



County of San Mateo

Inter-Departmental Correspondence

Department: HEALTH

File #: 23-85

Board Meeting Date: 2/14/2023

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 CorroHealth, Inc. to Provide Medical Records Coding Services

RECOMMENDATION:

Adopt a resolution authorizing an agreement with CorroHealth, Inc. to provide medical records coding services for the term of March 1, 2023, through February 28, 2026, in an amount not to exceed \$4,500,000.

BACKGROUND:

Currently, San Mateo Medical Center (SMMC) clinic providers perform the coding entries for the medical procedures they perform. The physician aggregate accuracy rate is 70.5%, which is below the national coding standard of 95% accuracy rate or higher. Inaccurate coding puts SMMC at risk for inaccurate reporting and possibly receiving inaccurate reimbursements for patient care services. A Request for Proposals for Ambulatory Clinic Medical Records Coding Services was completed in January 2022 and CorroHealth, Inc. (CorroHealth) was selected for their innovative approach through a combination of technology and expertise to fulfill the SMMC coding needs.

DISCUSSION:

CorroHealth offers automated intelligence and the expertise of certified coders ensuring an accuracy rate of 95% or higher to exceed the national coding standard. This will reduce the risk of SMMC submitting claims with inaccurate information and allow physicians the quality time they need to care for their patients.

County Attorney 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 Information Services Department has reviewed and approved the IT component of this agreement.

It is anticipated that the accuracy rate for coding medical procedures on clinic accounts will be at 95% or higher.

PERFORMANCE MEASURE:

Measure	FY 2021-22 Actual	FY 2022-23 Estimated
Accuracy rate for coding medical procedures on clinic accounts	71%	≥ 95%

FISCAL IMPACT:

The term of the agreement is March 1, 2023, through February 28, 2026. The amount of the agreement is not to exceed \$4,500,000 for the three-year term. Funds in the amount of \$125,000 are included in the SMMC FY 2022-23 Adopted Budget. Funds in the amount of \$1,500,000 are included in the SMMC FY 2023-24 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.

ATTACHMENT:

RFP Matrix