



SUBMITTAL TO THE RIVERSIDE UNIVERSITY HEALTH
SYSTEM MEDICAL CENTER GOVERNING BOARD
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



ITEM: 15.2
(ID # 20117)

MEETING DATE:

Tuesday, October 04, 2022

FROM : RUHS-MEDICAL CENTER:

SUBJECT: RIVERSIDE UNIVERSITY HEALTH SYSTEM - MEDICAL CENTER: Ratification and Approval of the Fifth Amendment to the Professional Service Agreement with AE & Associates, LLC to provide Consultation Services – Coding and Auditing Services Effective July 1, 2022 through June 30, 2025, All Districts. [Total Amendment Cost \$1,125,000; up to \$107,400 in Additional Compensation, 100% Hospital Enterprise Fund 40050].

RECOMMENDED MOTION: That the Board of Supervisors:

1. Ratify and Approve the Fifth Amendment to the Professional Service Agreement with AE & Associates, LLC to provide Consultation Services – Coding and Auditing Services and increase the annual maximum compensation amount by \$375,000 from \$699,000 to \$1,074,000 effective July 1, 2022 through the current termination date of June 30, 2025, and authorize the Chair of the Board to sign the Amendment on behalf of the County; and
2. Authorize the Purchasing Agent, in accordance with Ordinance No. 459, based upon the availability of funding and as approved as to form by County Counsel, to sign amendments that exercise the options of the agreement including modifications to the scope of services that stay within the intent of the agreement; and to 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.

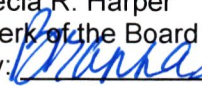
ACTION:Policy


Jennifer Cruikshank, Chief Executive Officer - Health System 9/21/2022

MINUTES OF THE GOVERNING BOARD

On motion of Supervisor Perez, seconded by Supervisor Jeffries 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: October 4, 2022
xc: RUHS-Medical Center

Kecia R. Harper
Clerk of the Board
By: 
Deputy

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FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost Increase:	Ongoing Cost
COST	\$375,000	\$375,000	\$1,125,000	\$0
NET COUNTY COST	\$0	\$0	\$0	\$0
SOURCE OF FUNDS: 100% - Hospital Enterprise Fund 40050			Budget Adjustment: No	
			For Fiscal Year: 22/23-24/25	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

The requested Board action would approve a Fifth Amendment to the Professional Service Agreement with AE & Associates, LLC to increase the annual maximum compensation, thereby allowing for additional staffing for auditing and coding services. AE & Associates, LLC currently provides coding services for the RUHS Medical Center, RUHS Community Health Centers and the RUHS behavioral health clinic in Arlington.

The Health Information Management department is currently experiencing staffing challenges, resulting in a staff size smaller than that which is needed to handle the coding services workload that exist. Further compounding the staffing challenges, is the fact that the census has been higher than normal, resulting in an increased daily bill hold. An increased daily bill hold that is not paid timely can result in missed filing deadlines, resulting in possible fees or risk in loss of payment for services.

This Amendment would help to increase the staffing for coding services obtained from AE & Associates, LLC which would help to offset the current RUHS staffing challenges, holidays, increased census and assist with unexpected coding assignments that are needed.

Impact on Residents and Businesses

These services are a component of RUHS's system of care aimed at improving the health and safety of its patients and the community.

Additional Fiscal Information

There are sufficient appropriations in the Hospital Enterprise Fund and the Behavioral Health Department's FY22/23 budget. No additional County funds are required.

Contract History and Price Reasonableness

On June 8, 2020, the Purchasing Agent executed the Agreement with AE & Associates to provide Consulting Services – Coding and Auditing Services effective July 1, 2020, through

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June 30, 2021, with the option to renew for four additional one-year periods, in the amount of \$100,000.

On January 21, 2021, the Purchasing Agent executed a First Amendment to expand the scope of services and increase the maximum annual compensation to \$199,000.

On March 24, 2021, the Purchasing Agent executed a Second Amendment to extend the period of performance through June 30, 2025, and increase the maximum annual compensation to \$349,000.

On October 18, 2021, the Purchasing Agent executed a Third Amendment to increase the annual maximum compensation to \$549,000.


On March 24, 2022, the Purchasing Agent executed a Fourth Amendment to increase the annual maximum compensation to \$699,000.

This Fifth Amendment will increase the maximum annual compensation amount by \$375,000 from \$699,000 to \$1,074,000 for the remaining term of this Agreement.

The Amendment requires Board approval because the services exceed the Purchasing Agents authority under Resolution 2021-116.

ATTACHMENTS:

Attachment A: **FIFTH AMENDMENT TO THE PROFESSIONAL SERVICE
AGREEMENT WITH AE & ASSOCIATES, LLC (CONSULTATION –
CODING AND AUDITING SERVICES)**


Suzanne Hickey, Assistant Director of Purchasing and Fleet Service

9/22/2022


Jacqueline Ruiz, Sr. Management Analyst

9/27/2022


Gregg Gu, Chief Deputy County Counsel

9/26/2022

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

This Fifth Amendment to the Professional Service Agreement for Consultation Services – Coding and Auditing Services – HIM Department (herein referred to as “Fifth Amendment”) is made and entered into by and between the COUNTY OF RIVERSIDE, a political subdivision of the State of California, (herein referred to as “COUNTY”), 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, executed June 8, 2020 and effective July 1, 2020, (herein referred to as “Agreement”); and

WHEREAS, COUNTY and CONTRACTOR entered into that certain First Amendment to the Agreement, executed January 21, 2021 and effective November 1, 2020, to increase the maximum annual compensation amount and add new auditing services (herein referred to as “First Amendment”); and

WHEREAS, COUNTY and CONTRACTOR entered into that certain Second Amendment to the Agreement, executed March 24, 2021 and effective February 1, 2021, to increase the maximum annual compensation amount and extend the Period of Performance (herein referred to as “Second Amendment”); and

WHEREAS, COUNTY and CONTRACTOR entered into that certain Third Amendment to the Agreement, executed October 18, 2021 and effective October 1, 2021, to increase the maximum annual compensation amount (herein referred to as “Third Amendment”); and

WHEREAS, COUNTY and CONTRACTOR entered into that certain Fourth Amendment to the Agreement, executed March 24, 2022 and effective February 3, 2022, to increase the maximum annual compensation amount (herein referred to as “Fourth Amendment”); and

WHEREAS, COUNTY and CONTRACTOR now desire to amend the Agreement to increase the maximum annual compensation amount.

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 annual compensation amount by three hundred seventy-five thousand dollars (\$375,000), from six hundred ninety-nine thousand dollars

(\$699,000) annually to one million seventy-four thousand dollars (\$1,074,000) annually, as follows:

"Maximum payments by COUNTY to CONTRACTOR shall not exceed one million seventy-four thousand dollars (\$1,074,000) annually, including all expenses."

2. **Exhibit B.** Section 4.0 of Exhibit B, PAYMENT PROVISIONS, is hereby amended to increase the maximum annual compensation amount by three hundred seventy-five thousand dollars (\$375,000), from six hundred ninety-nine thousand dollars (\$699,000) annually to one million seventy-four thousand dollars (\$1,074,000) annually, as follows:

"Maximum payments by COUNTY to CONTRACTOR shall not exceed one million seventy-four thousand dollars (\$1,074,000) annually, including all expenses."

3. **Miscellaneous.** All other terms and conditions of the Agreement not modified herein shall remain unchanged and in full force and effect.
4. **Effective Date.** This Fifth Amendment to the Agreement shall become effective July 1, 2022.

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

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

By: _____

Jeff Hewitt

Chair, Board of Supervisors

Date: _____

10/4/22

AE & ASSOCIATES LLC, a California
limited liability company

By: _____

Arnold T. Ardevela
Manager

Date: _____

9/14/22

ATTEST:

Kecia R. Harper
Clerk of the Board

By: _____

Deputy

APPROVED AS TO FORM:

Minh C. Tran
County Counsel

By: Esen Sainz

Esen Sainz
Deputy County Counsel

Sep 15, 2022