



# County of San Mateo

## Inter-Departmental Correspondence

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**Department:** HEALTH

**File #:** 21-533

Board Meeting Date: 6/29/2021

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

### **RECOMMENDATION:**

Adopt a resolution authorizing an amendment to the agreement with Regulatory, Risk, Compliance Specialists, Inc., to provide regulatory consulting services, extending the term by the six months, through December 31, 2021 and increasing the amount by \$100,000, to an amount not to exceed \$1,300,000.

### **BACKGROUND:**

In April 2017, San Mateo Medical Center (SMMC) entered into an agreement with Regulatory, Risk, Compliance Specialists, Inc. (RRCS) for regulatory consulting services. The agreement has subsequently been amended several times, to extend the term through June 30, 2021.

### **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. This amendment is coming to your Board late due to continued operational changes and ongoing negotiations.

County Counsel has reviewed and approved the resolution and agreement 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 County's Contract Compliance Committee has approved a waiver request for a 57-month-term for this agreement.

It is anticipated that the percentage of medical necessity errors/variances needing correction will be

reduced to 5%.

**PERFORMANCE MEASURE:**

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

**FISCAL IMPACT:**

The term of the amended agreement is April 1, 2017 through December 31, 2021. The amount of the amended agreement is not to exceed \$1,300,000. 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 2021-22 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 is covered by the County's General Fund contribution to SMMC and is within the existing annual appropriation.