

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

670



**FROM:** Riverside County Regional Medical Center

**SUBMITTAL DATE:**  
May 21, 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 fourth report in the series.

(continued on the next page)

Lowell Johnson  
Interim CEO, RCRMC

<b>FINANCIAL DATA</b>	<b>Current Fiscal Year:</b>	<b>Next Fiscal Year:</b>	<b>Total Cost:</b>	<b>Ongoing Cost:</b>	<b>POLICY/CONSENT (per Exec. Office)</b>
<b>COST</b>	\$ N/A	\$	\$	\$	Consent <input type="checkbox"/> Policy <input type="checkbox"/>
<b>NET COUNTY COST</b>	\$	\$	\$	\$	
<b>SOURCE OF FUNDS: N/A</b>				<b>Budget Adjustment: None</b>	
				<b>For Fiscal Year: 13-14</b>	

**C.E.O. RECOMMENDATION:**

APPROVE

BY:   
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: All

Agenda Number:

2-23

Departmental Concurrence

**BACKGROUND:**

**Summary (continued)**

**Medi-Cal Funding For Jail Inmates**

There are some new negative developments to report on this front. State contacts continue to resist verbally committing to covering what we think are legitimate costs for inpatient mental health services. An approach to consider is to file claims for these inpatient Medi-Cal costs with the state, expecting initial denials for mental health treatment. We would then plan to appeal. Additionally, county staff is seeing a higher number of income disqualifications.

This is a new process for both us and the state under Affordable Care, so there has been an ongoing discussion with the state on the best way to get our prisoners Medi-Cal qualified. We think we have this working smoothly now. We have caught up with applications going back to January 1, and are beginning to get approvals from the state. As those approvals come in we are now processing services bills and submitting them for payment. There is a very large group of applications under final state consideration.

The cost for detention health treatment in the hospital is approximately \$12 million per year, with \$2.5 million covered by the general fund and another \$2.5 million from prisoner realignment (AB 109) revenue. The hospital's objective is to close some or all of gap through expanded Medi-Cal funding for inmates treated in the hospital, and has thus far had limited success. Under ACA, there are considerably fewer restrictions for our detention patients to get qualified for Medi-Cal. However, many treatments are denied, including all inpatient psychiatric treatment, and clinic visits within the jails. Estimated new revenue remains at \$2.5 million per year. 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 is a summary of the current TAR backlog (see Attachment A). Though the backlog is growing, this is in part because the hospital's new Medi-Cal applications are up dramatically. Since March, Medi-Cal application approvals have gone from under 50 to over 200 per week, and charges have increased from \$3.5M to over \$5M per week.

The new director of case management has made more progress putting into action her plans to revitalize the department, and also process the backlogged accounts. The department completed retraining staff in Interqual, is resetting priorities, is initiating productivity expectations designed to triple staff productivity, and is seeking to quickly fill vacancies. Three registry nurse candidates with case management and Interqual experience were hired recently. Management processed 1219 patient days in April and almost 1200 at the mid-point of May.

Stabilization is a necessary first step before the backlog can be cleared. This should be accomplished within four weeks with a combination of training, productivity goals, and temporary staff. Temporary staff from RightSourcing is helping, but alone will not provide a solution to the backlog. Accounts are aging and losing value; also we are not meeting state timeliness guidelines. Therefore, we are accelerating the TAR cleanup RFP, and plan to bring this to the Board in June for consideration.

**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.

**TAR IQ SUMMARY  
5/18/2014**

ACCT STATUS	FC	NO. OF ACCTS	NO. OF DAYS	ACCT BALANCE
DISCHARGES PENDING CM REVIEW	C	1361	10055	\$ 94,698,237
DISCHARGES PENDING SECONDARY REVIEW	C	3	10	\$ 67,000
INHOUSE PENDING CM REVIEW	C	23	304	\$ 1,500,917
DISCHARGES PENDING CM APPEAL REVIEW	C	8	94	\$ 429,116
<b>TOTAL:</b>		<b>1395</b>	<b>10463</b>	<b>\$ 96,695,270</b>

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

PAPER CASES 18

TAR FREE CASES 1377

PEND CASES / DAYS BY FISCAL YEAR	NO. OF ACCTS	NO. OF DAYS	NET EXPECTED REIMBURSEMENT
FY 10/11	2	19	\$ 29,982
FY 11/12	12	183	\$ 240,828
FY 12/13	102	998	\$ 1,250,710
FY 13/14	1279	9263	\$ 14,507,902

DOES NOT INCLUDE EXPECTD PYMT FOR CASES PENDING MEDI-CAL REVIEW/RESPONSE

CM INITIAL REVIEW COMPLETED - ADJUDICATION PENDING MEDI-CAL REVIEW/RESPONSE			
APPEAL PENDING MEDI-CAL REVIEW	C	86	538
RETRO TAR PENDING MEDI-CAL REVIEW	C	13	66
<b>TOTAL:</b>		<b>99</b>	<b>604</b>
<b>GRAND TOTAL:</b>		<b>1494</b>	<b>11067</b>
<b>EXPECTED REIMBURSEMENT:</b>			<b>\$ 17,661,755</b>

IP MEDI-CAL DAYS FY 13/14	27768
IP MEDI-CAL DAYS FY 12/13	31875

TOTALS INCLUDES OB CERT DAYS

CM WEEKLY STATS FOR COMPLETED REVIEWS			
WEEK ENDING	CASES RVWD	DAYS RVWD	TOTAL CHARGES
5/3/2014	32	438	\$ 4,087,163.00
5/9/2014	37	218	\$ 1,965,472.00
<b>5/16/2014</b>	<b>74</b>	<b>520</b>	<b>\$ 784,200.00</b>
5/23/2014			
5/31/2014			
<b>TOTAL</b>	<b>143</b>	<b>1176</b>	<b>\$ 6,836,835</b>

Note: 90 cases/1219 days with total charges of \$5,812,979 completed in April 2014