



# Monterey County

Item No.

## Board Report

Board of Supervisors  
Chambers  
168 W. Alisal St., 1st Floor  
Salinas, CA 93901

Legistar File Number: A 22-136

April 26, 2022

Introduced: 3/29/2022

Current Status: Agenda Ready

Version: 1

Matter Type: BoS Agreement

Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute renewal and amendment No. 4 to the agreement (A-14865) with R1 RCM Inc. for billing and claim denial appeal services, extending the agreement an additional two (2) year period (retroactive December 1, 2021 through November 30, 2023) for a revised full agreement term of December 1, 2015 through November 30, 2023, and adding \$50,000 for a revised total agreement amount not to exceed \$240,000.

### **RECOMMENDATION:**

#### **It is recommended the Board of Supervisors:**

Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute renewal and amendment No. 4 to the agreement (A-14865) with R1 RCM Inc. for billing and claim denial appeal services, extending the agreement an additional two (2) year period (retroactive December 1, 2021 through November 30, 2023) for a revised full agreement term of December 1, 2015 through November 30, 2023, and adding \$50,000 for a revised total agreement amount not to exceed \$240,000.

### **SUMMARY/DISCUSSION:**

R1 RCM provides physician advisory services to support case management by providing utilization review recommendations such as level of care, admission status, and clinical appeal management. Utilization review is essential to billing compliance and is required by CMS and Medi-Cal. Medi-Cal require that each hospital day is adjudicated through the utilization review process. Any hospital day(s) with questionable level of care or admit status need to be reviewed by a California licensed physician who is not involved in the care of the patient; no Medi-Cal claims can be submitted until this process is completed. R1 RCM also provides denial management support through case review, clinical appeals and peer discussion.

### **OTHER AGENCY INVOLVEMENT:**

The Office of County Counsel reviewed and approved this renewal and amendment No. 4 as to form, and the Auditor-Controller reviewed and approved as to payment provisions. The renewal and amendment No. 4 was also reviewed and approved by NMC's Finance Committee and by its Board of Trustees on April 8, 2022.

**FINANCING:**

The cost for this renewal and amendment No. 4 is \$50,000 of which \$25,000 is included in the Fiscal Year 2021-22 Adopted Budget. Amounts for remaining years of the agreement will be included in those budgets as appropriate.

**BOARD OF SUPERVISORS STRATEGIC INITIATIVES:**

The services rendered in this agreement provide support for the efficient utilization management of resources and billing compliance at Natividad.

- Economic Development
- Administration
- Health and Human Services
- Infrastructure
- Public Safety

Prepared by: Karen Friedrich, Administration, 783-2556

Approved by: Charles R. Harris, Chief Executive Officer, 783-2504

Attachments:

- R1 RCM Inc. Renewal and Amendment 4
- R1 RCM Inc. Renewal and Amendment 3
- R1 RCM Inc. Amendment 2
- R1 RCM Inc. Renewal and Amendment 1
- Accretive Health Inc. Agreement

Attachments on file with the Clerk of the Board

*Dr. Charles R. Harris*  
Charles R. Harris, M.D., Chief Executive Officer

*4/6/2022*  
Date