



## Board Report

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**File #: A 17-078, Version: 1**

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Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute Amendment No. 1 to the agreement with Healthcare Coding and Consulting Services, LLC for US-based remote medical record coding and consulting services, extending the agreement an additional two (2) year period (August 22, 2017 through August 21, 2019) for a revised full agreement term of August 22, 2016 through August 21, 2019, and adding \$570,000 for a revised total agreement amount not to exceed \$660,000

### **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. 1 to the agreement with Healthcare Coding and Consulting Services, LLC for US-based remote medical record coding and consulting services, extending the agreement an additional two (2) year period (August 22, 2017 through August 21, 2019) for a revised full agreement term of August 22, 2016 through August 21, 2019, and adding \$570,000 for a revised total agreement amount not to exceed \$660,000

### **SUMMARY/DISCUSSION:**

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

HCCS require their coding staff to possess coding credentials. The coders must also maintain their credentials annually, by attending education and training for their specific coding discipline. Their coding staff average at least 10 years of coding experience and longevity with the company.

Natividad Medical Center began utilizing HCCS coding support for the Emergency Department in Sept 2016. This component was chosen due to the complexity and distinctiveness of our Emergency and Trauma encounters, which are comprised of multiple layers of treatment management, equipment, procedures and extensive documentation. In addition to the tremendous mandate and obligation for the accounts to be assigned the accurate code conventions for all services provided, timeliness with finalizing the coding within the designated period, confidence with submission for optimum reimbursement.

HCCS conducts monthly audits of the coding staff assigned to NMC account, which meets the compliance requirement. The results are discussed, recommendations to enhance beneficial outcomes for the organization are considered and often executed.

NMC recognized that with the increased amount of emergency and trauma encounters, the volume and level of complexity with coding the emergency encounters our existing coding staff and supportive coding staff were not capable of meeting the managements' level of expectation and demand.

NMC has assumed HCCS as our Primary Coding Support vendor due to their expertise, efficiency and accuracy. HCCS are responsible for Emergency Department, Trauma and Labor /Delivery encounters. The vendor also assigns the evaluation and management codes to all of the above services in addition to appending the charges to the all encounters; which relieves the medical staff of this task.

Numerous NMC departments must report emergency department data results to multiple regulatory bodies and other entities. This data is extrapolated from the assigned ICD10, CPT, HCPCs and disposition codes.

HCCS has executing mandated completion turnaround times, accuracy and compliance; it is critical and beneficial to Natividad

Medical Center retain HCCS which has ensured these components are achieved.

**OTHER AGENCY INVOLVEMENT:**

County Counsel has reviewed and approved this amendment no. 1 as to legal form and risk provisions, and the Auditor-Controller has reviewed and approved as to payment provisions. The amendment no. 1 has also been reviewed and approved by NMC's Finance Committee on February 23, 2017 and by its Board of Trustees on March 3, 2017.

**FINANCING:**

The cost for this amendment No. 1 is \$570,000 of which \$130,000 which is included in the Fiscal Year 2016-17 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.

Prepared by: Williams-Neal, Kim, Director of HIM, 783-2440

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

Attachments:

Healthcare Coding and Consulting Amendment No. 1

Healthcare Coding and Consulting Agreement

Healthcare Coding and Consulting Spend Sheet

Attachments on file with the Clerk of the Board