**Disclaimer:** This sample request for proposal is strictly an informational template for your guidance. The practice must use its own independent judgment when selecting a practice management system that best meets the needs of the practice. The practice is encouraged to consult with its own experts and/or consultants when making this decision.

A vendor’s response to a request for proposal generally does not form a contract for the purchase of a product. Any portion of a vendor’s request for proposal response that is important to the practice’s decision to purchase a product must be included in the purchase contract, which should be prepared or reviewed by an attorney skilled in procurement of software products.

Neither the American Medical Association (AMA) nor the Medical Group Management Association (MGMA) accepts any responsibility or liability with respect to the use of this sample request for proposal or any decision that is made by the practice based on the request for proposal.

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**Sample Request for Proposal**

**Purpose of the Request for Proposal (RFP):**

The purpose of this RFP is *e.g., to provide the ABC Medical Group with the necessary information to effectively compare practice management system (PMS) vendors in order to select the best system within the cost parameters for your practice. Describe the overall business objectives/drivers and list the high-level business goals you are looking to achieve by implementing the software.*

**Practice Information:**

**Introduction, Practice Demographics and Requirements.** Information about your practice, including:

- Practice demographics, such as location(s), specialty, payer mix, patient population, number of full- and part-time physicians, number of full- and part-time non-physician providers such as nurse practitioners, physician assistants, billing staff and other administrative staff.
- General description of current systems environment. Provide general information regarding your current information systems structure (i.e., hardware and operating systems).
- Description of current PMS and/or billing service.
- Information on arrangements with other vendors or current clearinghouse arrangements.
- Unique billing and patient care requirements (e.g., if you are required to submit special forms to a state payer).
- Preference for an application service provider (ASP) model, practice-based PMS and/or integrated PMS/electronic health record (EHR) system.
- Desired health information technology and related technical environment, including hardware, number and type of workstations (desktop, laptop, tablet, etc.), operating systems and Internet connections and connections with labs, payers, hospitals and other entities.
- Reporting/research needs, including specialized reports to comply with federal, state or other reporting requirements.
- Data conversion needs from prior PMS to the new system.
Medical Group Timetable. The following is the schedule for proposals:

<table>
<thead>
<tr>
<th>Activity</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Release of RFP</td>
<td>________<strong>, 20</strong></td>
</tr>
<tr>
<td>Scheduling of product demonstrations</td>
<td>________<strong>, 20</strong></td>
</tr>
<tr>
<td>Submission of proposals</td>
<td>________<strong>, 20</strong></td>
</tr>
<tr>
<td>Notification of finalists</td>
<td>________<strong>, 20</strong></td>
</tr>
<tr>
<td>Finalist interviews</td>
<td>________<strong>, 20</strong></td>
</tr>
<tr>
<td>Selection notice</td>
<td>________<strong>, 20</strong></td>
</tr>
</tbody>
</table>

Questions Concerning the RFP. Any questions or inquiries on the RFP must be in writing and must be received prior to __________, 20__. They may be directed to [name of practice staff], [name of your practice], at the physical address listed in the next paragraph, or via facsimile [fax number] or email [email address]. Any material questions that are received will be responded to in writing with copies provided to all of the potential RFP respondents.

Proposal Submission. Proposals must be received by no later than the end of the business day on __________, 20__. They should be submitted to [name of person in charge] at the following address:

Name

Phone No.

Address

Fax No.

City, State, Zip

E-mail

Note: When using Federal Express or UPS, use the street address and zip code.

Confidentiality. All information presented in this RFP, including any information that is subsequently disclosed by the [name of your practice] during the proposal process, should be considered strictly confidential. Proposal contents will be held strictly confidential by [name of your practice].

Miscellaneous. This RFP does not convey a commitment to award a contract or to purchase a PMS. [Name of your practice] reserves the right to accept or reject any or all proposals or to cancel this RFP for any reason. [Name of your practice] will not be liable under any circumstances for any expenses incurred by any bidder in connection with the selection process.

Proposal Specifications:

a) Goal. This is a request for a proposal to [e.g., provide the information required by ABC Medical Group to select a PMS that meets its needs within its budget].

b) Specifications. The proposal should indicate how your recommended PMS will meet the following specifications:
- [Short list of top-ranked functionalities from the PMS Criteria Checklist categories, such as:
  - Revenue cycle automation
  - Clinical documentation and interface
  - Billing and collections functionalities
  - Patient communication functionalities
  - Reporting
  - Compliance with federal, state and Health Insurance Portability and Accountability Act (HIPAA) transaction and code set, security and privacy rules
  - How the vendor's products and services enable the practice to achieve “meaningful use” as defined in federal regulations (applies to integrated PMS/EHR systems)].

c) **Timetable.** In your proposal, indicate the individual steps necessary to complete the project, including all the specifications identified above, and include anticipated time necessary to complete each step.

d) **Price.** Price quote should clearly itemize costs contained within quote and what vendor features are at an additional cost (e.g., installation, on-site training, etc.). See Attachment One for additional cost considerations.

**Background Information:**

Please include in your proposal the following background information regarding your organization and the staff who would work on this project. [See Attachment One for additional cost considerations.]

a) Company name and address.

b) Organization chart.

c) Description of company’s experience with [customer demographic, specialty].

d) Identify primary contact person, project leader and other staff to be involved in the project. Indicate the anticipated role and responsibilities of each staff person on the project and their prior experience on similar projects.

e) Provide three recent (or current) physician and/or practice administrator references for a physician practice of similar size and specialty with which your organization has implemented the recommended PMS product. Provide contact names and telephone numbers.

**Evaluation:**

Proposals will be evaluated by [name of your practice] and its selection committee based on [our review of the functionalities of your system].

Any proposal may be rejected if it is late, conditional, incomplete or deviates from the specifications in the RFP. [Name of your practice] reserves the right to request additional information or discussion or presentation in support of the written proposal.

This resource was developed through a cooperative effort between the American Medical Association and the Medical Group Management Association.
Terms and Conditions:

a) Confidentiality
   State your practice’s confidentiality policies in regards to the information your practice has disclosed in the RFP as well as your policies regarding the information provided by the vendor.

b) Information Access
   Describe who in your practice will have access to the returned RFP and for what purpose.

c) Contract Duration
   State your practice’s requirements for how long the information provided by the vendor must remain valid.

d) Bid Evaluation and Negotiation
   Describe your practice’s vendor evaluation process and deadlines and provide the appropriate information if your practice will permit the vendor to negotiate after the evaluation is complete.

e) Formal Presentation
   Outline the process and format should you invite the vendor to make a presentation to your PMS assessment team.

f) Acceptance or Rejection
   Outline how and when your practice will notify the vendor whether or not their product was chosen.

g) Contract Provisions
   Outline the process for negotiating a contract with the vendor for purchase of their product after the product is chosen. A contract for the purchase of a software product is a legal document and should be prepared or reviewed by an attorney skilled in procurement of software products.
Attachment One:
Questions to ask about the costs of the PMS product and services:

1. What is the estimated installation cost, including but not limited to software, hardware, data conversion from old system, labor and travel?
2. What are the additional start-up fees beyond installation?
3. What is the warranty, including time frame and coverage?
4. What network security features does the vendor provide?
5. Does the vendor provide encryption options for the data? If so, what are the additional costs, and how are they calculated?
6. What are the license fees for the PMS if it is going to be used on multiple computers by multiple staff? Is the licensing based on physicians or non-physician providers or users and if so, are there different rates for different staff (e.g., physicians vs. non-physician providers)?
7. Does our practice’s current hardware meet the requirements for the PMS’s optimal efficiency?
8. If our hardware does not meet the requirements stated above, will our practice be required to purchase hardware or additional PMS software from the vendor?
9. Will we be able to maintain our current clearinghouse or other vendor relationships if still needed? What costs and transition requirements are involved in changing clearinghouses?
10. Is the initial staff training included in the cost of the PMS? If not, how is the cost calculated (e.g., by individual, by hour, by day), and what is the cost?
11. Are there any additional costs associated with initial staff training (e.g., instructor travel expense, physician office reconfiguration and/or downtime)?
12. If additional training is requiring beyond what is stipulated in the contract, what is the cost and how is that cost calculated?
13. Will the vendor provide ongoing training for new physician practice staff? If so, what is the cost and how is that cost calculated?
14. Will the vendor provide refresher courses on a pre-determined basis? If so, what is the cost and how is that cost calculated?
15. Does the vendor offer an after-hours or emergency product service hotline? If so, what is the cost for that service, and how it that cost calculated?
16. What hardware support is included in the service contract, and what is the monthly service charge?
17. Is there a monthly limit on the number of requests for support for either the hardware (if applicable) and/or PMS?
18. What are the service contract’s average fee increases per year?
19. What is the support service telephone number? (Be sure to call the support telephone number and ask basic questions to determine responsiveness.)
20. Does the maintenance agreement include ongoing training for new upgrades and features?
21. Does the maintenance or license agreement include upgrades for federally-mandated standards, such as the required electronic standard transactions and code sets, operating rules, and changes to billing forms, such as the Centers for Medicare and Medicaid Services (CMS) 1500? If not, how much will it be to upgrade the software to meet these mandates, and how is the cost calculated?
22. How often does the vendor release upgrades and new services?
23. How does the vendor schedule and install upgrades?
24. Are there periodic upgrades that require the system to be unavailable and then restarted? Does the vendor offer a “test environment” in which upgrades are loaded to allow time to test and to learn their functionality without affecting the live system?
25. Does the maintenance and/or license agreement include a plan for issues that cannot be resolved remotely? For example, will the vendor visit your practice when necessary? Are there any additional costs involved?

26. What is the vendor’s average issue resolution time? Does the vendor provide any service-level guarantee on issue response time and resolution? If so, will the practice be compensated for longer delays in issue resolution?

27. What is the vendor’s dispute resolution process?

28. How can the practice terminate its relationship with the vendor and stop paying any fees to the vendor: (a) if the practice is unsatisfied with the vendor’s products and/or services; and (b) if the practice chooses to cease using the vendor’s products and/or services?
Questions to ask about the vendor:

1. How long has the vendor been in business?
2. What additional health care-related products does the vendor sell?
3. How many employees does the vendor have?
4. How many sales and support staff are dedicated to your geographic region?
5. How long has the vendor offered this product?
6. How many live production sites does the vendor have?
7. Does the vendor provide demonstrations of the PMS and offer sample reports for review (or is there fully interactive sample software to download)?
8. What is the vendor’s ranking with health information technology review organizations, such as KLAS (www.klasresearch.com)?
9. Is the vendor currently involved in any litigation with a customer?
10. Has the vendor previously been involved in any litigation with a customer?
11. What percentage of the vendor’s physician practice customers are from the same or similar medical specialty?
12. Has the vendor been accredited by the Practice Management System Accreditation Program (PMSAP) offered by the Electronic Healthcare Network Accreditation Commission (EHNAC) and the Workgroup for Electronic Data Interchange (WEDI)?