



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



**Date:** January 17, 2017  
**Board Meeting Date:** March 28, 2017  
**Special Notice / Hearing:** None  
**Vote Required:** Majority

**To:** Honorable Board of Supervisors

**From:** Louise Rogers, Chief, Health System  
Chester Kunnappilly, MD, Chief Executive Officer, San Mateo Medical Center

**Subject:** Amendment to the Agreement with Wipfli LLP, for Interim Management Consulting Services

**RECOMMENDATION:**

Adopt a resolution authorizing an amendment to the agreement with Wipfli LLP, for interim management consulting services, increasing the amount by \$50,000 to an amount not to exceed \$1,671,400.

**BACKGROUND:**

On October 16, 2013, the Chief Executive Officer (CEO) of the San Mateo Medical Center (SMMC) approved an agreement with HFS Consultants (HFS) for interim management consulting services, most notably an Interim Coding Manager. In August 2016, your Board approved an amendment extending the term of the agreement through September 30, 2016, and increasing the not to exceed amount to \$1,596,400. In September 2016, the CEO approved an amendment to reassign the agreement from HFS to Wipfli LLP (Wipfli), extending the term through January 31, 2017 and increasing the amount by \$25,000 to an amount not to exceed \$1,621,400.

**DISCUSSION:**

SMMC underestimated the amount of contractor hours required during the orientation and transition period for the recently hired permanent Coding Manager. This amendment will increase the not to exceed amount by \$50,000, to an amount not to exceed \$1,671,400, so that outstanding invoices can be paid.

This 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 that coding services – which are ultimately revenue generating - 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 2016-17 Actual</b>	<b>FY 2017-18 Projected</b>
Return on investment over the term of the agreement	2:1	N/A

**FISCAL IMPACT:**

The term of the amended agreement is October 15, 2013 through January 31, 2017. The amount of the agreement is not to exceed \$1,671,400. Funds in the amount of \$50,000 are included in the SMMC FY 2016-17 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.