



County of San Mateo

Inter-Departmental Correspondence

Department: HEALTH

File #: 18-405

Board Meeting Date: 5/22/2018

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

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

Subject: Agreement with Navigant Consulting Inc. to Provide a Clinical Documentation Process Improvement Program

RECOMMENDATION:

Adopt a resolution authorizing an agreement with Navigant Consulting Inc. for consulting services to develop a clinical process improvement program for the term May 1, 2018 through April 30, 2021, in an amount not to exceed \$840,000.

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, SMMC's Resource Management Department (RMD) is responsible for accurate documentation of a patient's medical necessity determination and the clinical services received.

In December 2017, SMMC completed a Request for Proposals process to identify a vendor to provide a Clinical Documentation Improvement program. Navigant Consulting Inc. (Navigant) was chosen because of its innovative approach to patient tracking and medical record documentation. Navigant's technology will effectively supplement SMMC's current processes and ensure compliance with medical necessity documentation requirements, including medical necessity and complete capture of clinical services received.

DISCUSSION:

Due to the complex and evolving nature of state and federal regulations regarding medical record documentation and patient billing, SMMC remains focused on training SMMC providers, as well as RMD and Coding Department staff, to improve and ensure the accuracy of medical record documentation, monitoring, and reporting. These processes will reduce the number of appeals and denials due to documentation issues.

The agreement and resolution have been reviewed and approved by County Counsel as to form. This agreement is coming to your Board late due to protracted negotiations.

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 properly documented medical necessity. It is anticipated that the percent of medical-surgical patient days lacking proper documentation of medical necessity will be reduced to 5%.

PERFORMANCE MEASURE:

Measure	FY 2017-18 Estimated	FY 2018-19 Projected
Percentage of medical-surgical patient days lacking proper documentation of medical necessity	24%	5%

FISCAL IMPACT:

The term of the agreement is May 1, 2018 through April 30, 2021. The amount of the agreement is not to exceed \$840,000 for the three-year term. Funds in the amount of \$46,666 are included in the SMMC FY 2017-18 Adopted Budget. Funds in the amount of \$280,000 will be included in the SMMC FY 2018-19 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 are covered by the County's General Fund contribution to SMMC, and are within the existing annual appropriation.

ATTACHMENT:

RFP-Matrix