



# County of San Mateo

## Inter-Departmental Correspondence

---

**Department:** HEALTH

**File #:** 24-109

Board Meeting Date: 2/13/2024

---

**Special Notice / Hearing:** None  
**Vote Required:** Majority

**To:** Honorable Board of Supervisors

**From:** Louise F. Rogers, Chief, San Mateo County Health  
Chester J. Kunnappilly, MD, Chief Executive Officer, San Mateo Medical Center

**Subject:** Agreement with Moss Adams LLP to Provide Financial and Compliance Related Consulting Services

### **RECOMMENDATION:**

Adopt a resolution authorizing an agreement with Moss Adams LLP to provide financial and compliance related services for the term of January 1, 2024, through December 31, 2028, in an amount not to exceed \$5,000,000.

### **BACKGROUND:**

San Mateo Medical Center (SMMC) needs consultant support for various finance and compliance services. Historically, these services were provided by multiple consulting organizations, which resulted in a duplication of efforts and inefficiencies. SMMC elected to consolidate these consulting services with a single organization to address this.

In June 2023, SMMC completed a Request for Proposals (RFP) process to identify qualified vendors to provide SMMC with a comprehensive scope of services. Moss Adams was selected as the consulting firm with the most relevant background and experience. Moreover, Moss Adams is highly regarded in the industry for providing high-quality services and being very responsive to the needs of their clients. The services that Moss Adams will provide and assist with are vital to SMMC's financial and compliance services.

### **DISCUSSION:**

SMMC finance and compliance program services continue to need professional services related to financial operations strategy, government supplemental reimbursement cost report preparation, review, filing, regulatory compliance assessments, audits, and consultation.

Moss Adams will support SMMC's finance operations in the strategy design consultation, audit, and filing support for federal and state report filings for federal and state funding agencies and those needed by other associations that SMMC works with. Reimbursements from these federal and state

agencies account for approximately 50% of SMMC's annual net revenue.

Further, Moss Adams will perform audits and assessments as part of SMMC's required Audit Work Plan under its federal Corporate Integrity Agreement. This ensures SMMC meets its obligations with no additional financial penalties.

Previous annual expenditures for similar services under multiple contracts were approximately \$750,000. The annual expenditures under this new consolidated agreement average \$1,000,000 to accommodate additional regulatory and compliance support.

This agreement is going to this Board late due to prolonged negotiations with the vendor.

County Attorney has reviewed and approved the resolution and agreement as to form.

The resolution contains the County's standard provisions allowing amendment of the County fiscal obligations by a maximum of \$25,000 (in aggregate).

The County's Contract Compliance Committee has approved a waiver request for a five-year term for this agreement.

It is anticipated that 100% of SMMC's required reports and reviews will be completed and filed to meet federal and state deadlines. Performance will be measured by delivering documents on time 100% of the time, according to pre-determined timelines. These timelines will be determined during meetings with the appropriate individuals and adjusted as needed based on the availability of information.

**PERFORMANCE MEASURE:**

Measure	FY 2023-24 Estimated	FY 2024-25 Projected
Percentage of SMMC's required reports and reviews that are completed and filed to meet federal and state deadlines	100%	100%

**FISCAL IMPACT:**

The term of the agreement is January 1, 2024, through December 31, 2028. The amount of the agreement is not to exceed \$5,000,000 for the five-year term. Funds in the amount of \$750,000 are included in the SMMC FY 2023-24 Adopted Budget. Funds in the amount of \$1,000,000 will be included in the SMMC FY 2024-25 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 is covered by the County's General Fund contribution to SMMC and is within the existing annual appropriation.

**ATTACHMENT:**

RFP Matrix