

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

201



**FROM:** Riverside County Regional Medical Center

**SUBMITTAL DATE:**  
May 6, 2015

**SUBJECT:** APPROVAL OF SECOND AMENDMENT TO THE AGREEMENT WITH THOMSON ALLIANCE, INC. FOR EIGHTEEN MONTHS [ALL DISTRICT; \$1,304,065 ENTERPRISE FUNDS]

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

1. Approve and authorize the Chairman to execute the Second Amendment to the Agreement with Thomson Alliance, Inc. to increase the maximum contract amount from \$2,344,750 to an amount not to exceed \$3,648,815 effective July 1, 2015 through December 31, 2016, 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, as approved by County Counsel.

**BACKGROUND:**

Summary

Case management is essential in obtaining increased revenue for Riverside County Regional Medical Center now known as Riverside University Medical Center.

Zareh H. Saffarian, Hospital CEO

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ n/a	\$ 869,377	\$ 1,304,065	\$ 0	Consent <input type="checkbox"/> Policy <input type="checkbox"/>
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0	

**SOURCE OF FUNDS:** Hospital Enterprise Fund 40050  
**Budget Adjustment:** No  
**For Fiscal Year:** 15/16 - 16/17

**C.E.O. RECOMMENDATION:** **APPROVE**  
 BY:   
 County Executive Office Signature Christopher M. Hans

**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.

**Ayes:** Jeffries, Tavaglione, Washington, Benoit and Ashley  
**Nays:** None  
**Absent:** None  
**Date:** June 16, 2015  
**xc:** RCRMC, Purchasing

Kecia Harper-Ihem  
 Clerk of the Board  
 By:   
 Deputy

**3-48**

FORM APPROVED COUNTY COUNSEL  
 PURCHASING & FLEET SERVICES  
 Lisa Brandl, Director  
 DATE: 5/22/15  
 BY: GREGORY P. PRIAMOS  
 Departmental Concurrence

- 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 SECOND AMENDMENT TO THE AGREEMENT WITH THOMSON ALLIANCE,  
INC. FOR EIGHTEEN MONTHS [ALL DISTRICT; \$3,648,815; ENTERPRISE FUNDS]**

**DATE:** May 6, 2015

**PAGE:** Page 2 of 2

**BACKGROUND:**

**Summary (continued)**

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; 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. The first amendment approved by the Board on October 28, 2014; agenda item number 3-19 permitted an additional amount of \$1,406,850 which allowed Thomson Alliance to review 15,000 case days. The return on investment net approximately \$40 million in 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. This amendment allows for Thomson Alliance to review the remaining 18,500 TAR backlog over an eighteen month period at an all-inclusive rate of \$70.49 per review day. Thomson Alliance has agreed to lower the rate approximately 22.5% of the current rate. By continuing to do business with Thomson Alliance for the remaining 18,500 review days—will help generate an additional \$31 million (estimated) in reimbursement 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

**SECOND 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; and First Amendment approved October 28, 2014, is hereby amended as follows:

- 1. Delete the language in **Section 2. Period of Performance** in its entirety and replace with the following:

"This amendment extends the period of the Agreement effective July 1, 2015 through December 31, 2016, unless terminated as otherwise provided herein."

- 2. Delete the language in **Section 3. Compensation, subsection 3.1**, in its entirety and replace with the following:

"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 three million six hundred forty eight thousand eight hundred fifteen dollars (\$3,648,815) 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. Delete Exhibit B Payment Provisions in its entirety and replace with the attached Exhibit B. Payment Provisions.

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

CONTRACTOR  
**Thomson Alliance, Inc.**  
By: Nicole R. Thomson  
NICOLE R. THOMSON  
Type or Print Name  
PRESIDENT / CEO  
Type or Print Title

Date: 5/18/15

COUNTY OF RIVERSIDE  
By: Marion Ashley  
MARION ASHLEY  
Type or Print Name  
CHAIRMAN, BOARD OF SUPERVISORS  
Type or Print Title

Date: JUN 16 2015  
ATTEST:  
KECIA HARPER-IHEM, Clerk  
By: Kellington  
DEPUTY

FOR APPROVED COUNTY COUNSEL  
BY: Neal R. Kipnis  
DATE

JUN 16 2015 348

**Riverside County Board of Supervisors  
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:** 6/16/15 **Agenda #** 3-48

**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.