



County of San Mateo

Inter-Departmental Correspondence

Department: HEALTH

File #: 16-687

Board Meeting Date: 10/31/2017

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

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

Subject: Amendment to Agreement with CHIS, Inc. to Provide Coding Support Services

RECOMMENDATION:

Adopt a resolution authorizing an amendment to the agreement with CHIS, Inc. to provide coding support services, extending the term through June 30, 2018 and increasing the amount payable by \$100,000, to an amount not to exceed \$365,000.

BACKGROUND:

On June 19, 2015, the Chief Executive Officer (CEO) of San Mateo Medical Center (SMMC) approved an agreement with CHIS Inc. (CHIS) based on three competitive quotes. On June 28, 2016, your Board waived the Request for Proposals (RFP) process and approved an amendment, extending the term through June 30, 2017, increasing the amount not to exceed to \$265,000, to allow SMMC time to recruit a new director of coding services. On June 1, 2017, the CEO approved an amendment extending the term through December 31, 2017.

DISCUSSION:

After a longer-than-expected recruiting process, SMMC recently hired a director of coding services. SMMC is requesting the term of the agreement be amended through June 30, 2018, with an associated increase of \$100,000. The amendment will allow the new director time to assess the department's coding needs and issue an RFP for coding support services in the first quarter of 2018.

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

The agreement contributes to the Shared Vision 2025 outcome of a Healthy Community by allowing SMMC to promptly and accurately capture revenue. It is anticipated that 98% of inpatient and emergency department medical records will be coded within 3-4 days, with 98% accuracy.

PERFORMANCE MEASURE:

Measure	FY 2016-17 Actual	FY 2017-18 Projected
Percent of inpatient and emergency department medical records coded within 3-4 days	95%	98%
Percent of accuracy	97.8%	98%

FISCAL IMPACT:

The term of the revised agreement is July 1, 2015 through June 30, 2018. The amount of the agreement is not to exceed \$365,000. The amendment increases the contact amount by \$100,000. Funds in the amount of \$100,000 are included in the SMMC FY 2017-18 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.