

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

200



FROM: Riverside County Regional Medical Center

SUBMITTAL DATE:
April 14, 2014

SUBJECT: Riverside County Regional Medical Center Bi-weekly Update on TAR and Inmate Funding

RECOMMENDED MOTION: That the Board of Supervisors:
Receive and file this report, including attachments, on Treatment Authorization Request (TAR) cases, and funding of detention health hospital patients.

BACKGROUND:

Summary

On March 25, 2014 the Board of Supervisors directed that hospital staff report back every two weeks on the key issues of TAR case processing and Medi-Cal funding for patients needing medical care. This is the second report in the series. Additionally, hospital staff is including in this report a brief description of two positive events, offered as evidence that the situation is beginning to turn for the better.

(continued on the next page)

Lowell Johnson

Lowell Johnson
Interim CEO, RCRMC

Departmental Concurrence

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ N/A	\$	\$	\$	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$	\$	\$	\$	

SOURCE OF FUNDS: N/A

Budget Adjustment: None

For Fiscal Year: 13-14

C.E.O. RECOMMENDATION:

APPROVE

BY: *Debra Cournoyer*
Debra Cournoyer

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

- Positions Added
- Change Order
- A-30
- 4/5 Vote

Prev. Agn. Ref.:

District: 5

Agenda Number:

2-22

BACKGROUND:

Summary (continued)

Medi-Cal Funding For Jail Inmates

The cost for detention treatment in the hospital is approximately \$12 million per year, with \$5 million covered by the general fund and prisoner realignment revenue. The hospital's objective is to close some or all of gap through expanded Medi-Cal funding for inmates treated in the hospital. Attached (see Attachment A) is a summary of the current status of this initiative; nothing has changed on the attachment since the last update. The estimated new revenue remains at \$2.5 million per year. Denied classes of charges include all inpatient psychiatric treatment, and clinic visits within the jails.

Under the Affordable Care Act, there are considerably fewer restrictions for our detention patients to get qualified for Medi-Cal. Though Riverside County has not yet formally submitted Medi-Cal applications since 1/1/14, we expect well under 10 percent to be denied. The most common reasons for denial would be higher than allowed income or inability to prove California residence.

As previously reported, we plan to continue discussions with the state; in particular, the Director of Mental Health, Jerry Wengerd, is making progress on getting at least half of our psychiatric costs reimbursed. On April 10, hospital staff were given a tour of RPDC and given an explanation of how prisoner information is collected and stored in the Sheriff's records system. The Sheriff has initiated a routine background check of hospital staff, so that they will be able to access these records whenever a new detention patient is admitted. Additionally, we continue to pursue an initiative to qualify jail clinics and the Arlington campus for 340B drug pricing.

Case Management Accelerated Processing of TARs

On March 25, 2014 (item 3-10), the Board approved a plan to restructure the hospital's Case Management division which would include the cleanup of a sizable backlog of TAR cases. Attached (see Attachment B) is a summary of the current TAR backlog, which together represents an expected cash reimbursement of nearly \$12 million (up \$2 million from the initial \$10 million). The new director of case management has put into action her plan to process the backlogged accounts. The attached update shows that the backlog has not yet stopped growing. The department is retraining staff, resetting priorities, and seeking to quickly fill vacancies. It is our goal that you see evidence that the backlog has stopped growing in the next report.

Successful Hospital Initiatives

This past week RCRMC continued its roll-out of the Siemens electronic medical records system. The latest module to go live is called MobileMD. It adds a patient portal where patient information will be available on the internet for patients who wish to sign up for this optional benefit. It is our plan to continue to improve communication with patients as part of an overall effort to improve both the quality of care and the patient experience.

On April 10, RCRMC received news that it has been award stroke certification by the Joint Commission. Certified hospitals are the priority destination for ambulances transporting people with stroke symptoms. This certification both validates our efforts to continuously improve service, and should generate more revenue as patients choose to come here for treatment.

Impact on Residents and Businesses

Hospital efforts to clear the backlog of TAR cases, and increase Medi-Cal funding for patients needing medical care will increase cash payments. These improvements are designed to improve efficiency and add revenue, both of which are an important part of the hospital's plan to eliminate its existing deficit. A county hospital on a solid financial footing will be better placed to focus on patient care and plan for programs to increase the health of all county residents.

Revenue Cycle

Jail – Medi-Cal Eligibility Project



Eligibility: under Statute AB720, the following Medi-Cal guidelines apply to jail patients who qualify for Medi-Cal

Covered Services

- ▶ Pre-Inmate Booking
- ▶ Active Medi-Cal: All services eligible
- ▶ Post-Inmate Booking
- ▶ Adult: IP Acute services
- ▶ Juvenile: IP Acute and Psych services

Non-Covered Services

- ▶ Pre-Inmate Booking
- ▶ No Active Medi-Cal: No services eligible
- ▶ Post-Inmate Booking
- ▶ Adult: All OP services (incl. Diagnostic)
- ▶ Juvenile: All OP services (incl. Diagnostic)

Reimbursement Opportunity:

- ▶ One-Time: \$900K - \$1M
- ▶ Recurring: \$2M - \$2.5M annualized

One-Time Opportunity		09/01/2012 - 01/01/2014		01/01/2014 – 02/28/2014			
Billable Status	Status Reason	Volume	Total Charges	Expected Reimbursement	Volume	Total Charges	Expected Reimbursement
Billable	Eligible ¹	59	\$ 2,186,787	\$ 534,353	18	\$ 1,487,754	\$ 387,515
Unbillable	Not Eligible ²	307	\$ 14,193,763	\$ -	51	\$ 2,223,670	\$ -
	Other ³	5,719	\$ 45,158,322	\$ -	487	\$ 2,891,017	\$ -
Total		6,085	\$ 61,538,872	\$ 534,353	556	\$ 6,602,441	\$ 387,515

1. 'Eligible' includes patients eligible for Medi-Cal or Medi-Cal Managed Care coverage
 2. 'Not Eligible' includes patients not eligible for Medi-Cal, and accts for which no eligibility check was performed due to lack of SSN
 3. 'Other' includes non-covered services (OP & PSY), non-covered aid codes, accounts past timely-filing, and patients eligible for RCHC

**TAR IQ SUMMARY
4/14/2014**

ACCT STATUS	FC	NO. OF ACCTS	NO. OF DAYS	ACCT BALANCE
DISCHARGES PENDING CM REVIEW	C	864	7000	\$ 75,482,968.18
INHOUSE PENDING CM REVIEW	C	22	305	\$ 2,133,898.12
DISCHARGES PENDING CM APPEAL REVIEW	C	11	108	\$ 429,116.00
TOTAL:		897	7413	\$ 78,045,982.30

NOTE: DISCHARGES PRIOR TO 01/01/13 REQUIRES PAPER TAR PAPER CASES 32
SUBMISSION TO STATE FOR FINAL ADJUDICATION TAR FREE CASES 865

PEND CASES / DAYS BY FISCAL YEAR	NO. OF ACCTS	NO. OF DAYS
FY 10/11	4	23
FY 11/12	11	97
FY 12/13	76	565
FY 13/14	806	6728

CM INITIAL REVIEW COMPLETED - ADJUDICATION PENDING MEDI-CAL REVIEW / RESPONSE			
APPEAL PENDING MEDI-CAL REVIEW	C	87	541
RETRO TAR PENDING MEDI-CAL REVIEW	C	41	337
TOTAL:		128	878

GRAND TOTAL	1025	8291	\$ 83,273,215.41
EXPECTED REIMBURSEMENT:			\$ 11,916,451.00

IP MEDI-CAL DAYS FY 13/14	23021
IP MEDI-CAL DAYS FY 12/13	31875

TOTALS INCLUDES OB CERT DAYS