

MINUTES OF THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



9-1

9:30 p.m. being the time set for public hearing on the recommendation from Fire regarding a Public Hearing on the Adoption of Resolution No. 2015-062 to Increase the Current Hospital Charge Structure by 7.98%, the Chairman called the matter for hearing.

The chairman closed the public hearing.

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

Roll Call:

Ayes: Jeffries, Washington, Benoit and Ashley  
Nays: None  
Absent: Tavaglione

I hereby certify that the foregoing is a full true, and correct copy of an order made and entered on April 7, 2015 of Supervisors Minutes.

WITNESS my hand and the seal of the Board of Supervisors  
Dated: April 7, 2015  
Kecia Harper-Ihem, Clerk of the Board of Supervisors, in  
and for the County of Riverside, State of California.

(seal)

By: [Signature] Deputy

AGENDA NO.  
9-1

xc: RCRMC

2  
3 RESOLUTION NO. 2015-062

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 17,500 patient supplies and procedures for services rendered or  
10 performed at, and billed for by, the Hospital, and

11 WHEREAS, the Hospital cost will increase in Fiscal Year 2014/2015;

12 WHEREAS, the billing rates are used to obtain reimbursement from third-parties and  
13 patients for these costs; and

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

15 NOW THEREFORE, BE IT RESOLVED AND ORDERED by the Board of Supervisors of  
16 the County of Riverside, State of California, in regular session assembled on April 15  
17 2015 that:

- 18 1. The Hospital is authorized to increase the current hospital charge structure by  
19 7.98%.
- 20 2. The Hospital Director is authorized to implement the rate increase.
- 21 3. The Hospital Director is authorized to adjust, add or delete rates within the  
22 Hospital's rate structure as may be required by Federal and State regulatory or  
23 statutory charges.
- 24 4. The Hospital Director is authorized to negotiate discounts with non-federal, non-  
25 state, non-contracted third party health care insurance carriers and self-pay  
26 individuals.

27 ROLL CALL:

28 Ayes: Jeffries, Washington, Benoit and Ashley  
29 Nays: None  
30 Absent: Tavaglione

The foregoing is certified to be a true copy of a  
resolution duly adopted by said Board of Super-  
visors on the date therein set forth.

KECIA HARPER-HEM, Clerk of said Board  
By:  Deputy

FORM APPROVED COUNTY COUNSEL

BY:  ANITA C. WILLIS DATE 2-26-15

263



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

**FROM:** Riverside County Regional Medical Center (RCRMC)

**SUBMITTAL DATE:**  
February 24, 2015

**SUBJECT:** FY 2014/15 Rate Adjustment for the Riverside County Regional Medical Center

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

1. Request a public hearing to be set to discuss the implementation of a 7.98 percent rate increase at RCRMC and at the close of the hearing, the Board approve Resolution No. 2015-062 to increase the current hospital charge structure by 7.98 percent.
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.

Zareh Sarrafian  
Hospital Director

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

**SOURCE OF FUNDS:** \_\_\_\_\_

Budget Adjustment: None  
For Fiscal Year: 14/15

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

BY:   
Debra Cournoyer

County Executive Office Signature

**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Ashley, seconded by Supervisor Benoit and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended, and is set for public hearing on Tuesday, April 7, 2015, at 9:30 a.m.

Ayes: Jeffries, Tavaglione, Washington, Benoit and Ashley  
 Nays: None  
 Absent: None  
 Date: March 10, 2015  
 xc: RCRMC, COB

Kecia Harper-Ihem  
 Clerk of the Board  
 By:   
 Deputy

Prev. Agn. Ref.: \_\_\_\_\_ District: ALL Agenda Number: **3-30**

FORM APPROVED COUNTY COUNSEL  
BY:   
ANITA C. WILLIS  
DATE: 2-26-15

Departmental Concurrence

Positions Added  
 Change Order  
 A-30  
 4/5 Vote

**SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA  
FORM 11: FY 2014/15 Rate Adjustment for the Riverside County Regional Medical Center**

**DATE: February 24, 2015**

**PAGE: 2 of 2**

**BACKGROUND:**

Previous to the recommended change below, RCRMC last increased prices over two years ago on July 31, 2012.

To ensure charges are market based Huron Healthcare, as part of their engagement, compared RCRMC's charges to the local market and recommend price increases and decreases based on competitor pricing, historical usage, and contractual reimbursement. The local market analysis included among others, Arrowhead Regional Medical Center, Hemet Valley Medical Center, Loma Linda University Medical Center and Riverside Community Hospital.

The Hospital's Charge Description Master (CDM) contains the billing Current Procedural Terminology (CPT), Health Care Common Procedure Coding Systems (HCPCS), revenue codes and retail charges for over 17,500 patient supplies, procedures, daily room rates and clinic rates for services rendered or performed at and billed by the Hospital.

Huron's analysis of the publically available data filed by the hospitals in the local market showed hospitals are increasing prices by an average of 10.35 percent annually. Additionally, the U.S. Bureau of Labor Statistics recorded a growth in the costs of medical care by 2.5 percent within the Los Angeles – Riverside – Orange County region between December 2013 and December 2014. Assuming constant growth, this rate would show an increase in overall medical care costs of 6.37 percent ( $1.025 \times 1.025 \times 1.0125$ ) since the 2012 price increase. Based on these figures, opportunity exists for RCRMC to increase overall charges in order to keep up with market inflation and maintain competitive pricing.

This review provides justification for an increase to the CDM and will enhance hospital net revenue. The analysis resulted in recommended changes which would increase annual gross revenue by 7.98 percent and enhance net revenue by approximately \$2.8 million over the next 12 month period.

**Impact on Citizens and Businesses**

As a result of the Affordable Care Act nearly all individuals have some type of coverage though Federal, State or Covered California programs and it is anticipated that the impact of the increase to other individuals (working poor or undocumented) would be minimal as the hospital provides discounts or free care to all that are unable to pay.



OFFICE OF  
CLERK OF THE BOARD OF SUPERVISORS  
1<sup>st</sup> FLOOR, COUNTY ADMINISTRATIVE CENTER  
P.O. BOX 1147, 4080 LEMON STREET  
RIVERSIDE, CA 92502-1147  
PHONE: (909) 955-1060  
FAX: (909) 955-1071

KECIA HARPER-IHEM  
Clerk of the Board of Supervisors

KIMBERLY A. RECTOR  
Assistant Clerk of the Board

March 12, 2015

PRESS ENTERPRISE  
ATTN: LEGALS  
P.O. BOX 792  
RIVERSIDE, CA 92501

E-MAIL: [legals@pe.com](mailto:legals@pe.com)  
FAX: (951) 368-9018

RE: NOTICE OF PUBLIC HEARING: Res. 2015-062 Rate Adjustment at  
Riverside County Regional Medical Center (RCRMC)

To Whom It May Concern:

Attached is a copy for publication in your newspaper for **ONE (1) TIME on Wednesday, March 18, 2015.**

We require your affidavit of publication immediately upon completion of the last publication.

Your invoice must be submitted to this office, **WITH TWO CLIPPINGS OF THE PUBLICATION.**

NOTE: PLEASE COMPOSE THIS PUBLICATION INTO A SINGLE COLUMN FORMAT.

Thank you in advance for your assistance and expertise.

Sincerely,

*Cecilia Gil*

Board Assistant to:  
KECIA HARPER-IHEM, CLERK OF THE BOARD

**Gil, Cecilia**

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**From:** PEC Legals Master <legalsmaster@pe.com>  
**Sent:** Thursday, March 12, 2015 10:16 AM  
**To:** Gil, Cecilia  
**Subject:** Re: FOR PUBLICATION: Res. 2015-062 Rate Adjustment for RCRMC

Received for publication on March 18. Proof with cost to follow.

Legal Advertising Phone: 1-800-880-0345 / Fax: 951-368-9018 / E-mail: [legals@pe.com](mailto:legals@pe.com)

**Please Note: Deadline is 10:30 AM, three (3) business days prior to the date you would like to publish. \*\*Additional days required for larger ad sizes\*\***

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**From:** Gil, Cecilia <[CCGIL@rcbos.org](mailto:CCGIL@rcbos.org)>  
**Sent:** Thursday, March 12, 2015 10:15 AM  
**To:** PEC Legals Master  
**Subject:** FOR PUBLICATION: Res. 2015-062 Rate Adjustment for RCRMC

Attached is a Notice of Public Hearing, for publication on Wednesday, March 18, 2015. Please confirm.  
THANK YOU!

*Cecilia Gil*  
Board Assistant  
Clerk of the Board  
951-955-8464  
MS# 1010



OFFICE OF  
CLERK OF THE BOARD OF SUPERVISORS  
1<sup>st</sup> FLOOR, COUNTY ADMINISTRATIVE CENTER  
P.O. BOX 1147, 4080 LEMON STREET  
RIVERSIDE, CA 92502-1147  
PHONE: (909) 955-1060  
FAX: (909) 955-1071

KECIA HARPER-IHEM  
Clerk of the Board of Supervisors

KIMBERLY A. RECTOR  
Assistant Clerk of the Board

March 12, 2015

THE DESERT SUN  
ATTN: LEGALS  
P.O. BOX 2734  
PALM SPRINGS, CA 92263

E-MAIL: [legals@thedesertsun.com](mailto:legals@thedesertsun.com)  
FAX: (760) 778-4731

RE: NOTICE OF PUBLIC HEARING: Res. 2015-062 Rate Adjustment at  
Riverside County Regional Medical Center (RCRMC)

To Whom It May Concern:

Attached is a copy for publication in your newspaper for **ONE (1) TIME on Wednesday, March 18, 2015.**

We require your affidavit of publication immediately upon completion of the last publication.

Your invoice must be submitted to this office, WITH TWO CLIPPINGS OF THE PUBLICATION.

NOTE: PLEASE COMPOSE THIS PUBLICATION INTO A SINGLE COLUMN FORMAT.

Thank you in advance for your assistance and expertise.

Sincerely,

*Cecilia Gil*

Board Assistant to:  
KECIA HARPER-IHEM, CLERK OF THE BOARD

## Gil, Cecilia

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**From:** Moeller, Charlene <CMOELLER@palmspri.gannett.com>  
**Sent:** Thursday, March 12, 2015 10:48 AM  
**To:** Gil, Cecilia  
**Subject:** RE: FOR PUBLICATION: Res. 2015-062 Rate Adjustment for RCRMC

Hi Cecilia

Ad received and will publish on date(s) requested.

**Charlene Moeller** | Customer Care Representative / Legals

The Desert Sun Media Group  
750 N. Gene Autry Trail, Palm Springs, CA 92262  
t 760.778.4578 | f 760.778.4528  
[legals@thedesertsun.com](mailto:legals@thedesertsun.com) / [dpwlegals@thedesertsun.com](mailto:dpwlegals@thedesertsun.com)

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**From:** Gil, Cecilia [<mailto:CCGIL@rcbos.org>]  
**Sent:** Thursday, March 12, 2015 10:18 AM  
**To:** Email, TDS-Legals  
**Subject:** FOR PUBLICATION: Res. 2015-062 Rate Adjustment for RCRMC

Good morning! Attached is a Notice of Public Hearing, for publication on Wednesday, March 18, 2015. Please confirm. THANK YOU!

*Cecilia Gil*  
Board Assistant  
Clerk of the Board  
951-955-8464  
MS# 1010



**NOTICE OF PUBLIC HEARING BEFORE THE BOARD OF SUPERVISORS OF RIVERSIDE COUNTY**

NOTICE IS HEREBY GIVEN that a public hearing at which all interested persons will be heard, will be held before the Board of Supervisors of Riverside County, California, on the 1<sup>st</sup> Floor Board Chambers, County Administrative Center, 4080 Lemon Street, Riverside, on **Tuesday, April 7, 2015 at 9:30 a.m.** to consider the following Rate Adjustment:

**RESOLUTION NO. 2015-062**

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

WHEREAS, The Riverside County Regional Medical Center (hereinafter referred to as the "Hospital") has a Charge Description Master (CDM) which contains the billing codes and retail charges for over 17,500 patient supplies and procedures for services rendered or performed at, and billed for by, the Hospital, and

WHEREAS, the Hospital cost will increase in Fiscal Year 2014/2015;

WHEREAS, the billing rates are used to obtain reimbursement from third-parties and patients for these costs; and

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

NOW THEREFORE, BE IT RESOLVED AND ORDERED by the Board of Supervisors of the County of Riverside, State of California, in regular session assembled on April 7, 2015 that:

1. The Hospital is authorized to increase the current hospital charge structure by 7.98%.
2. The Hospital Director is authorized to implement the rate increase.
3. The Hospital Director is authorized to adjust, add or delete rates within the Hospital's rate structure as may be required by Federal and State regulatory or statutory charges.
4. The Hospital Director is authorized to negotiate discounts with non-federal, non-state, non-contracted third party health care insurance carriers and self-pay individuals.

Any person wishing to testify in support of or in opposition may do so in writing between the date of this notice and the public hearing, or may appear and be heard at the time and place noted above. All written comments received prior to the public hearing will be submitted to the Board of Supervisors and the Board of Supervisors will consider such comments, in addition to any oral testimony, before making a decision on the proposed Rate Adjustment.

Please send all written correspondence to:

Clerk of the Board  
4080 Lemon Street, 1st Floor  
Post Office Box 1147  
Riverside, CA 92502-1147

Dated: March 12, 2015

Kecia Harper-Ihem  
Clerk of the Board  
By: Cecilia Gil, Board Assistant