



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



**ITEM:** 15.3  
(ID # 24973)

**MEETING DATE:**

Tuesday, May 21, 2024

**FROM :** RUHS-MEDICAL CENTER:

**SUBJECT:** RIVERSIDE UNIVERSITY HEALTH SYSTEM-MEDICAL CENTER: Ratify and extend authority to Riverside University Health System – Medical Center (RUHS-MC) Chief Executive Officer to manage RUHS-MC’s Charge Description Master as provided in Resolution 2024-099 effective July 1, 2022; Approve and authorize the RUHS-MC’s Chief Executive Officer to write off uncollectable charges aged greater than 365 days from date of discharge as provided in Resolution 2024-096.

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

1. Ratify and Approve Resolution 2024-099 which authorizes RUHS-MC Chief Executive Officer to periodically review and amend the hospital's Charge Description Master (“CDM”) consistent with prevailing market rates for similar services within the local area and / or as dictated by federal or state regulation changes or requirements, until withdrawn by the Board;
2. Approve Resolution 2024-096 which authorizes the Chief Executive Officer of the RUHS-MC, pursuant to Health and Safety Code 1473, to adjust and compromise any charges arising from operation of the County Medical Center that are aged greater than 365 days from date of patient discharge, until withdrawn by the Board;
3. Direct and order that Resolution 2024-099 be effective retroactively to July 1, 2022; and
4. Resolution 2024-096 be immediately effective until withdrawn by action of the Board of Supervisors.

**ACTION:**Policy

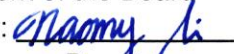
  
Jennifer Cruikshank, Chief Executive Officer – Health System 5/8/2024

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**MINUTES OF THE GOVERNING BOARD**

On motion of Supervisor Gutierrez, 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 Gutierrez  
Nays: None  
Absent: None  
Date: May 21, 2024  
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>	\$ 0	\$ 0	\$ 0	\$ 0
<b>NET COUNTY COST</b>	\$ 0	\$ 0	\$ 0	\$ 0
<b>SOURCE OF FUNDS: 100% Hospital Enterprise Fund-40050</b>			<b>Budget Adjustment: No</b>	
			<b>For Fiscal Year: 23/24</b>	

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

**BACKGROUND:**

**Summary**

The Riverside University Health System – Medical Center is a facility which involves many moving parts, all aimed towards the safe, effective, and efficient administration of patient care. An important component in maintaining focus on the medical needs of the community is the ability for timely decision-making. It is important to provide the appropriate individuals with the decision-making authority necessary to efficiently run the organization. The two specific areas requiring delegation of decision-making authority include the Charge Description Master (CDM) and Accounts Receivable which are legally uncollectable.

*Charge Description Master*

RUHS-MC has a Charge Description Master that contains the billing Current Procedural Terminology (CPT), Health Care Common Procedure Coding Systems (HCPCS), revenue codes and charges for over 12,200 patient supplies, procedures, daily room rates and clinical rates for services performed at and billed by the hospital. Under authority delegated by this Board on July 23, 2019, in Resolution 2019-165, Item #10231 to the RUHS-MC CEO, the Medical Center has made periodic changes to the CDM based on competitor pricing, historical usage, and contractual reimbursement opportunities. This delegation of authority expired on June 30, 2022, and Resolution 2024-099 seeks a renewal and extension of that delegated authority until withdrawn by the Board of Supervisors.

To ensure charges are market-based, hospital staff compare RUHS-MC's charges to those at hospitals within the local market. The local market analysis includes Riverside Community Hospital, San Geronio Memorial Hospital, Parkview Community Hospital, Arrowhead Regional Medical Center, and Loma Linda University Medical Center. Hospital staff also researches and keeps abreast of changes in the federal and state rules and regulations related to such charges, which are frequently revised and reinterpreted.

RUHS-MC requests renewal of the delegation of authority first granted to the RUHS-MC CEO in 2019 in order to keep the Medical Center's charges consistent with prevailing market rates for similar services within the local area and regulatory requirements going forward. Continuing to

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provide the hospital administrator with this authority will allow RUHS-MC to stay competitive in a dynamic market and compliant with the rules related to federal and state healthcare reimbursement. This delegation of authority can be withdrawn by the Board at any time.

*Adjusting Uncollectable Charges*

Another financial aspect associated with the Medical Center concerns Accounts Receivable. In an effort to establish a more accurate reflection of the overall financial health of Accounts Receivable for the Medical Center, it would be beneficial to discharge or write-off those patient charges that have been determined to be uncollectable. Currently there are uncollectable charges aged greater than 365 days. These uncollectable charges are derived from the following circumstances:

- The patient, his estate, or legally responsible relatives are unable to pay the charges;
- Collection of the charges is barred by the statute of limitations or is otherwise legally uncollectable;
- The cost of administering a collection procedure would exceed the amount of revenue which may reasonably be anticipated;
- Neither the patient nor his legally responsible relatives can be located; and
- All reasonable and legally required steps to collect from those patients that are uninsured or self-pay, have been exhausted and there is no longer any value in further action to collect these charges.

Resolution No. 2024-096 would delegate a complimentary authority, as permitted under Health and Safety Code Section 1473, for the Riverside University Health System - Medical Center Chief Executive Officer to adjust, compromise and remove from the Medical Center's patient accounts those receivable charges that are in essence "uncollectible" either because the patient lacks resources to pay the charge, cannot be located, the charge is barred by a statute of limitations or the cost of efforts to collect the remaining amount would exceed the amount that would be collected. Authority would be effective immediately until withdrawn by Board action.

**Impact on Residents and Businesses**

The Affordable Care Act has made it possible for most individuals to find insurance coverage through some type of Federal, State or Covered California insurance program. Some patient co-payments may be affected by this action, but such payments should not be increased beyond the rate that would be charged for the same procedure at another area hospital. The authority sought will not impact vulnerable individuals as the Medical Center will continue to provide its financial assistance program and accept patients who qualify for the County's Medically Indigent Services Program (MISP). Information about these programs is available on [www.ruhealth.org](http://www.ruhealth.org).



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This authority would permit the Medical Center to respond more quickly to patient requests for adjustments or compromise of charges. The standards for such adjustments would continue to be according to the Medical Center's Financial Assistance policy which is periodically reviewed and approved by this Board.

**ATTACHMENTS: RESOLUTION 2024-096 (CEO DISCHARGE OF UNCOLLECTABLE DEBT)  
RESOLUTION 2024-099 (CEO REVIEW AND AMEND OF CHARGE DESCRIPTION MASTER)**

  
Jacqueline Ruiz, Principal Analyst 5/14/2024

  
Aaron Gettis, Chief of Deputy County Counsel 5/10/2024

2  
3 RESOLUTION NO. 2024-096

4 RESOLUTION OF THE BOARD OF SUPERVISORS OF  
5 THE COUNTY OF RIVERSIDE AUTHORIZING THE CHIEF EXECUTIVE OFFICER OF  
6 RIVERSIDE UNIVERSITY HEALTH SYSTEM MEDICAL CENTER TO DISCHARGE  
7 UNCOLLECTABLE PATIENT CHARGES

8  
9 **WHEREAS**, the Board of Supervisors defines Riverside’s “county hospital” as the  
10 Riverside University Health System – Medical Center (herein, "Medical Center"), located at 26520 Cactus  
11 Avenue, Moreno Valley, CA 92555;

12 **WHEREAS**, pursuant to California Health & Safety Code section 1473 (“Section 1473”),  
13 the Board of Supervisors may fix the rates to be charged patients admitted to any county hospital and may  
14 direct any county officer to collect amounts due the county for hospitalization and medical care;

15 **WHEREAS**, pursuant to Section 1473 the Board of Supervisors may exercise all the powers  
16 conferred by Chapter 5 (commencing with Section 17400) of Part 5 of Division 9 of the Welfare and  
17 Institutions Code;

18 **WHEREAS**, pursuant to Section 1473, the Board of Supervisors, or such county officer as  
19 it may authorize or designate, may adjust or compromise hospital charges for any of the following reasons:

- 20 a. The patient, his/her estate, or legally responsible relatives are unable to pay the charges;
- 21 b. Collection of the charges is barred by the statute of limitations or is otherwise legally uncollectable;
- 22 c. The cost of administering a collection procedure would exceed the amount of revenue which might
- 23 reasonably be anticipated would be recovered;
- 24 d. Neither the patient nor his/her legally responsible relatives can be located.

25 **WHEREAS**, the Medical Center has diligently attempted to collect charges that have been  
26 invoiced to patients of the Medical Center by sending invoices to patients or responsible parties for  
27 services performed, as well as to any applicable insurance and other government agencies as may be  
28 appropriate;

FURIM APPROVED COUNTY COUNSEL  
BY:  S-10-24  
DATE  
AARON C. GETTIS

1           **WHEREAS**, the Medical Center is able to collect charges from some responsible parties,  
2 but is not able to collect against others, and has deemed certain responsible party accounts as  
3 uncollectable charges for the reasons set forth, above;

4           **WHEREAS**, accumulated uncollectable debt from responsible parties clouds the financial  
5 condition of the Medical Center;

6           **WHEREAS**, the Board of Supervisors recognizes the importance of an accurate reflection  
7 of the overall financial health of Accounts Receivable for the Riverside University Health System – Medical  
8 Center.

9           **NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED** by the  
10 Board of Supervisors of the County of Riverside, in regular session assembled on May 21, 2024,  
11 in the meeting room of the Board of Supervisors of the District located on the 1<sup>st</sup> floor of the County  
12 Administrative Center, 4080 Lemon Street, Riverside, California, that this Board does hereby determine  
13 and declare as follows:

14           Section.1       That the Recitals set forth above are true and correct and are incorporated  
15 into this Resolution by this reference.

16           Section. 2       That the Board delegates its authority to the Chief Executive Officer of the  
17 Riverside University Health System – Medical Center who is thereby authorized on behalf of the County  
18 of Riverside Board of Supervisors to discharge and write off those charges deemed to be uncollectable from  
19 the operation of the County hospital that are aged greater than 365 from date of a patient’s discharge, until  
20 such time that the Board of Supervisors withdraws that authority.

21           Section. 3       That this Resolution is authorized and approved for the Chief Executive  
22 Officer of the Riverside University Health System - Medical Center only and no other County officer,  
23 department, agency, authority, or other non-profit entity under its authority.

24           **BE IT FURTHER RESOLVED AND ORDERED** that upon approval of this Resolution by  
25 the Board of Supervisors, this action is immediate and will immediately be effective until a time that the  
26 Board of Supervisors rescinds that authority.

2  
3 RESOLUTION NO. 2024-096

4 RESOLUTION OF THE BOARD OF SUPERVISORS OF  
5 THE COUNTY OF RIVERSIDE AUTHORIZING THE CHIEF EXECUTIVE OFFICER OF  
6 RIVERSIDE UNIVERSITY HEALTH SYSTEM MEDICAL CENTER TO DISCHARGE  
7 UNCOLLECTABLE PATIENT CHARGES

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9 ROLL CALL:

10  
11 Ayes: Jeffries, Washington, Spiegel, Perez, and Gutierrez

12 Nays: None

13 Absent: None

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15  
16 The foregoing is certified to be a true copy of a resolution duly adopted by said Board of  
17 Supervisors on the date therein set forth.

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19 KIMBERLY A. RECTOR, Clerk of said Board

20  
21 By:  \_\_\_\_\_  
22 Deputy

2  
3 RESOLUTION NO. 2024-099

4  
5 A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE  
6 AUTHORIZING RUHS – MEDICAL CENTER CHIEF EXECUTIVE OFFICER TO PERIODICALLY  
7 REVIEW AND AMEND THE CHARGE DESCRIPTION MASTER RATE STRUCTURE

8 **WHEREAS**, the Riverside University Health System – Medical Center (“Hospital”) has a  
9 Charge Description Master (CDM) which contains the billing codes and retail charges for over 12,200  
10 patient supplies used and services performed at and billed by the Hospital, and

11 **WHEREAS**, the charges in the CDM are used to obtain reimbursement from third-parties  
12 and patients for the costs related to the supplies and services related to patient care; and

13 **WHEREAS**, the Hospital is committed to full cost recovery for the services it offers, which  
14 includes periodic and timely adjustments to the CDM to reflect changes in the costs of providing those  
15 services; and

16 **WHEREAS**, the Hospital maintains a financial assistance policy for those unable to pay  
17 for the cost of their care; and

18 **NOW THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED** by the  
19 Board of Supervisors of the County of Riverside, in regular session assembled on \_\_\_\_\_,  
20 in the meeting room of the Board of Supervisors of the District located on the 1<sup>st</sup> floor of the County  
21 Administrative Center, 4080 Lemon Street, Riverside, California, that this Board:

22 **Section 1. Recitals.** Finds that the Recitals set forth above are true and correct and are  
23 incorporated in this Resolution by this reference.

24 **Section 2. Direction and Authority to the RUHS-Medical Center CEO.** Authorizes the  
25 RUHS-Medical Center’s Chief Executive Officer to periodically adjust and amend, and add or delete,  
26 charges within the Hospital’s CDM consistent with prevailing market rates for similar services within the  
27 local area or as dictated by federal and state regulation changes or requirements.  
28

UNIVERSITY OF CALIFORNIA COUNTY COUNSEL  
BY: AR 5-10-24  
AARON C. GETTIS DATE



1                    **Section 3. Authorization for Riverside University Health System – Medical Center**

2 **Only.** Authorizes this Resolution for the Riverside University Health System - Medical Center and no  
3 other County department, agency, authority or other public or non-profit entity under its authority.

4                    **Section 4. Effective Date.** Orders, that upon approval by the Board of Supervisors, this  
5 action is immediate and will go into full force and effect.

6                    **Section 6. Rescission.** This Resolution may be rescinded at any time prior to the expiration  
7 date through subsequent Board action.

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11  
12 ROLL CALL:

13 Ayes:        Jeffries, Washington, Spiegel, Perez, and Gutierrez

14 Nays:        None

15 Absent:     None

16 The foregoing is certified to be a true copy of a resolution duly adopted by said  
17 Board of Supervisors on the date therein set forth.

18 KIMBERLY A. RECTOR, Clerk of said Board

19 By: Naomy Li  
20 Deputy