



# County of Monterey

Item No.

## Board Report

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

Legistar File Number: A 23-552

January 09, 2024

**Introduced:** 11/17/2023

**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 amendment No. 3 to the agreement (A-15698) with AE & Associates, LLC for coding, audits, onsite training, and remote coding support services, extending the agreement an additional one (1) year period (August 1, 2024 through July 31, 2025) for a revised full agreement term of August 1, 2019 through July 31, 2025), and adding \$400,000 for a revised total agreement amount not to exceed \$689,616.

### **RECOMMENDATION:**

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

Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute amendment No. 3 to the agreement (A-15698) with AE & Associates, LLC for coding, audits, onsite training, and remote coding support services, extending the agreement an additional one (1) year period (August 1, 2024 through July 31, 2025) for a revised full agreement term of August 1, 2019 through July 31, 2025), and adding \$400,000 for a revised total agreement amount not to exceed \$689,616.

### **SUMMARY/DISCUSSION:**

In addition to the increase with audit reviews to ensure that all regulatory and coding assignments are accurate, we have a need for additional services such as Trauma Registry services and Family Practice Clinical coding which requires specialized state knowledge and expertise when appending service codes.

The service that AE & Associates, LLC provides to Natividad Medical Center ensures that the submission for reimbursement is accurate and the data submission to public entities meets the state standards and requirements. The appending of medical codes is based on the treatment and services provided to the patient. Patients are able to obtain resources and apply for other services to sustain their daily living.

Lastly, the difficulty with recruitment of qualified licensed coders in the various categories of coding complication, ongoing updates, third party reviews to ensure transparency has made it challenging for NMC.

**OTHER AGENCY INVOLVEMENT:**

The Office of County Counsel has reviewed and approved this amendment No. 3 as to form, and the Auditor-Controller has reviewed and approved as to payment provisions. The amendment No. 3 has also been reviewed and approved by NMC's Finance Committee and by its Board of Trustees on November 9, 2023.

**FINANCING:**

The cost for this amendment No. 3 is \$400,000 of which \$200,000 is included in the FY 2023-24 Adopted Budget. Amounts for remaining years of the agreement will be included in those budgets as appropriate.

**BOARD OF SUPERVISORS STRATEGIC INITIATIVES:**

Natividad Medical Center has employed licensed coders and is a resident within Monterey County. They are dedicated and well versed in their profession of expertise.

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

Prepared by: Kim Williams-Neal, Director of Health Information Management, 783-2440

Approved by: Charles R. Harris, Chief Executive Officer, 783-2553

Attachments:

- AE & Associates, LLC Amendment 3
- AE & Associates, LLC Amendment 2
- AE & Associates, LLC Amendment 1
- AE & Associates, LLC Agreement

Attachments on file with the Clerk of the Board

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

*11/20/2023*  
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Date