall not be considered to be the County's exclusive remedy.

5.2 **Insurance.**

5.2.1 The Agency is required to carry the following insurance:

- (a) Commercial General Liability, Form CG1, with \$1,000,000 per occurrence. Excess or umbrella insurance may be purchased to make up the difference, if any, between the policy limits of the underlying policies.
- (b) Business Automobile Liability with \$1,000,000 per occurrence minimum combined single limits for all hired, owned, and non-owned vehicles.
- (c) Professional Liability with \$1,000,000 per occurrence minimum limit.
- (d) Florida statutory Workers' Compensation.

5.2.2 It is understood and agreed by the parties that in the event that the Agency consists of a joint venture, partnership, or other association of professional or business firms, each such firm shall be required to individually carry the above cited coverages.

5.2.3 Agency agrees all liability coverage shall be through carriers admitted to do business in the State of Florida. Carriers shall be "A" or other Secure Best Rating with a minimum financial size of "VII", according to the A.M. Best Key Rating Guide Latest Edition. The insurance policies shall be endorsed to provide at least thirty (30) days advance notice of cancellation, nonrenewal or adverse change. Such notices shall be

mailed to Escambia County, Office of Purchasing, Post Office Box 1591, Pensacola, Florida 32597.

5.2.4 The Board of County Commissioners and Escambia County shall be endorsed as "additional insureds" on all liability policies (except Workers' Compensation and professional liability). Certificates of Insurance shall be provided to Office of Purchasing, Post Office Box 1591, Pensacola, Florida 32597 prior to commencement of work hereunder. Certificates shall reflect the additional insured status of Escambia County. The Board of County Commissioners and Escambia County shall also be the certificate holders.

**ARTICLE 6**  
**Miscellaneous**

6.1 **Independent Contractor.** In the performance of this Agreement hereunder, Agency shall at all times be acting in the capacity of an independent contractor. This Agreement is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture or association, as between County and Agency or as between Participating Departments and Agency. Agency understands and agrees that all persons furnishing services pursuant to this Agreement are, for purposes of Workers' Compensation liability, employees solely of Agency and not of the County.

6.2 **Notices.** All notices required or to be given hereunder shall be in writing to the addresses below and shall be deemed to have been properly given on the third day after being deposited in the United States mail, with adequate postage, and sent by registered or certified mail with return receipt requested, to the appropriate party, or when delivered after being deposited with a nationally recognized overnight courier such as Federal Express, Express Mail, or other overnight delivery service for next-day delivery:

**COUNTY:**

Office of the County Administrator  
Attn: County Administrator  
221 Palafox Place, Suite 420  
Pensacola, Florida 32502

**AGENCY:**

Affiliated Creditors, Inc.  
Roy Williams, Jr.  
176 Thompson Lane, Ste. 101  
Nashville, TN 37211

Rejection, or other refusal by the addressee to accept, or the inability of the courier service or the United States Postal Service to deliver because of a changed address of which no notice was given, shall be deemed to be receipt of the notice sent. Any party shall have the right, from time to time, to change the address to which notices shall be sent by giving the other party at least ten (10) days prior notice of the address change.

6.3 **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Florida, and the parties stipulate that venue shall be in the County of Escambia.

6.4 **Public Records.** The Agency acknowledges that this Agreement and any related financial records, audits, reports, plans correspondence, and other documents may be subject to disclosure to members of the public pursuant to Chapter 119, Florida Statutes. Agency shall maintain all such public records and, upon request, provide a copy of the requested records or allow the records to be inspected within a reasonable time. Agency shall also ensure that any public records that are exempt or exempt and confidential from disclosure are not disclosed

except as authorized by law. Upon the expiration or termination of the Agreement, Agency agrees to maintain all public records for a minimum period of five (5) fiscal years in accordance with the applicable records retention schedules established by the Florida Department of State. In the event the Agency fails to abide by the provisions of Chapter 119, Florida Statutes, the County may, without prejudice to any other right or remedy and after giving the Agency seven (7) days written notice, during which period the Agency still fails to allow access to such documents, terminate the Agreement.

**IF THE AGENCY HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE AGENCY'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT:**

**Escambia County  
Office of the County Administrator  
221 Palafox Place, Suite 420  
Pensacola, Florida 32502  
(850) 595-4947**

6.5 **Confidentiality.** All information not subject to disclosure under the Public Records Act that is acquired by Agency in the course of performing services under this Agreement shall be confidential, and shall not be open to examination for any purpose without prior approval of County.

6.6 **Entire Agreement.** This Agreement represents the entire and integrated agreement between the County and Agency and supersedes all prior negotiations, representations, or agreements, either written or oral. This Agreement may be amended only by written instrument signed by both Agency and the authorized representative of the County.

6.7 **Compliance with Laws.** Agency represents that at the time it executes this Agreement it possesses all licenses required by law to operate as a collection agency in the State of Florida, and in carrying out the terms of this Agreement, Agency agrees to comply with all applicable local, state and federal laws, rules or regulations. Specific to Protected Healthcare Information (PHI) submitted between the County and Agency, the Agency shall comply with all applicable provisions of the Health Insurance Portability and Accountability Act (HIPAA).

6.8 **Assignment.** Agency shall not assign the Agreement or monies due or to become due hereunder without prior written consent of the County. Violation of this provision shall be grounds for termination of the Agreement for cause and the attempted assignment shall be null and void.

6.9 **Miscellaneous.** If any term or condition of this Agreement shall be invalid or unenforceable, the remainder of the terms and conditions of this Agreement shall remain in full force and effect. This Agreement shall not be more strictly construed against either party hereto by reason of the fact that one party may have drafted or prepared any or all of the terms and provisions hereof.



**6.10 Waiver.** No waiver of a breach or any provision of this Agreement by either party shall constitute a waiver of any other breach of said provision or any other provision of this Agreement. Failure of either party to enforce at any time, or from time to time, any provision of this Agreement, shall not be construed as a waiver thereof. The remedies herein reserved shall be cumulative and additional to any other remedies in law or equity.

**6.11 Use of County Seal or Letterhead.** Agency shall not use or display the official seal of Escambia County or County letterheads on communications with any debtor without having previously obtained written authorization from the County Administrator.

**6.12 Data Link Up.** Agency shall establish a data linkup, which will allow County access to information on all accounts indicating the collection efforts made, arrangements established, and monies received. At Agency's own expense, Agency shall provide, install, and maintain a personal computer (PC) and modem for County access to Agency's system. The PC will be placed at a location as determined by the County Administrator. All information will be noted on the accounts placed for collection including financial notes, letter notes, telephone conversation notes, and skiptracing notes. Training on the use of the system will be provided to County personnel upon request. Agency will bear all associated costs including standard resources, hardware, software, installation and training.

**6.13 Records.** Agency shall maintain records as provided below:

**6.13.1 Record Retention and Inspection:** Agency agrees that the County Administrator or any duly authorized representative without advance notice shall have access to and the right to examine, audit, excerpt, copy or transcribe any pertinent transaction, activity, time cards, or other records relating to this Agreement during normal working hours. Such material, including all pertinent cost, accounting, financial records and propriety data, must be kept and maintained by Agency for a period of five (5) years after completion of this Agreement unless County's written permission is given to dispose of material prior to this time.

**6.13.2 Files and Records:** Agency shall maintain a file on each account containing a record of any and all phone calls, letters, and any other contacts made with the client or third party regarding an account. All such records shall be made available by Agency at a mutually agreeable location in Escambia County, during the County's normal business hours to representatives of the County for purposes of inspection or audit.

**6.13.3 Audit Settlement:** If, at any time during the term of this Agreement or at any time after the expiration or termination of this Agreement, authorized representatives of County conduct an audit of Agency regarding the services provided to County hereunder and if such audit finds that County's dollar liability for such services is less than commission paid or owed by County to Agency, then Agency agrees that the difference shall be (1) repaid forthwith by Agency to County by cash payment or (2) at the County's option, credited against any future commission to be paid hereunder to Agency. In addition, Agency shall bear the cost of the audit, including personnel costs, up to the amount of the discrepancy. If such audit finds that County's dollar liability for services provided hereunder is more than fees paid by County to Agency, then the difference shall be paid to Agency and the County will bear its own costs in conducting the audit.

**6.14 Credit Reports.** If mutually agreed upon by Agency and County, Agency shall report particular accounts or categories of accounts to participating credit bureaus; provided however,

Agency need not take any such action it deems unlawful or actionable and shall retain the responsibility of determining the propriety of such acts.

6.15 Attachment. Agency may utilize the attachment process to enforce a judgment or collect an assigned amount.

6.16 Referral Discretionary. It shall be in County's discretion to refer or not to refer accounts to Agency. The existence of this Agreement does not in any way constitute a guarantee of referrals for collection by Agency, and County retains the option to collect its own debts.

6.17 Annual Appropriation. Pursuant to the requirements of Florida law and Article II of Chapter 46, Escambia County Code of Ordinances, the County's performance and obligation to fund this Agreement shall be contingent upon an annual appropriation by the Escambia County Board of County Commissioners.

**IN WITNESS WHEREOF**, the parties hereto have made and executed this Agreement on the respective dates under each signature:

**COUNTY:**

Escambia County, Florida, a political subdivision of the State of Florida acting by and through its duly authorized Board of County Commissioners signing by its County Administrator.

Shamara Demingem  
Witness

Jack Brown  
Jack Brown, County Administrator

Judy H. Witterstrater  
Witness

Date: 5/3/18

BCC APPROVED \_\_\_\_\_

**AGENCY: AFFILIATED CREDITORS, INC.**

Roy A. Williams, Jr.  
Roy A. Williams, Jr., President

Date: 4/19/18

ATTEST:

Savannah Reed

Corporate Secretary

(Corporate Seal)

Approved as to form and legal sufficiency.

By/Title: [Signature]

Date: 3/21/18

