



# County of Monterey

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

## Board Report

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**File #:** A 21-339, **Version:** 1

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- a. Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute an agreement with 3M Health Information Systems, Inc. for medical records coding software and maintenance services for an amount not to exceed \$1,144,010 with an agreement term of August 9, 2021 through August 8, 2026.
- b. Authorize the Chief Executive Officer 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%) (\$114,401) of the original cost of the agreement.
- c. Approve the NMC Chief Executive Officer's recommendation to accept non-standard indemnification, insurance, limitations on liability, and limitations on damages provisions within the agreement.

### **RECOMMENDATION:**

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

- a. Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute an agreement with 3M Health Information Systems, Inc. for medical records coding software and maintenance services for an amount not to exceed \$1,144,010 with an agreement term of August 9, 2021 through August 8, 2026.
- b. Authorize the Chief Executive Officer 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%) (\$114,401) of the original cost of the agreement.
- c. Approve the NMC Chief Executive Officer's recommendation to accept non-standard indemnification, insurance, limitations on liability, and limitations on damages provisions within the agreement.

### **SUMMARY/DISCUSSION:**

3M encoder software tool enables Natividad to validate Medicare, Medical and other insurance coverage coding according to the services provided to the customer. The coders are able to identify and append the correct CPT and ICD10 codes based on the documentation of treatment. The codes appended provide the ability to produce reports, monitor trends and reimbursement.

### **OTHER AGENCY INVOLVEMENT:**

The Office of County Counsel has reviewed and approved this agreement as to form, and the Auditor-Controller has reviewed and approved as to payment provisions. The agreement has also been reviewed and approved by NMC's Finance Committee and by its Board of Trustees on June 11, 2021.

### **FINANCING:**

The cost for this agreement is \$1,144,010 of which \$228,802 is included in the Fiscal Year 2021-22 Recommended Budget. Amounts for remaining years of the agreement will be included in those budgets as appropriate.

### **BOARD OF SUPERVISORS STRATEGIC INITIATIVES:**

3M is a government regulated vendor which ensures pricing policies, criteria for discounts, timelines and compliance are fair and consistent for all customers.

- 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 Harris, MD, Interim Chief Executive Officer, 783-2785

**Attachments:**

- 3M Health Master Software and Services Agreement
- 3M Health Business Associate Agreement

Attachments on file with the Clerk of the Board