



# County of San Mateo

## Inter-Departmental Correspondence

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**Department:** HEALTH

**File #:** 19-414

Board Meeting Date: 5/14/2019

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**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:** Amendment to the Agreement with Experian Health, Inc. to Provide Claims and Remittance Software

**RECOMMENDATION:**

Adopt a resolution authorizing an amendment to the agreement with Experian Health, Inc. to provide claims and remittance software, extending the term through December 31, 2020, and increasing the amount by \$300,000 to an amount not to exceed \$1,252,849.44.

**BACKGROUND:**

In October 2011, San Mateo Medical Center (SMMC) completed a Request for Proposals (RFP) for an electronic claims processing information system. Data Systems Group of California, Inc. (DSG) was chosen because of its extensive Medi-Cal and Medi-Cal Managed Care experience, as well as its ability to modify its software to efficiently process claims filed with the Health Plan of San Mateo.

The agreement has been amended several times to expand the scope of work with an associated increase to the amount. In addition, after Experian Health Inc. (Experian) acquired DSG, SMMC executed an agreement to reassign the agreement to Experian.

**DISCUSSION:**

Experian's product is an essential tool necessary to continue integral business operations. The tool provides the indispensable functions of claims and remittance processing for Patient Financial Services. SMMC has recently been notified that Experian has chosen to no longer support the product, in favor of replacing it with an updated version. SMMC anticipates releasing a RFP during this calendar year. In the interim, SMMC is requesting your Board authorize an extension to the term of the agreement through December 31, 2020, with an associated increase of \$300,000, to an amount not to exceed \$1,252,849.44.

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

The County's Contract Compliance Committee has approved a waiver request for an eight-and-a-half-year term for this agreement.

The amendment contributes to the Shared Vision 2025 outcome of a Healthy Community by ensuring proper and compliant billing and payment for services rendered to patients seen at SMMC. It is anticipated that 75 percent of clean claims will be adjudicated within 14 days from billing.

**PERFORMANCE MEASURE:**

<b>Measure</b>	<b>FY 2018-19 Estimated</b>	<b>FY 2019-20 Projected</b>
Percentage of clean claims adjudicated within 14 days from billing	75%	85%

**FISCAL IMPACT:**

The term of the revised agreement is July 1, 2012 through December 31, 2020. The amount of the agreement is not to exceed \$1,252,849.44. This amendment increases the amount by \$300,000. Funds in the amount of \$30,000 are included in the SMMC FY 2018-19 Adopted Budget. Funds in the amount of \$180,000 will be included in the SMMC FY 2019-20 Recommended 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.