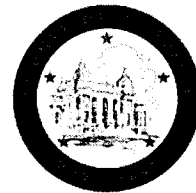


**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



**ITEM: 15.4
(ID # 11244)**

MEETING DATE:

Tuesday, December 10, 2019

FROM: (RUHS) RIVERSIDE UNIVERSITY HEALTH SYSTEM:

SUBJECT: RIVERSIDE UNIVERSITY HEALTH SYSTEM MEDICAL CENTER - Ratify and Approve the Fourth Amendment to the Professional Service Agreement with AE & Associates, LLC for Coding and Auditing Services in the Health Information Management (HIM) Department, without seeking competitive bids for one year, All Districts. [Total Cost \$404,800; up to \$103,480 in additional compensation; \$1,034,800 annually - 100% Hospital Enterprise Fund]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Ratify and approve the Fourth Amendment to the Professional Services Agreement with AE & Associates, LLC for Coding and Auditing Services in the HIM Department to expand the scope of services to include coding education/training at the RUHS based-clinics and Community Health Care Centers and increase the maximum compensation amount for FY 19/20 by \$404,800 from \$630,000 to \$1,034,800, for an aggregate maximum contract amount of \$1,243,800; authorize the Chairman of the Board to sign the amendment on behalf of the County; and
2. Authorize the Purchasing Agent, in accordance with Ordinance No. 459 and based on the availability of fiscal funding and as approved by County Counsel, to sign amendments that exercise the options of the agreement including modifications of the statement of work that stay within the intent of the agreement, and sign amendments to the compensation provisions that do not exceed the sum total of ten percent (10%) of the total annual cost of the agreement.

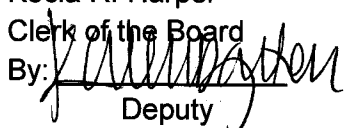
ACTION:Policy

MINUTES OF THE BOARD OF SUPERVISORS

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

Ayes: Jeffries, Spiegel, Washington, Perez and Hewitt
Nays: None
Absent: None
Date: December 10, 2019
xc: RUHS

Kecia R. Harper
Clerk of the Board

By: 
Deputy

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

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$404,800	\$0	\$404,800	\$0
NET COUNTY COST	\$0	\$0	\$0	\$0
SOURCE OF FUNDS: 100% Hospital Enterprise Fund - 40050			Budget Adjustment:	No
			For Fiscal Year:	19/20

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

Riverside University Health System (RUHS) requests the Board to ratify and approve the Fourth Amendment to the Professional Services agreement with AE & Associates, LLC. The Fourth Amendment will add additional services to the current Scope of Services within the agreement. The additional services will include two full time Outpatient Clinical Documentation Improvement Specialists that will provide onsite education and support to the clinical staff at the Hospital Clinics and Community Health Centers on a weekly basis. The training will include evaluating errors and streamlining opportunities in clinical documentation within the Epic system that impact revenue and compliance. The Outpatient Clinical Documentation Improvement Specialists will educate the providers and staff on selecting the correct diagnosis, modifiers, procedures and E&M level codes. Furthermore, the vendor will continue to create custom education tools for clinic staff and providers to highlight and correct recognized errors as well as the continuance of enhancing current risk adjustment processes to improve the accuracy of current risk scores.

AE & Associates, LLC, a contracted vendor with RUHS Medical Center, has successfully provided coding and auditing services to RUHS Medical Center, the hospital clinics and RUHS Community Health Centers for the past year. AE & Associates highly trained, and robust credentialed staff and their flexibility to assist remotely as well as provide in person support continue to make this vendor an ideal choice to assist with coding and auditing services.

Impact on Residents and Businesses

AE & Associates services are vital to the daily operations of the hospital. If the hospital fails to obtain coding services, the hospital will incur a \$100 fine per day. The services that AE & Associates provides has a direct financial impact on the Clinics and Hospital revenue streams.

Additional Fiscal Information

FY2017/2018	FY2018/2019	FY2019/2020	TOTAL
\$51,333	\$157,667	\$1,034,800	\$1,243,800

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

On March 13, 2018, Agenda Item #3.14, the Board approved the Professional Services Agreement with AE & Associates, LLC for coding and auditing services for a total amount of \$88,000 for the period of February 26, 2018 through August 31, 2018. The approved \$88,000 was appropriated as follows: \$51,333 was allocated during fiscal year 17/18 with the remaining \$36,667 allocated for fiscal year 18/19. Then, on July 31, 2018, Agenda Item #3.38, the Board approved the First Amendment which extended the services effective September 1, 2018 through June 30, 2019 and increased the contract amount by \$121,000 for a total maximum contract amount of \$209,000. On May 21, 2019, Agenda Item # 15.1, the Board approved the Second Amendment which extended the services effective July 1, 2019 through June 30, 2020 and increased the contract amount by \$150,000 for a total maximum contract amount of \$359,000. The Third Amendment was approved by the Board on July 23, 2019, Agenda Item # 15.1 to expand services to the RUHS based-clinics and Community Health Care Centers and add an additional \$480,000 including all expenses, in the current fiscal year of 2019/2020 for a maximum contract amount of \$839,000. The Fourth Amendment will add an additional \$404,800.00 including all expenses in the current fiscal year of the 2019/2020 for an aggregate maximum contract amount of \$1,243,800.

Contract History and Price Reasonableness

At the origination of the contract, the HIM Department conducted a price comparison between three vendors to aide in determining price reasonableness. The results were as follows:

AE & Associates, LLC - \$75.00 per hour
Caban Resources, LLC - \$68.00 per hour
Health Care Cost Solutions - \$80.00 per hour

AE & Associates was chosen as the ideal candidate to provide coding and auditing services to RUHS Medical Center and the Clinics because of their extensive knowledge and tenured experience in the health care industry. Their reputation of high productivity (3 charts per hour) and multi-disciplined staff have proven to be a sensible choice.

Until the vacancies for experienced and qualified coders are filled by the Human Resources Department, RUHS will continue to require AE & Associates expertise and aide.

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

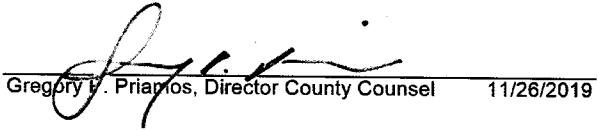
ATTACHMENT:

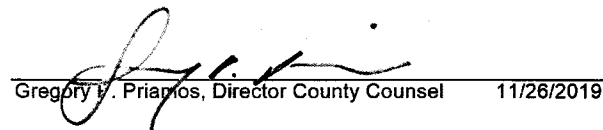
Fourth Amendment to Professional Service Agreement with AE & Associates, LLC for
Coding and Auditing Services in the HIM Department


Tina Grande, Assistant Purchasing Director 11/25/2019


Jennifer Cruikshank, Chief Executive Officer - Health System 11/20/2019


Brianna Lantajo, Management Analyst 12/3/2019


Gregory V. Priamos, Director County Counsel 11/26/2019


Gregory V. Priamos, Director County Counsel 11/26/2019

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

This Fourth Amendment to the Professional Service Agreement for Consultation Services - Coding and Auditing Services – HIM Department (herein referred to as “Fourth Amendment”) is made and entered into by and between the COUNTY OF RIVERSIDE (herein referred to as “COUNTY”), a political subdivision of the State of California, on behalf of Riverside University Health System (herein referred to as “RUHS”), and AE & ASSOCIATES, LLC, a California limited liability company, (herein referred to as “CONTRACTOR”), sometimes collectively referred to as the “Parties” or individually referred to as a “Party.”

WHEREAS, COUNTY and CONTRACTOR entered into 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, (herein referred to as “Agreement”); and

WHEREAS, COUNTY and CONTRACTOR entered into that certain First Amendment approved July 31, 2018, Agenda Item No. 3.38, and effective July 1, 2018 to extend the period of performance and increase the maximum compensation amount (herein referred to as “First Amendment”); and

WHEREAS, COUNTY and CONTRACTOR entered into that certain Second Amendment approved May 21, 2019, Agenda Item No. 15.1, and effective May 21, 2019 to extend the period of performance and increase the maximum compensation amount (herein referred to as “Second Amendment”); and

WHEREAS, COUNTY and CONTRACTOR entered into that certain Third Amendment approved July 23, 2019, Agenda Item No. 15.1, and effective June 1, 2019 to increase the maximum compensation amount and add new services (herein referred to as “Third Amendment”); and

WHEREAS, the Parties now desire to amend the Agreement again to increase the maximum compensation amount and add new services;

NOW THEREFORE, the Parties agree as follows:

1. **Compensation.** The second sentence of Subsection 3.1 of Section 3. Compensation is hereby amended to increase the maximum compensation amount by four hundred four thousand eight hundred dollars (\$404,800), from eight hundred thirty-nine thousand dollars (\$839,000) to one million two hundred forty-three thousand eight hundred dollars (\$1,243,800), as follows:

“Maximum payments by COUNTY to CONTRACTOR shall not exceed one million two hundred forty-three thousand eight hundred dollars (\$1,243,800), including all expenses.”

2. **Exhibit A-1.** EXHIBIT A-1, SCOPE OF SERVICE, is hereby deleted and replaced in its entirety with EXHIBIT A-1, SCOPE OF SERVICE, attached hereto and incorporated herein. All references in the Agreement to Exhibit A shall also include reference to Exhibit A-1.
3. **Exhibit B.** Section 4.0 of Exhibit B, PAYMENT PROVISIONS, is hereby amended to increase the maximum compensation amount by four hundred four thousand eight hundred dollars (\$404,800), from eight hundred thirty-nine thousand dollars (\$839,000) to one million two hundred forty-three thousand eight hundred dollars (\$1,243,800), as follows:

“Maximum payments by COUNTY to CONTRACTOR shall not exceed one million two hundred forty-three thousand eight hundred dollars (\$1,243,800), including all expenses, for the period of performance as follows:

<u>Period of Performance</u>	<u>Maximum Compensation Amount</u>
February 26, 2018 – August 31, 2018	\$88,000
September 1, 2018 – June 30, 2019	\$121,000
July 1, 2019 – June 30, 2020	\$1,034,800”


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 Fourth Amendment to the Agreement shall become effective November 1, 2019.


[Intentionally Left Blank; Signature Page Follows]

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

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

AE & ASSOCIATES, LLC, a California limited liability company

By: 
Kevin Jeffries
Chairman, Board of Supervisors

By: 
Ester C. Ardevela
Manager

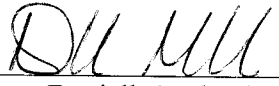
Date: DEC 10 2019

Date: 11/14/19

ATTEST:
Kecia R. Harper
Clerk of the Board

By: 
Deputy

APPROVED AS TO FORM:
Gregory P. Priamos
County Counsel

By: 
Danielle Maland
Deputy County Counsel

Date: 11/20/19

SCOPE OF SERVICE
AE & ASSOCIATES, LLC

1.0 Coding Audits on RUHS Hospital-Based Clinics and Community Health Center Clinics

CONTRACTOR shall assign consultant auditors experienced and certified by AHIMA or AAPC to conduct coding audits on RUHS Hospital-Based Clinics and Community Health Center Clinics. CONTRACTOR shall access RUHS's Electronic Medical Records System, known as EPIC, remotely. Audits shall be conducted using the 1997 Evaluation and Management Guideline.

A. **Specific data audited below will be based on a patient's medical record accessed from the electronic health record, EPIC:**

- Service Level Evaluation and Management (E/M) (Professional)
- ICD-10 diagnosis coding
- Provider documentation as integral to the coding review
- CPT procedure coding and modifiers.
- In-office ancillary services, including but not limited to, administration of a vaccine, x ray study, etc. ("Incident to").

B. **Volume of Medical Records:**

- 20 – 30 encounters per provider for approximately 600 providers involving 11 FQHCs and 40 hospital-based clinics. Approximate total is 18,000 encounters.

Deliverables. CONTRACTOR shall provide the following deliverables for each audit:

- A. Executive Summary: provide a summary report upon completion of audits that will include issues, trends, and areas requiring action or follow-up found in the review;
- B. Audit Results Report: provide an account-level detailed report upon completion of audits for providers and managers listing individual account audit findings and accuracy per provider;
- C. Management Debrief: provide ongoing management debriefings including a summary conference call or web meeting with COUNTY leadership to discuss the findings and recommendations for improved quality and accuracy of coding assignments;
- D. Assessment of CMS Compliance: include a written report of findings identifying areas of noncompliance; and
- E. Validation of compliant reimbursement to be provided in a written report.

2.0 RUHS Hospital-Based Clinics and Community Health Center Clinics Education/Training on Accurate Coding Principals

CONTRACTOR shall assign two (2) outpatient Clinical Documentation Improvement Specialists (CDIS) to the RUHS Hospital-Based Clinics and Community Health Center Clinics that hold any of the following credentials: CCS, CPC, CPC-I, or CRC to evaluate and conduct education/training to the clinic staff on accurate coding principals, which includes selecting the correct procedure codes, diagnoses codes, modifiers, and

SCOPE OF SERVICE
AE & ASSOCIATES, LLC

Evaluation / Management Level in EPIC and 3M systems. CONTRACTOR shall access RUHS's Electronic Medical Records System, known as EPIC.

Deliverables. CONTRACTOR shall:

- A. Provide two (2) credentialed outpatient Clinical Documentation Improvement Specialists (CDIS) with knowledge of EPIC, 3M, HCC, Coding Diagnosis, procedures, and E/M.
- B. Rotate, on a weekly basis, the CDIS to all RUHS Hospital-Based Clinics and Community Health Center Clinics to provide onsite education/training to the clinic staff on accurate coding principals, which includes selecting the correct procedure codes, diagnoses codes, modifiers, and Evaluation and Management Level in EPIC and 3M systems.
- C. Meet with RUHS administration and management to provide progress reports on a monthly basis.