



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Health System



DATE: May 18, 2012
BOARD MEETING DATE: June 19, 2012
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority

TO: Honorable Board of Supervisors

FROM: Jean S. Fraser, Chief, Health System
Susan Ehrlich, MD, MPP, Chief Executive Officer
San Mateo Medical Center

SUBJECT: Agreement with Data Systems Group of California

RECOMMENDATION:

Adopt a Resolution authorizing the:

- A) President of the Board to execute an agreement with Data Systems Group of California for software licenses, maintenance, upgrades, and support services for the term July 1, 2012 through June 30, 2014, with a maximum fiscal obligation of \$367,925.44; and
- B) Chief of the Health System or designee to execute contract amendments which modify the County's maximum fiscal obligation by no more than \$25,000 (in aggregate), and/or modify the contract term and/or services so long as the modified term or services is/are within the current or revised fiscal provisions.

BACKGROUND:

Data Systems Group of California (DSG) has been working with San Mateo Medical Center (SMMC) since 1994 providing claims and remittance software. Throughout this business partnership, DSG has worked closely with various management and staff to implement, update, and customize the DSG system to meet SMMC's unique requirements.

DISCUSSION:

In October 2011 SMMC released a Request for Proposals (RFP) for an Electronic Claims Processing Information Computer System. In response, SMMC received proposals from DSG, Emdeon, and MedAssets. DSG was chosen because of its extensive Medi-Cal and Medi-Cal Managed care experience and for their ability to modify their software to efficiently process the claims filed with the Health Plan of San Mateo (HPSM).

DSG's claims and remittance processing system is currently installed at SMMC and provides the ability to access, review, and edit claims online. DSG has custom-designed programming and editing designed to meet the unique needs of SMMC and HPSM to accommodate file variances and to ensure accurate claim reimbursement. With DSG, claims and remittance data is stored on an SMMC server such that 94% of all claims are submitted directly to the payer, eliminating any intermediary and providing for faster payment. DSG also provides specific reporting tools and analytics to help identify and focus on specific data errors.

County Counsel has reviewed and approved the Agreement and Resolution as to form. Contractor meets insurance certification requirements.

The Contractor has assured compliance with the County's Contractor Employee Jury Service Ordinance, as well as all other contract provisions that are required by County ordinance and administrative memoranda, including but not limited to insurance, hold harmless, non-discrimination and equal benefits.

This Agreement contributes to the Shared Vision 2025 outcome of a Healthy Community by improving fiscal accountability used in support of the care giving activities of SMMC. It is anticipated that the percent of claims filed successfully will be at 90%.

Performance Measure:

Measure	FY 2010-11 Actual	FY 2011-12 Projected
Percent of claims filed successfully	75%	90%

FISCAL IMPACT:

The term of the Agreement is July 1, 2012 through June 30, 2014. The maximum fiscal obligation is \$367,925.44. Funds in the amount \$163,830.72 will be included in the SMMC FY 2012-13 Recommended Budget. Similar arrangements will be made for future years.

Expenses at SMMC are covered by fees for services or third-party payors whenever possible. The portion of expenses for services provided to the medically indigent or to those covered by programs that do not meet the full costs of care are covered by the County's General Fund contribution to SMMC, and are within the existing annual appropriation.

Request for Proposals Matrix

1.	General Description of RFP	RFP for Electronic Claims Processing Information Computer System
2.	List key evaluation criteria	Provider of a hospital claims scrubbing and billing processing system, providing the ability to access, review, edit online, and submit hospital patient claims.
3.	Where advertised	San Mateo Medical Center Website
4.	In addition to any advertisement, list others to whom RFP was sent	DSG Emdeon MedAssets Relay Health SSI
5.	Total number sent to prospective proposers	5
6.	Number of proposals received	3
7.	Who evaluated the proposals	Philip Fortunato, Interim CFO Ara England, Director of Reimbursement Rohanda Singh, Interim Director of Revenue Cycle Kirk Stone, Director of Patient Access Stefani Stockstill, Resource Specialist Virginia Di Paola, ISD Shawn Burgess, SMMC CIO Maxine da Roza, Director of Materials Management and Contracting
8.	In alphabetical order, names of proposers (or finalists, if applicable) and location	DSG 2331 Alhambra Boulevard Sacramento, CA 95817 Emdeon 24418 Los Codona Torrance, CA 90505 MedAssets 606 W. 20 th Avenue Spokane, WA 99203