



County of San Mateo

Inter-Departmental Correspondence

Department: HEALTH

File #: 16-849

Board Meeting Date: 12/12/2017

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 Carol Moreali for Resource Management Consulting Services

RECOMMENDATION:

Adopt a resolution authorizing an amendment to the agreement with Carol Moreali for consulting services for resource management department practice enhancement, extending the term through December 31, 2018 and increasing the amount payable by \$200,000 to an amount not to exceed \$300,000.

BACKGROUND:

San Mateo Medical Center (SMMC) provides medical services to the safety net population within the County, and some of those services are supported by state and federal funding sources. In order to properly bill for reimbursement for such services, the SMMC Resource Management Department (RMD) works with providers and staff to ensure that patient medical records contain all information necessary for reimbursement. Due to the complex and evolving nature of state and federal reimbursement regulations, it is necessary to provide training and other compliance-related services to SMMC and to the RMD in particular.

In July 2017, the SMMC Chief Executive Officer approved a \$100,000 agreement with Carol Moreali to assist the RMD with enhancing departmental practices through performing staff skill assessment, developing standardized work protocols, and implementing a custom-designed training and monitoring program, thereby ensuring compliance with applicable regulatory compliance with patient billing regulations.

DISCUSSION:

SMMC has identified a need for Carol Moreali to continue working with the RMD in order to ensure the long-term implementation of best practices in this area. This amendment will add funds and extend the agreement term through December 31, 2018, to give the RMD the assistance it needs to educate its staff on best practices and to ensure ongoing implementation of those skills.

At this point, Carol Moreali is familiar with RMD staff and processes, as well as billing and coding at SMMC. Additionally, there is a pressing need for these services to continue in order to rapidly improve the workflows and communications with physicians and other clinical and administrative staff. SMMC is requesting that your Board waive the Request for Proposals process to allow Carol Moreali to continue the work that she has started and avoid the time and expense of identifying and orienting another vendor to continue this critical work.

The amendment and resolution have been reviewed and approved by County Counsel 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 agreement contributes to the Shared Vision 2025 outcome of a Healthy Community by reducing the number of appeals and denials for SMMC’s patients due to lack of documented medical necessity. It is anticipated that the percent of medical-surgical patient days not meeting medical necessity will be reduced to 5%.

PERFORMANCE MEASURE:

Measure	FY 2016-17 Actual	FY 2017-18 Projected
Percentage of medical-surgical patient days not meeting medical necessity	24%	5%

FISCAL IMPACT:

The term of the revised agreement is July 1, 2017 through December 31, 2018. The amount of the agreement is not to exceed \$300,000. The amendment increases the contract amount payable by \$200,000. Funds in the amount of \$150,000 are included in the SMMC FY 2017-18 Adopted Budget. Similar arrangements will be made in 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.