

2
3 RESOLUTION NO. 2006-350

4 A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE
5 COUNTY OF RIVERSIDE TO INCREASE THE CURRENT RATE STRUCTURE OF THE
6 RIVERSIDE COUNTY REGIONAL MEDICAL CENTER

7 WHEREAS, The Riverside County Regional Medical Center (hereinafter referred to as
8 the "Hospital") has a Charge Description Master (CDM) which contains the billing codes and
9 retail charges for over 20,000 patient supplies and procedures for services rendered or
10 performed at, and billed for by, the Hospital, and

11 WHEREAS, the Medi-Cal program provides the majority of the Hospital's income as well
12 as support for indigent care; and

13 WHEREAS, Federal rules prohibit the Medi-Cal (Medicaid) program from making
14 aggregate payments that may exceed the total charges for these services; and

15 WHEREAS, a rate increase has been the subject of a public hearing;

16 NOW THEREFORE, BE IT RESOLVED AND ORDERED by the Board of Supervisors of
17 the County of Riverside, State of California, in regular session assembled on November 21
2006 that:

- 18 1. The Hospital is authorized to increase the current hospital charge structure by
19 15%.
- 20 2. The Hospital Executive Director is authorized to implement the rate increase.
- 21 3. The Hospital Executive Director is authorized to adjust, add or delete rates within
22 the Hospital's rate structure as may be required by Federal and State regulatory
23 or statutory charges.

24
25
26 DDB:LH:sg
27 8/3/2006
28
29
30

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

101



FROM: Riverside County Regional Medical Center

SUBMITTAL DATE:
July 27, 2006

SUBJECT: Annual Rate Adjustment at Riverside County Regional Medical Center (RCRMC)

RECOMMENDED MOTION: That the Board of Supervisors:

- 1) Request a public hearing be set to discuss the implementation of a 15% rate increase at RCRMC and at the close of the hearing, that the Board approve resolution # 2006-350 to increase the current hospital charge structure by 15%;
- 2) Delegate to the Hospital Director authority to implement the rate increase;
- 3) Delegate to the Hospital Director the authority to adjust/add/delete rates within the hospital's rate structure as dictated by federal and state regulation changes or requirements; and
- 4) Delegate to the Hospital Director the authority to negotiate discounts with non-federal, non-state, non-contracted third party health care insurance carriers and self-pay individuals.

BACKGROUND: The Hospital's Charge Description Master (CDM) contains the billing Current Procedural Terminology (CPT), Health Care Common Procedure Coding System (HCPC), revenue codes and retail charges for 20,000 patient supplies, procedures, daily room rates and clinic rates for services rendered or performed at and billed by the Hospital. The Medi-Cal program provides the majority of RCRMC's income as well as support for indigent care. (Continued on page 2)

FORM APPROVED
COUNTY COUNSEL

AUG 09 2006

Douglas D. Bagley
Douglas D. Bagley, Hospital Director

FINANCIAL DATA

| | | | |
|-------------------------------|------|-------------------------|---------|
| Current F.Y. Total Cost: | \$ 0 | In Current Year Budget: | Yes |
| Current F.Y. Net County Cost: | \$ 0 | Budget Adjustment: | NO |
| Annual Net County Cost: | \$ 0 | For Fiscal Year: | 2006-07 |

SOURCE OF FUNDS:

| | |
|----------------------------------|--------------------------|
| 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

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Stone, seconded by Supervisor Tavaglione and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended, and that the public hearing is scheduled for Tuesday, November 21, 2006 at 9:30 a.m.

Ayes: Buster, Tavaglione, Stone, Wilson and Ashley
Nays: None
Absent: None
Date: October 31, 2006
xc: RCRMC, COB

Nancy Romero
Clerk of the Board
By: *Nancy Romero*
Deputy

Prev. Agn. Ref.: 7/26/05, 3.52

District:

Agenda Number:

ROBERT E. BYRD, Auditor-Controller

Robert E. Byrd
BY: *Robert E. Byrd* 10/17/06
Deputy

Dept' Recomm.: Policy
Per Exec. Ofc.: Policy
 Consent
 Consent

SUBJECT: Annual Rate Adjustment at Riverside County Regional Medical Center

Page 2

BACKGROUND (Continued):

The federal rules prohibit the Medi-Cal (Medicaid) program from making aggregate payments that may exceed the total charges for these services. In the event that aggregate payments exceed charges, the federal government will recoup the amounts over and above this charge ceiling. A rate increase is recommended to allow RCRMC to participate in any expansions of reimbursement from the Medi-Cal program, as well as to cover cost increases.

Implementation of these rate changes will still leave RCRMC's average charge below the average charge of other hospitals in the area.

DB:LH:sg