

BY: *M. L. VICTOR*
MARSHA L. VICTOR
DATE: 10/26/10

613



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

SUBMITTAL DATE:
November 2, 2010

FROM: Riverside County Regional Medical Center

SUBJECT: Amendment to the Agreement(s) with the contracted Third Party Liability Services

RECOMMENDED MOTION: That the Board of Supervisors:

- 1) Authorize the Chairman of the Board to execute the Amendment(s) with the following two Contractors: (a) Compspec, Inc. and (b) Health Advocates, LLC;
- 2) Ratify the amendment to add an additional amount of \$800,000 to the annual aggregate amount not to exceed \$2,400,000 for the period of July 1, 2010 through December 31, 2010, and;
- 3) Authorize the Purchasing Agent, in accordance with Ordinance No. 459 to sign amendments that do not change the substantive terms of the agreement, including amendments to the compensation provision that do not exceed the annual CPI rates.

BACKGROUND:

On May 2, 2006, Agenda Item No. 3.31, the Board of Supervisors approved the Professional Services Agreement for Compspec, Inc. and Health Advocates, LLC to provide third party eligibility services for difficult and complex settlement issues, specifically whereby identification of patients' third party
(cont'd on Page 2)

Douglas D. Bagley

Douglas D. Bagley, Hospital Director

FINANCIAL DATA	Current F.Y. Total Cost:	\$800,000	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	FY 10/11

SOURCE OF FUNDS: 100% - Hospital Enterprise Funding	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION:

APPROVE
Debra Courmoyer
BY: _____
Debra Courmoyer

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.

Ayes: Buster, Tavaglione, Stone, Benoit and Ashley
Nays: None
Absent: None
Date: November 9, 2010
xc: RCRMC, Purchasing

Kecia Harper-Ihem
Clerk of the Board
By: *Kecia Harper-Ihem*
Deputy

Prev. Agn. Ref.: 05/02/06; #3.31; District: All Agenda Number:
05/16/08; #3.40

ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

3.12

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

Departmental Concurrence

Purchasing: *Mark Sailer*
Mark Sailer, Assistant Director

TO: Board of Supervisors

Page: 2

SUBJECT: Amendment to the Agreement(s) with the contracted Third Party Liability Services

BACKGROUND (Continued):

coverage is not readily obtained. And on May 13, 2008, Agenda Item No. 3.40, the Board of Supervisors approved the Amendment to increase the aggregate amount to \$1,600,000 due to the increased settlements on third party payments, in turn, produced an estimated net result of four million in revenue for Riverside County Regional Medical Center (RCRMC). RCRMC's professional services agreement with these two firms ended June 30, 2010.

On April 27, 2010, County Purchasing on behalf of RCRMC issued the formal request for proposal (RFP MCARC135). Due to unexpected delays with the RFP process, the new awards have not yet been finalized. This amendment would extend the existing contracts for both Contractors until the new awards are finalized and executed.

Therefore, RCRMC requests that the existing agreements with Compspec, Inc. and Health Advocates, LLC be amended to ensure continuity of services and until the new awards are determined.

PRICE REASONABLENESS:

These contracts are contingent based and the percentages have not changed. This amendment will only add an additional \$800,000 to the aggregate amount.

FINANCIAL IMPACT:

The Contracts will be funded 100% under the Hospital Enterprise Funds.

DB/ns

SECOND AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT

WITH

COMPSPEC, INC.
(Third Party Liability Service)

That certain Agreement between Riverside County Regional Medical Center (COUNTY) and **Compspec, Inc.**, (CONTRACTOR), initially approved by the Board of Supervisors May 2, 2006, Agenda Item No. 3.31, first amended approved by the Board May 13, 2008, Agenda Item No. 3.40, is hereby amended as follows:

- 1. Amend the language of Section **4.0 TERM AND TERMINATION** to include the following:

“This Amendment extends the period of the Agreement effective July 1, 2010 and continue on a month to month basis, unless terminated as otherwise provided herein.”

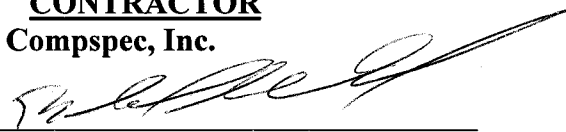
- 2. Delete the language of Section **5.0 BILLING AND COMPENSATION**, paragraph **5.1**, in its entirety and replace with the following:

“5.1 The COUNTY shall pay the CONTRACTOR for services performed and expenses incurred in accordance with Exhibit A. CONTRACTOR understands that the COUNTY budget for these services from all contractor’s providing such services, shall not exceed the aggregate amount of two million four hundred thousand dollars (\$2,400,000). CONTRACTOR further understands that the COUNTY is not obligated to any one CONTRACTOR for any specific amount of business or dollars, and the COUNTY reserves the right to use the services of the CONTRACTOR at the COUNTY’s discretion and only as needed. The COUNTY is Not Responsible For Any Fees Or Costs Incurred Above or Beyond The Contract Amount.”

- 3. All other terms and conditions of this Agreement are to remain unchanged.

IN WITNESS WHEREOF, the parties have executed this Amendment.

CONTRACTOR
Compspec, Inc.

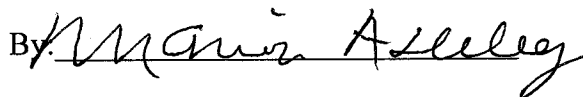
By: 

Nabil (Bill) Haddad
Type or Print Name

President
Type or Print Title

Date: October 21, 2010

COUNTY OF RIVERSIDE

By: 

Marion Ashley
Type or Print Name

Chairman
Type or Print Title

Date: NOV 09 2010

ATTEST:
KECIA HARPER-IHEM, Clerk
By: 
DEPUTY

NOV 09 2010 3.12

FORM APPROVED COUNTY COUNSEL
BY:  10/26/10
DATE
MARSHAL VICTOR

SECOND AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT

WITH

HEALTH ADVOCATES, LLC
(Third Party Liability Service)

That certain Agreement between Riverside County Regional Medical Center (COUNTY) and **Health Advocates, LLC.**, (CONTRACTOR), initially approved by the Board of Supervisors May 2, 2006, Agenda Item No. 3.31, first amendment approved by the Board May 13, 2008, Agenda Item No. 3.40, is hereby amended as follows:

- 1. Amend the language of Section **4.0 TERM AND TERMINATION** to include the following:

“This Amendment extends the period of the Agreement effective July 1, 2010 and continue on a month to month basis, unless terminated as otherwise provided herein.”

- 2. Delete the language of Section **5.0 BILLING AND COMPENSATION, paragraph 5.1**, in its entirety and replace with the following:

“5.1 The COUNTY shall pay the CONTRACTOR for services performed and expenses incurred in accordance with Exhibit A. CONTRACTOR understands that the COUNTY budget for these services from all contractor’s providing such services, shall not exceed the aggregate amount of two million four hundred thousand dollars (\$2,400,000). CONTRACTOR further understands that the COUNTY is not obligated to any one CONTRACTOR for any specific amount of business, or dollars, and the COUNTY reserves the right to use the services of the CONTRACTOR at the COUNTY’s discretion and only as needed. The COUNTY is Not Responsible For Any Fees Or Costs Incurred Above or Beyond The Contract Amount.

- 3. All other terms and conditions of this Agreement are to remain unchanged.

IN WITNESS WHEREOF, the parties have executed this Amendment.

CONTRACTOR

Health Advocates, LLC

By: [Signature]

AL LEIBOVIC

Type or Print Name

PRESIDENT

Type or Print Title

Date: 10/14/10

COUNTY OF RIVERSIDE

By: [Signature]

Marion Ashley

Type or Print Name

Chairman

Type or Print Title

Date: NOV 09 2010

ATTEST:

KECIA HARPER-IHEM, Clerk

By: [Signature]
DEPUTY

NOV 09 2010 3.12

FORM APPROVED COUNTY COUNSEL
BY: [Signature] 10/26/10
MARSHA L. VICTOR DATE