



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



**ITEM: 15.2**  
(ID # 21647)

**MEETING DATE:**  
Tuesday, May 02, 2023

**FROM :** RUHS-MEDICAL CENTER:

**SUBJECT:** RIVERSIDE UNIVERSITY HEALTH SYSTEM - MEDICAL CENTER: Approval of the Sixth Amendment to the Professional Service Agreement with AE & Associates, LLC for Consultation Services – Coding and Auditing Services Effective through June 30, 2025, All Districts. [Total Amendment Cost \$1,500,000; up to \$157,400 in Additional Compensation] 100% Hospital Enterprise Fund 40050.

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

1. Approve the Sixth Amendment to the Professional Service Agreement with AE & Associates, LLC for Consultation Services – Coding and Auditing Services to increase the annual maximum compensation amount by \$500,000 from \$1,074,000 to \$1,574,000 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:**


  
 Jennifer Cruikshank, Chief Executive Officer – Health System 4/10/2023

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**MINUTES OF THE GOVERNING BOARD**

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

Ayes: Jeffries, Spiegel, Washington, Perez and Gutierrez  
 Nays: None  
 Absent: None  
 Date: May 2, 2023  
 xc: RUHS-Medical Center

Kimberly A. Rector  
 Clerk of the Board  
 By:   
 Deputy

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<b>FINANCIAL DATA</b>	<b>Current Fiscal Year:</b>	<b>Next Fiscal Year:</b>	<b>Total Cost:</b>	<b>Ongoing Cost</b>
<b>COST</b>	\$500,000	\$500,000	\$1,500,000	\$0
<b>NET COUNTY COST</b>	\$0	\$0	\$0	\$0
<b>SOURCE OF FUNDS:</b> 100% - Hospital Enterprise Fund 40050			<b>Budget Adjustment:</b>	No
			<b>For Fiscal Year:</b>	22/23-24/25

**C.E.O. RECOMMENDATION:** Approve.

**BACKGROUND:**

**Summary**

The requested Board action would approve a Sixth 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 an increased workflow for inpatient, outpatient, and ED visits. Having contract coders will help maintain and get the coding completed within five (5) days of patient discharge.

The census has been higher than normal and with RUHS's current staffing challenges, this has led to an increased need for auditing and coding services. 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 June

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

On January 1, 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.

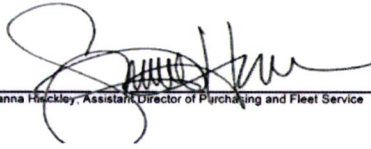
On October 4, 2022, the Board approved a Fifth Amendment to increase the maximum annual compensation amount to \$1,074,000.

This Sixth Amendment will increase the maximum annual compensation amount by \$500,000 from \$1,074,000 to \$1,574,000 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: SIXTH AMENDMENT TO THE PROFESSIONAL SERVICE AGREEMENT FOR CONSULTATION SERVICES – CODING AND AUDITING SERVICES – HIM DEPARTMENT BETWEEN COUNTY OF RIVERSIDE AND AE & ASSOCIATES LLC**

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Suzanna Hackley, Assistant Director of Purchasing and Fleet Service

4/11/2023



Steven Atkeson

4/20/2023



Gregg Gu, Chief Deputy County Counsel

4/14/2023

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

This Sixth Amendment to the Professional Service Agreement for Consultation Services – Coding and Auditing Services – HIM Department (herein referred to as “Sixth 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 entered into that certain Fifth Amendment to the Agreement, executed October 4, 2022 and effective July 1, 2022, to increase the maximum annual compensation amount (herein referred to as “Fifth 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 five hundred thousand dollars (\$500,000), from one million seventy-four thousand dollars (\$1,074,000) annually to one million five hundred seventy-four thousand dollars (\$1,574,000) annually, as follows:  
  
“Maximum payments by COUNTY to CONTRACTOR shall not exceed one million five hundred seventy-four thousand dollars (\$1,574,000) 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 five hundred thousand dollars (\$500,000), from one million seventy-four thousand dollars (\$1,074,000) annually to one million five hundred seventy-four thousand dollars (\$1,574,000) annually, as follows:  
  
“Maximum payments by COUNTY to CONTRACTOR shall not exceed one million five hundred seventy-four thousand dollars (\$1,574,000) 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 Sixth Amendment to the Agreement shall become effective upon signature.

[Signature page follows]

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

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

By:   
Kevin Jefferies  
Chair, Board of Supervisors

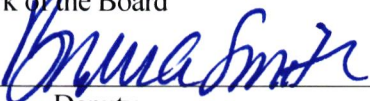
Date: 5/2/23

AE & ASSOCIATES LLC, a California limited liability company

By: ARNALDO T. ARDEVELA  
ARNALDO T. ARDEVELA (Apr 5, 2023 10:57 PDT)  
Arnold T. Ardevela  
President/CEO

Date: Apr 5, 2023

ATTEST:  
Kimberly Rector  
Clerk of the Board

By:   
Deputy

APPROVED AS TO FORM:  
Minh C. Tran  
County Counsel

By: Esen Sainz  
Esen Sainz  
Deputy County Counsel

Apr 5, 2023










# AE Associates \_6th Amendment

Final Audit Report

2023-04-05

Created:	2023-04-05
By:	Adilene Godines (agodines@rivco.org)
Status:	Signed
Transaction ID:	CBJCHBCAABAAp66SCeXmHQgJzL9a5mXiowShZryYVt76

## "AE Associates \_6th Amendment" History

-  Document created by Adilene Godines (agodines@rivco.org)  
2023-04-05 - 5:29:10 PM GMT
-  Document emailed to arnold.a@aemedcode.com for signature  
2023-04-05 - 5:30:29 PM GMT
-  Email viewed by arnold.a@aemedcode.com  
2023-04-05 - 5:56:23 PM GMT
-  Signer arnold.a@aemedcode.com entered name at signing as ARNALDO T. ARDEVELA  
2023-04-05 - 5:57:49 PM GMT
-  Document e-signed by ARNALDO T. ARDEVELA (arnold.a@aemedcode.com)  
Signature Date: 2023-04-05 - 5:57:51 PM GMT - Time Source: server
-  Document emailed to Esen Sainz (esainz@rivco.org) for signature  
2023-04-05 - 5:57:52 PM GMT
-  Email viewed by Esen Sainz (esainz@rivco.org)  
2023-04-05 - 6:27:46 PM GMT
-  Document e-signed by Esen Sainz (esainz@rivco.org)  
Signature Date: 2023-04-05 - 6:28:06 PM GMT - Time Source: server
-  Agreement completed.  
2023-04-05 - 6:28:06 PM GMT

Names and email addresses are entered into the Acrobat Sign service by Acrobat Sign users and are unverified unless otherwise noted.