



County of Monterey

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

Board Report

File #: A 20-320, **Version:** 1

a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute renewal and amendment No. 8 to the agreement (A-12260) with 3M Company for medical records coding software maintenance services, extending the agreement an additional one (1) year period (August 9, 2020 through August 8, 2021) for a revised full agreement term of August 9, 2010 through August 8, 2021, and adding \$242,022 for a revised total agreement amount not to exceed \$2,005,492.

RECOMMENDATION:

a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute renewal and amendment No. 8 to the agreement (A-12260) with 3M Company for medical records coding software maintenance services, extending the agreement an additional one (1) year period (August 9, 2020 through August 8, 2021) for a revised full agreement term of August 9, 2010 through August 8, 2021, and adding \$242,022 for a revised total agreement amount not to exceed \$2,005,492.

SUMMARY/DISCUSSION:

As the vendor of choice with the Center for Medicare and Medicaid Services (CMS) NMC has worked with 3M for over two decades for the provision of software and services pertaining to medical records coding. These services help NMC to achieve the highest reimbursement rates by several state and federal organizations for services provided to patients at NMC.

The previously approved amendments with 3M allowed Natividad medical coding staff to utilize the coding encoder software, which provides integrated access and appending Inpatient codes, OPPS editing, code grouping, accurate DRG assignment while adhering to MEDICARE Fiscal Intermediaries, regulatory requirements and compliance.

OTHER AGENCY INVOLVEMENT:

The Office of County Counsel has reviewed and approved this renewal and amendment No. 8 as to form and the Auditor-Controller has reviewed and approved as to payment provisions. The renewal and amendment No. 8 has also been approved by NMC's Finance Committee and Board of Trustees on August 14, 2020.

FINANCING:

The cost for this renewal and amendment No. 8 is \$242,022 of which \$209,000 is included in the Fiscal Year 2020-21 Adopted Budget. Amounts for remaining years of the Agreement will be included in those budgets as appropriate. There is no impact to the General Fund.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

Supporting the selection and renewal of this vendor ensures that the accurate medical code selection data is shared with Public Health, regulatory enterprises, insurers and other data collection agencies

- Economic Development
- Administration
- Health and Human Services

Infrastructure
 Public Safety

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Approved by: Gary R. Gray, Chief Executive Officer, 783-2504

Attachments:

3M Company Renewal and Amendment No. 8

3M Company Amendment No. 7

3M Company Amendment No. 4-6 (Email re missing Amendments 4-6)

3M Company Amendment No. 3

3M Company Amendment No. 2

3M Company Amendment No. 1

3M Company Agreement

Attachments on file with the Clerk of the Board