



**COUNTY OF SAN MATEO**  
Inter-Departmental Correspondence  
Health System



**Date:** November 23, 2015  
**Board Meeting Date:** February 9, 2016  
**Special Notice / Hearing:** None  
**Vote Required:** Majority

**To:** Honorable Board of Supervisors

**From:** Louise Rogers, Chief, Health System  
Susan Ehrlich, MD, MPP, Chief Executive Officer, San Mateo Medical Center

**Subject:** Amendment to the agreement with HFS Consultants for interim management consulting services

**RECOMMENDATION:**

Adopt a resolution authorizing an amendment to the agreement with HFS Consultants for interim management consulting services extending the term through June 30, 2016 and increasing the amount by \$450,000, to an amount not to exceed \$1,371,400.

**BACKGROUND:**

On October 16, 2013, the Chief Executive Officer (CEO) of the San Mateo Medical Center (SMMC) approved an agreement with HFS Consultants (HFS) through November 30, 2013, in an amount not to exceed \$100,000 for HFS to provide an interim Chief Revenue Officer and an Interim Billing and Collections Manager. SMMC executed this agreement to provide immediate support to its financial services team until a Board level agreement could be approved.

On December 10, 2013, your Board approved an amendment to extend the term of the agreement through March 31, 2015, increasing the amount by \$821,400. This amendment also expanded the scope of work to include recruitment services in an effort to find candidates for permanent replacement. On March 9, 2015, SMMC's CEO approved an amendment to extend the term of the agreement through December 31, 2015, to support the health information department after the resignation of the Coding Manager.

**DISCUSSION:**

SMMC is conducting a search for a Health Information Management Coding Manager. This amendment will allow SMMC to continue to support its finance department during

the recruitment process, in addition to providing post ICD-10 training and education through the second quarter of 2016.

The amendment and resolution have been reviewed and approved by County Counsel as to form.

This amendment contributes to the Shared Vision 2025 outcome of a Healthy Community by ensuring revenue generating services are conducted efficiently and effectively. It is anticipated that SMMC's return on investment over the term of the agreement will be 2:1.

**PERFORMANCE MEASURE:**

| <b>Measure</b>                                      | <b>FY 2014-15 Actual</b> | <b>FY 2015-16 Projected</b> |
|---|--------------------------|-----------------------------|
| Return on investment over the term of the agreement | 2:1                      | 2:1                         |

**FISCAL IMPACT:**

The term of the amended agreement is October 15, 2013 through June 30, 2016. The amount of the agreement is not to exceed \$1,371,400. Funds in the amount of \$450,000 are included in the SMMC FY 2015-16 Adopted Budget.

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.