

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



FROM: Purchasing and Fleet Services

SUBMITTAL DATE:
10/19/2004

SUBJECT: MANAGEMENT CARE INFORMATION SYSTEM

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the attached amendment with Health Trio Express, Managed Care Information System for the purchase of an additional software module, implementation, and maintenance without securing competitive bids in accordance with Ordinance 459.4 in the amount of \$78,410.
2. Authorize the Purchasing Agent to execute the amendment and to increase the annual maintenance and support agreement with Health Trio from \$67,500 to \$76,500 for the balance of the contract period.


BACKGROUND: On November 26, 2002, the Board of Supervisors approved an agreement with Health Trio Express in the amount of \$490,000 to be administered by the Human Resources Department to purchase and install the current health information system for the Human Resources Department.

(Continued on Page 2)

FORM APPROVED
COUNTY COUNSEL

 SEP 28 2004

 HUMAN RESOURCES DEPT
 departmental Concurrence



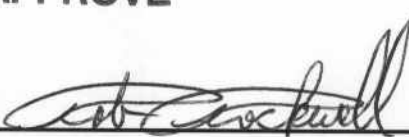
 ROBERT J. HOWDYSHELL, Director
 Purchasing and Fleet Services Dept.

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 78,410	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	NO
	Annual Net County Cost:	\$ 0	For Fiscal Year:	04/05

SOURCE OF FUNDS: Exclusive Care Fund 45800 Retained Earnings	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION:

APPROVE

County Executive Office Signature 

Dept't Recomm.: Consent Policy
 Per Exec. Ofc.: Consent Policy

Prev. Agn. Ref.: 11/26/2002 | **District:** All | **Agenda Number:** 3.55

3.25

BOARD OF SUPERVISORS
FORM 11: MANAGEMENT CARE INFORMATION SYSTEM
PAGE 2

In 2003, County Counsel determined that County of Riverside Human Resources could legally offer Exclusive Care to other County Agencies who reside within the county borders. On May 1, 2003, Human Resources successfully negotiated a contract to provide medical coverage through Exclusive Care to the employees of the Palm Springs Aerial Tramway. An additional group was added through union negotiations and a second contract was executed on March 1, 2004, with the Public Authority In-Home Supportive Service Workers (IHSS).

The current billing and reconciliation is done manually and is labor intensive. With the addition of these other outside groups, the membership in the program has more than doubled, and therefore, the need for the "Premium Billing/AR" module to be added to the current health information system has become essential. To ensure the continued success of the County of Riverside offering as affordable option for medical coverage to other outside groups, the purchase of this additional module is necessary.

The following table summarizes the pricing.

Health-Trio express Premium Billing/AR License Fees	\$42,500
Implementation Fees for Premium Billing/AR	\$32,000
Pro-rated First-Year Maintenance for module	\$ 4,410
Annual Maintenance after the first year	\$ 9,000

With the addition of this module, the annual maintenance for the information system will increase from \$67,500 to \$76,500.

JUSTIFICATION: Health Trio Express is the developer of the software. No other manufacturer has a billing/accounts receivable module that will integrate with the existing managed care system without extensive and costly modifications.

PRICE REASONABLENESS: In September 2002, County Purchasing issued a formal Request for Proposal to purchase and install the managed care information system. The Board subsequently approved the original contract with HealthTrio Express based on that competitive process. This billing module was included as an option in the original RFP and the vendor is honoring the same pricing included in the original RFP.