

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



**ITEM
3.38
(ID # 7553)**

MEETING DATE:
Tuesday, July 31, 2018

FROM : RUHS-MEDICAL CENTER:

SUBJECT: RIVERSIDE UNIVERSITY HEALTH SYSTEM-MEDICAL CENTER: Ratification and Approval of the First Amendment to the Professional Service Agreement with AE & Associates, LLC for Coding and Auditing Services in the Health Information Management Department; [All Districts] [\$209,000- Total Cost; up to \$20,900 in additional compensation - Hospital Enterprise Fund 100%]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Ratify and approve the First Amendment to the Professional Service Agreement with AE & Associates, LLC for Coding and Auditing Services in the Health Information Management Department to extend the period of performance for ten (10) months, September 1, 2018 through June 30, 2019, and increase the maximum compensation amount by \$121,000 annually, for a total maximum compensation amount not to exceed \$209,000 annually, effective July 1, 2018; authorize the Chairman of the Board to sign the amendment on behalf of the County.
2. Authorize the Purchasing Agent in accordance with Ordinance No. 459, based on the availability of fiscal funding and as approved by County Counsel to sign: a) amendments that do not change the substantive terms of the agreement and b) sign amendments to the compensation provisions that do not exceed (10) percent annually.

ACTION: Policy

MINUTES OF THE BOARD OF SUPERVISORS

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

Ayes: Jeffries, Tavaglione, Washington and Perez
Nays: None
Absent: Ashley
Date: July 31, 2018
xc: RUHS-Medical Center, Purchasing

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

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| FINANCIAL DATA | Current Fiscal Year: | Next Fiscal Year: | Total Cost: | Ongoing Cost |
|---|-----------------------------|--------------------------|-------------------------------|---------------------|
| COST | \$ 209,000 | \$ 0 | \$ 209,000 | \$ 0 |
| NET COUNTY COST | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| SOURCE OF FUNDS: Hospital Enterprise Fund - 40050. | | | Budget Adjustment: NO | |
| | | | For Fiscal Year: 18/19 | |

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

RUHS requests to continue services with consultant AE & Associates, LLC for coding services in the Health Information Management (HIM) department. To meet hospital coding guidelines and mandates, the hospital is required to have credentialed professional coders to abstract/code the hospital's account for revenue cycle before billing. In addition, coding is needed for regulatory requirements and submissions to the Office of Statewide Health Planning Department (OSHPD). The hospital will incur a \$100 fine, per day, for every day late on the OSHPD submission.

AE & Associates,LLChave been in business for over 18 years. The company is led by the President of AE & Associates, LLC who holds over 30 years of experience in the industry. He is a trained physician with multiple certifications in coding. AE & Associates, LLC has coded over 1,000,000 records to date and has expansive experience working with health plans, hospitals and Independent Physician Associations (IPAs). AE & Associates, LLC employs experienced staff that hold credentials in medical coding and clinical training. The staff possess credentials such Certified Coding Specialist (CCS), Certified Professional Coder (CPC), Registered Health Information Administrator (RHIA), and Registered Health Information Technician (RHIT). AE & Associates, LLC has been currently working with RUHS to provide services during the coding vacancies. The vendor has staff who have been trained and are knowledgeable in the RUHS hospital system and are available to continue assignment immediately. Additionally,AE & Associates,LLC does not charge for housing or charge additional for onsite coders.Vendor exceeds productivity standards of three (3) inpatient charts coded per hour. Vendor ensures all coders have a minimum of three (3) years inpatient coding experience with the appropriate CCS credential. AE & Associates, LLC meets national coders' performance standards by performing at a 95% accuracy rate. RUHS continues to recruit for vacant positions but is required to maintain coding services.

Contract History and Price Reasonableness

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HIM department yields positive results utilizing this vendor currently and has yielded positive results in the past by utilizing this vendor through the Right Sourcing contract, assisting in the EPIC implementation in 2016/2017.

AE & Associates, LLC does not require housing reimbursement, in comparison to other vendors, as they have local staff that are already trained and available. AE & Associates, LLC hourly rate remains at an industry standard hourly rate of \$75.00.

ATTACHMENTS:

Attachment A: FIRST AMENDMENT TO THE PROFESSIONAL SERVICE AGREEMENT FOR CONSULTATION SERVICES – CODING AND AUDITING SERVICES – HIM DEPARTMENT BETWEEN THE COUNTY OF RIVERSIDE AND AE & ASSOCIATES, LLC

**FIRST AMENDMENT TO THE PROFESSIONAL SERVICE AGREEMENT FOR
CONSULTATION SERVICES – CODING AND AUDITING SERVICES – HIM DEPARTMENT
BETWEEN THE COUNTY OF RIVERSIDE AND AE & ASSOCIATES, LLC**

That certain Professional Service Agreement for Consultation Services – Coding and Auditing Services – HIM Department, approved March 13, 2018, Agenda Item No. 3.14, and effective February 26, 2018, (“Agreement”) made by and between the COUNTY OF RIVERSIDE (“COUNTY”), a political subdivision of the State of California, on behalf of Riverside University Health System (“RUHS”), and AE & ASSOCIATES, LLC (“CONTRACTOR”), a California limited liability company, is hereby amended as follows:

1. **Period of Performance.** The first sentence of Subsection 2.1 of Section 2. Period of Performance is hereby amended to extend the period of performance for ten (10) months commencing on September 1, 2018 and continuing in effect through June 30, 2019 as follows:

“This Agreement shall be effective February 26, 2018 and continues in effect through June 30, 2019 unless terminated earlier.”

2. **Compensation.** The second sentence of Subsection 3.1 of Section 3. Compensation is hereby amended to increase the maximum compensation amount from \$88,000 to \$209,000 annually as follows:

“Maximum payments by COUNTY to CONTRACTOR shall not exceed two hundred and nine thousand dollars (\$209,000) annually, including all expenses.”

3. **Exhibit B.** Section 4.0 of Exhibit B, PAYMENT PROVISIONS, is hereby amended to increase the maximum compensation amount from \$88,000 to \$209,000 annually as follows:

“Maximum payment by COUNTY to CONTRACTOR shall not exceed \$209,000 annually, including all expenses.”

4. **Miscellaneous.** All other terms and conditions of the Agreement not modified herein shall remain unchanged and in full force and effect.

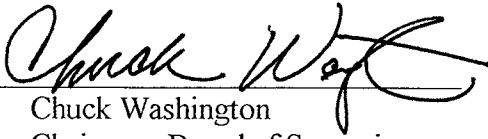
5. **Effective Date.** This First Amendment to the Agreement shall become effective upon signature of both parties, or July 1, 2018, whichever should come first.


[Intentionally Left Blank; Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused their duly authorized representatives to execute this First Amendment.

COUNTY OF RIVERSIDE, a political subdivision of the State of California

AE & ASSOCIATES, LLC, a California limited liability company

By: 
Chuck Washington
Chairman, Board of Supervisors

By: 
Arnold T. Ardevela
CEO

Date: JUL 31 2018

Date: 7/3/18

ATTEST:
Kecia Harper-Ihem
Clerk of the Board

By: 
Deputy

APPROVED AS TO FORM:
Gregory P. Priamos
County Counsel

By: 
Danielle Maland
Deputy County Counsel

Date: 7/10/18