

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

922



**FROM:** Riverside County Regional Medical Center

**SUBMITTAL DATE:**  
October 10, 2014

**SUBJECT:** APPROVAL OF FIRST AMENDMENT TO THE AGREEMENT WITH THOMPSON ALLIANCE [ALL DISTRICT; \$2,344,750; ENTERPRISE FUNDS]

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Approve and authorize the Chairman of the Board to execute the First Amendment to the Agreement with Thomson Alliance, Inc. to increase the maximum contract amount from \$937,900 to an amount not to exceed \$2,344,750 effective November 1, 2014 through June 30, 2015, and;
2. Authorize the Purchasing Agent, in accordance with Ordinance No. 459, to sign amendments that do not change the substantive terms of the agreement, and to allow the Purchasing Agent to increase the compensation amount not more than ten percent of the aggregate amount.

**BACKGROUND:**

**Summary**

Case management is essential in obtaining increased revenue for Riverside County Regional Medical Center (RCRMC). Case management must apply proven case management methodology which includes but is not limited to; review of medical records to assure appropriateness of admission and services;

*[Signature]*  
Zareh Sarrafian  
Hospital CEO

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 2,344,750	\$ 0	\$ 2,344,750	\$ 0	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0	

<b>SOURCE OF FUNDS:</b> Hospital Enterprise Fund 100%	<b>Budget Adjustment:</b> No
	<b>For Fiscal Year:</b> 14/15

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

BY: *[Signature]*  
Debra Cournoyer

**County Executive Office Signature**

**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Tavaglione, seconded by Supervisor Ashley and duly carried, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Tavaglione, Stone and Ashley  
 Nays: None  
 Absent: Benoit  
 Date: October 28, 2014  
 xc: RCRMC, Purchasing

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

**3-19**

FORM APPROVED COUNTY COUNSEL  
 BY: GREGORY P. PRIAMOS  
 DATE: 10/16/14  
 Departmental Concurrence

Purchasing: *[Signature]*  
 Mark Seiler, Assistant Director

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

**SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA  
FORM 11: APPROVAL OF FIRST AMENDMENT TO THE AGREEMENT WITH THOMPSON ALLIANCE [ALL  
DISTRICT; \$2,344,750; ENTERPRISE FUNDS]**

**DATE:** October 10, 2014

**PAGE:** Page 2 of 2

**BACKGROUND:**

**Summary (continued)**

ensure that medical documentation meets InterQual criteria (this criteria is used by case management as a set of measurable, clinical indicators, as well as diagnostic and therapeutic services reflecting the need for hospitalization; thus they serve as the criteria for all acute hospital care); recommend physician second level review for those cases deemed to have questionable supporting documentation; and work with the case management leadership and staff to educate on proper process and protocol.

Case management review services are needed to ensure adequate supporting documentation is provided for cases awaiting Medi-Cal approval. In accordance with Medi-Cal guidelines, certain medical procedures and services are subject to authorization by Medi-Cal before reimbursement can be approved. Authorization requests are made with a Treatment Authorization Request (TAR), a form needed to pre-approve funding for treatment. Authorization requirements are based on Federal and State law. Accurate and timely processing is required to preserve reimbursement revenue in the millions of dollars.

**Impact on Citizens and Businesses**

This service impacts the patients residing in Riverside County receiving care from the hospital. Both timely support and supplementing the hospital's resources, will improve the ability to collect on outstanding claims.

**Contract History and Price Reasonableness**

On July 1, 2014, agenda item number 3-41, the Board of Supervisors approved the professional services agreement with Thomson Alliance to provide case management on TAR backlogs. This first amendment with Thomson Alliance requests for an additional 15,000 review case days; approximately an additional \$1,406,850—with an estimated project completion date by June, 2015. The return on investment will net approximately \$16 million in net revenue.

Currently, Thomson Alliance has completed a total of 6,600 reviewed days that earned RCRMC a projected return of over \$10,000,000. Upon completion of the remaining review days, it is expected Thomson Alliance will produce another \$6,000,000 for the hospitals net revenue. To ensure the backlog of cases remains manageable and the hospital maintains control of these cases in the future, hospital administration is working eagerly in their recruitment for skilled individuals, while current case managers continue to receive ongoing training on the InterQual system. Furthermore, the Hospital's Case Management Administrative department will conduct a small sample assessment of the backlog at the Arlington Inpatient Treatment Facility (ITF) to assess if it is beneficial to extend the case reviews for that site. If the hospital determines further assistance is required to work on the case backlog at the Arlington facility, RCRMC may request if needed, the Board's approval to add additional funds at a later date upon further analysis.

By conducting business with Thomson Alliance, it has helped generate reimbursement in the millions of dollars by means of achieving financial gain from Medi-Cal reimbursement. Through this partnership it safeguards accurate, quality reviews and timely submission to the Department of Health.

ZHS:ns

FIRST AMENDMENT TO THE AGREEMENT

WITH

THOMSON ALLIANCE, INC.
(Case Management Review Services)

That certain Agreement between County of Riverside ("COUNTY") and Thomson Alliance, Inc., ("CONTRACTOR"), approved by the Board of Supervisors on July 1, 2014; Agenda Item No. 3-41, is hereby amended as follows:

- 1. Amend the language in Section 3. Compensation, subsection 3.1, to read as follows:

"The COUNTY shall pay the CONTRACTOR for services performed, products provided and expenses incurred in accordance with the terms of Exhibit B, Payment Provisions. Maximum payment by COUNTY to CONTRACTOR's shall not exceed two million three hundred forty-four thousand seven hundred fifty dollars (\$2,344,750) annually including all expenses. The County is not responsible for any fees or costs incurred above or beyond the contracted amount and shall have no obligation to purchase any specified amount of services or products. Unless otherwise specifically stated in Exhibit B, COUNTY shall not be responsible for payment of any of CONTRACTOR's expenses related to this Agreement."

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

IN WITNESS WHEREOF, the parties have executed this Amendment.

CONTRACTOR
Thomson Alliance, Inc.

COUNTY OF RIVERSIDE

By: [Signature]

By: [Signature]

NICOLE R. THOMPSON
Type or Print Name

JEFF STONE
Type or Print Name

CHIEF EXECUTIVE OFFICER
Type or Print Title

CHAIRMAN, BOARD OF SUPERVISORS
Type or Print Title

Date: 10/19/14

Date: OCT 28 2014

FORM APPROVED COUNTY COUNSEL
BY: [Signature]
NEAL R. KIPNIS
DATE 10/15/14

ATTEST:
KECIA HARPER-IHEM, Clerk
By: [Signature]
DEPUTY

Riverside County Board of Supervisors <sup>6 min.</sup>  
Request to Speak

Submit request to Clerk of Board (right of podium),  
Speakers are entitled to three (3) minutes, subject  
to Board Rules listed on the reverse side of this form.

**SPEAKER'S NAME:** Paul Jacobs

**Address:** \_\_\_\_\_  
(only if follow-up mail response requested)

**City:** Temecula **Zip:** \_\_\_\_\_

**Phone #:** \_\_\_\_\_

**Date:** 10/28/14 **Agenda #** 3-19

**PLEASE STATE YOUR POSITION BELOW:**

**Position on "Regular" (non-appealed) Agenda Item:**  
\_\_\_\_\_ **Support**      \_\_\_\_\_ **Oppose**      \_\_\_\_\_ **Neutral**

**Note:** If you are here for an agenda item that is filed  
for "Appeal", please state separately your position on  
the appeal below:

\_\_\_\_\_ **Support**      \_\_\_\_\_ **Oppose**      \_\_\_\_\_ **Neutral**

**I give my 3 minutes to:** \_\_\_\_\_

## **BOARD RULES**

### **Requests to Address Board on "Agenda" Items:**

You may request to be heard on a published agenda item. Requests to be heard must be submitted to the Clerk of the Board before the scheduled meeting time.

### **Requests to Address Board on items that are "NOT" on the Agenda:**

Notwithstanding any other provisions of these rules, member of the public shall have the right to address the Board during the mid-morning "Oral Communications" segment of the published agenda. Said purpose for address must pertain to issues which are under the direct jurisdiction of the Board of Supervisors. YOUR TIME WILL BE LIMITED TO THREE (3) MINUTES.

### **Power Point Presentations/Printed Material:**

Speakers who intend to conduct a formalized Power Point presentation or provide printed material must notify the Clerk of the Board's Office by 12 noon on the Monday preceding the Tuesday Board meeting, insuring that the Clerk's Office has sufficient copies of all printed materials and at least one (1) copy of the Power Point CD. Copies of printed material given to the Clerk (by Monday noon deadline) will be provided to each Supervisor. If you have the need to use the overhead "Elmo" projector at the Board meeting, please insure your material is clear and with proper contrast, notifying the Clerk well ahead of the meeting, of your intent to use the Elmo.

### **Individual Speaker Limits:**

**Individual speakers are limited to a maximum of three (3) minutes.** Please step up to the podium when the Chairman calls your name and begin speaking immediately. Pull the microphone to your mouth so that the Board, audience, and audio recording system hear you clearly. Once you start speaking, the "green" podium light will light. The "yellow" light will come on when you have one (1) minute remaining. When you have 30 seconds remaining, the "yellow" light will begin flash, indicating you must quickly wrap up your comments. Your time is up when the "red" light flashes. The Chairman adheres to a strict three (3) minutes per speaker. **Note: If you intend to give your time to a "Group/Organized Presentation", please state so clearly at the very bottom of the reverse side of this form.**

### **Group/Organized Presentations:**

Group/organized presentations with more than one (1) speaker will be limited to nine (9) minutes at the Chairman's discretion. The organizer of the presentation will automatically receive the first three (3) minutes, with the remaining six (6) minutes relinquished by other speakers, as requested by them on a completed "Request to Speak" form, and clearly indicated at the front bottom of the form.

### **Addressing the Board & Acknowledgement by Chairman:**

The Chairman will determine what order the speakers will address the Board, and will call on all speakers in pairs. The first speaker should immediately step to the podium and begin addressing the Board. The second speaker should take up a position in one of the chamber aisles in order to quickly step up to the podium after the preceding speaker. This is to afford an efficient and timely Board meeting, giving all attendees the opportunity to make their case. Speakers are prohibited from making personal attacks, and/or using coarse, crude, profane or vulgar language while speaking to the Board members, staff, the general public and/or meeting participants. Such behavior, at the discretion of the Board Chairman may result in removal from the Board Chambers by Sheriff Deputies.

**Riverside County Board of Supervisors  
Request to Speak**

Submit request to Clerk of Board (right of podium),  
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to Board Rules listed on the reverse side of this form.

**SPEAKER'S NAME:** Garry Grant

**Address:** \_\_\_\_\_  
(only if follow-up mail response requested)

**City:** Perris **Zip:** \_\_\_\_\_

**Phone #:** \_\_\_\_\_

**Date:** 10/28/14 **Agenda #** 3-19

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**I give my 3 minutes to:** Paul Jacobs

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