



County of San Mateo

Inter-Departmental Correspondence

Department: HEALTH

File #: 21-970

Board Meeting Date: 12/7/2021

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: Agreement with Ankura Consulting Group, LLC to Provide Independent Review Organization Services

RECOMMENDATION:

Adopt a resolution authorizing an agreement with Ankura Consulting Group, LLC to provide Independent Review Organization services for the term of October 25, 2021 through December 31, 2026, in an amount not to exceed \$350,000.

BACKGROUND:

In July 2021, the County of San Mateo and San Mateo Medical Center (SMMC) entered into a financial settlement with the Department of Justice on behalf of the Office of the Inspector General of the Department of Health and Human Services (OIG). As a result of the settlement, SMMC entered into a five-year Corporate Integrity Agreement (CIA) with the OIG. One requirement of the CIA is that SMMC must select an Independent Review Organization (IRO) to perform an annual medical necessity review of 100 paid claims, for each year of the CIA.

DISCUSSION:

SMMC must select and engage an IRO within 120 days of the CIA's effective date of July 29, 2021, which is November 26, 2021. Through referrals and inquiries, SMMC selected and interviewed five vendors for the IRO role. SMMC's Compliance Officer and County Counsel participated in the interview process. SMMC received proposals from four vendors which included a summary of experience, references and estimated quotes. SMMC's Compliance Officer contacted references for the top two vendors, which were selected based on experience in medical necessity clinical review.

SMMC is requesting that your Board waive the Request for Proposals process due to the nature of the IRO role and the time sensitivity regarding meeting the CIA's requirements. After thorough review of each vendor and review of experience, references and quotes, Ankura Consulting Group, LLC was selected due to their experience in both medical necessity reviews and as an IRO for other organizations. This agreement is going to your Board late due to prolonged negotiations with the

vendor.

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 sixty-two-month term for this agreement.

It is anticipated that 100% of SMMC's required reports will be completed and submitted to SMMC's Compliance Officer to meet the CIA's deadlines.

PERFORMANCE MEASURE:

Measure	FY 2021-22 Estimated	FY 2022-23 Projected
Percentage of SMMC's required reports that are completed and submitted to SMMC's Compliance Officer to meet the CIA's deadlines	100%	100%

FISCAL IMPACT:

The term of the agreement is October 25, 2021 through December 31, 2026. The amount of the agreement is not to exceed \$350,000 for the sixty-two-month term. Funds in the amount of \$45,000 are included in the SMMC FY 2021-22 Adopted Budget. Funds in the amount of \$68,000 are included in the SMMC FY 2022-23 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 is covered by the County's General Fund contribution to SMMC and is within the existing annual appropriation.