



County of San Mateo

Inter-Departmental Correspondence

Department: HEALTH

File #: 21-058

Board Meeting Date: 1/12/2021

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 Agreement with Regulatory, Risk, Compliance Specialists, Inc. to Provide Regulatory Consulting Services

RECOMMENDATION:

Adopt a resolution authorizing a seventh amendment to the agreement with Regulatory, Risk, Compliance Specialists, Inc., to provide regulatory consulting services, increasing the amount by \$100,000, to an amount not to exceed \$1,200,000.

BACKGROUND:

In April 2017, San Mateo Medical Center (SMMC) entered into an agreement with Regulatory, Risk, Compliance Specialists, Inc. (RRCS) for regulatory consulting services. In September 2017, your Board approved an amendment to waive the Request for Proposals process and extend the term through December 2018, with an associated increase in funding. The agreement has subsequently been amended several times, most recently by SMMC's CEO, to extend the term through June 30, 2021, to allow time for this proposed amendment to be approved by your Board.

DISCUSSION:

SMMC anticipates a continued need for assistance from RRCS in reviewing documentation of medical necessity for SMMC's patients. Therefore, SMMC is requesting that your Board approve an increase in funding.

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).

It is anticipated that the percentage of medical necessity errors/variances needing correction will be reduced to 5%.

PERFORMANCE MEASURE:

Measure	FY 2019-20 Actual	FY 2020-21 Estimated
Percentage of medical necessity errors/variances needing correction	5%	5%

FISCAL IMPACT:

The term of the amended agreement is April 1, 2017 through June 30, 2021. The amount of the agreement is not to exceed \$1,200,000. The amendment increases the amount payable under the agreement by \$100,000. Funds in the amount of \$100,000 are included in the SMMC FY 2020-21 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 is covered by the County's General Fund contribution to SMMC, and is within the existing annual appropriation.