



Board Report

File #: A 18-106, 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-13580) with Peter A Ripper & Associates, Inc. dba PARA for revenue integrity program services, extending the agreement an additional three (3) year period (July 1, 2018 through June 30, 2021) for a revised full agreement term of July 1, 2016 through June 30, 2021, and adding \$210,000 for a revised total agreement amount not to exceed \$370,000.
- b. Authorize the Deputy Purchasing Agent for NMC or his designee to execute up to three (3) future amendments to the agreement which do not significantly alter the scope of work and do not cause an increase of more than ten percent (10%, \$9,500.) of the original cost of the agreement per each amendment.

RECOMMENDATION:

It is recommended the Board of Supervisors:

Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute amendment No. 2 to the agreement (A-13580) with Peter A Ripper & Associates, Inc. dba PARA for revenue integrity program services, extending the agreement an additional three (3) year period (July 1, 2018 through June 30, 2021) for a revised full agreement term of July 1, 2016 through June 30, 2021, and adding \$210,000 for a revised total agreement amount not to exceed \$370,000.

Authorize the Deputy Purchasing Agent for NMC or his designee to execute up to three (3) future amendments to the agreement which do not significantly alter the scope of work and do not cause an increase of more than ten percent (10%, \$9,500.) of the original cost of the agreement per each amendment.

SUMMARY/DISCUSSION:

Peter A. Ripper & Associates, Inc. dba PARA provides Natividad Medical Center with a web-based revenue integrity program, PARA Data Editor™ (PDE). The PDE provides NMC with the ability to analyze, repair, and improve revenue cycle processes. Following are key features of the system:

- **Charge Quote**-Provide accurate and timely price quotes with EDI (Electronic Data interface) to allow real-time eligibility verification
- **Charge Process**-Streamline all requests made to the charge master
- **Claim/RA Evaluator**-Evaluate all claims to ensure proper billing techniques and reimbursement. Analyze denials for follow up
- **Contract Analysis**-Manage and model all contracts for better reimbursement
- **Pricing Data**-Access current detailed market data for three separate, defined markets of Natividad competition's prices
- **Pricing Iterations**-Create pricing scenarios to determine the net and gross revenue impact on the bottom line
- **Pharmacy/Supplies**-Manage all pharmacy and supply mark-ups for price appropriateness

- **Filters/CDM**-Access to current charge master file for managing all coding and billing issues to ensure an up to date, compliant charge master
- **Advisory**-Access all supporting documentation on industry changes for: OIG (Office of Inspector General), RAC (Recovery Audit Contractors), and CMS (Center for Medicare and Medicaid Services) transmittals, articles and bulletins

Fiscal staff at NMC currently access the PDE to make decisions more efficiently while improving accuracy. The web-based system can be accessed from any computer with internet access.

NMC is requesting a three (3) year term extension to allow for continued use of the system.

OTHER AGENCY INVOLVEMENT:

County Counsel reviewed and approved this amendment No. 2 as to legal form and risk provisions, and the Auditor-Controller reviewed and approved as to payment provisions. This amendment No. 2 was reviewed and approved by NMC's Finance Committee on April 2, 2018 and by its Board of Trustees on April 6, 2018.

FINANCING:

The cost for this amendment No. 2 is \$210,000, of which, \$70,000 shall be included in the Fiscal Year 2018-19 Recommended Budget. Amounts for remaining years of the agreement will be included in those budgets as appropriate.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

This agreement is for revenue integrity and analysis programs that manage and improve revenue processes and compliance; contributing to efficient, revenue generating business operations at NMC.

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

Prepared by: Vince Carr, Director of Patient Financial Services, 783-2345
Approved by: Gary R. Gray, DO, Chief Executive Officer, 783-2504

Attachments:
Peter A Ripper & Associates Inc dba PARA Amendment 2
Peter A Ripper & Associates Inc dba PARA Amendment 1
Peter A Ripper & Associates Inc dba PARA Agreement

Attachments on file with the Clerk of the Board