



Board Report

File #: A 18-384, Version: 1

a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute amendment No. 2 to the agreement (A-13517) with Healthcare Coding and Consulting Services, LLC for remote medical record coding and consulting services, extending the agreement an additional two (2) year period (August 22, 2019 through August 21, 2021) for a revised full agreement term of August 22, 2016 through August 21, 2021, and adding \$1,167,000 for a revised total agreement amount not to exceed \$1,827,000.

RECOMMENDATION:

It is recommended the Board of Supervisors:

a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute amendment No. 2 to the agreement (A-13517) with Healthcare Coding and Consulting Services, LLC for remote medical record coding and consulting services, extending the agreement an additional two (2) year period (August 22, 2019 through August 21, 2021) for a revised full agreement term of August 22, 2016 through August 21, 2021, and adding \$1,167,000 for a revised total agreement amount not to exceed \$1,827,000.

SUMMARY/DISCUSSION:

Healthcare Coding and Consulting Services (HCCS) provides remote coding support, by utilizing International Classification of Diseases Tenth Revision (ICD10-CM/PCS), Current Procedural Terminology (CPT), Evaluation/Management Levels (E/M), HCPCS Medical Supply conventions to NMC's designated medical encounters.

HCCS requires their coding staff to possess coding credentials. The coders must maintain their credentials annually, by attending education, mandated annual coding convention updates and training for their specific coding discipline.

NMC began utilizing HCCS coding support for the Emergency Department in September of 2016. This component was chosen due to the complexity and distinctiveness of NMC's Emergency and Trauma encounters, which are comprised of multiple layers of treatment management, equipment, procedures and extensive documentation. HCCS appends the medical charges to the Emergency and Labor Delivery Emergency Department accounts, which allows the supportive medical staff to provide care to the patients. In addition to the tremendous mandate and obligation for the accounts to be assigned the accurate code conventions for all services provided, there must also be timeliness with finalizing the coding within the designated period, and confidence with submission for optimum reimbursement.

HCCS has layers of auditors review complicated encounters and conduct monthly audits of the coding staff assigned to the NMC account, thus meeting the compliance requirement. The results are distributed, reviewed, discussed, and recommendations to enhance beneficial outcomes for the organization are considered and often executed.

NMC recognized that with the increased volume of emergency and labor delivery emergency, trauma encounters, and inpatient, and the level of complexity with accurate coding of these services, NMC's existing coding and supportive coding staff were not capable of meeting the managements' level of expectations and demand.

As HCCS adheres to NMC's mandated completion turnaround times, accuracy, compliance requirements and standards, it is critical and favorable to NMC to retain HCCS as their coding support vendor.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved this amendment as to legal form, and the Auditor-Controller has reviewed and approved as to payment provisions. The amendment No. 2 has also been reviewed and approved by NMC's Finance Committee on August 23, 2018 and by its Board of Trustees on September 7, 2018.

FINANCING:

The cost for this amendment No. 2 is \$1,167,000 of which \$400,000 is included in the Fiscal Year 2018-19 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 provides NMC with the additional support which is needed due to the credential requirements to ensure accurate appending coding for reimbursement, regulatory, patient care initiatives and data reporting.

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

Prepared by: Kim Williams-Neal, Director of HIM, 831-783-2440
Approved by: Gary R. Gray, DO, Chief Executive Officer, 783-2504

Attachments:
Healthcare Coding and Consulting Services, LLC Amendment 2
Healthcare Coding and Consulting Services, LLC Amendment 1
Healthcare Coding and Consulting Services, LLC Agreement

Attachments on file with the Clerk of the Board