



County of Monterey

Item No.

Board Report

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

Legistar File Number: A 24-153

April 23, 2024

Introduced: 4/4/2024

Current Status: Agenda Ready

Version: 1

Matter Type: BoS Agreement

- a. Ratify exercise by the Director of Health Services or designee of a one-year automatic renewal clause in the eSolutions (now Waystar under an Assignment & Assumption) Services Agreement (Agreement A-14204) with Waystar, Inc., for the provision of Medicare claims clearinghouse services, extending the agreement by one year (January 15, 2024 through January 14, 2025), and adding \$3,000 for a total contract amount of \$14,580; and
- b. Authorize exercise by the Director of Health Services or designee of one-year automatic renewal clause in Agreement A-14204 for up to two additional one-year extensions adding \$3,000 per each one-year extension, for a total contract amount of \$20,580 for a revised full term of January 15, 2019 to January 14, 2027.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Ratify exercise by the Director of Health Services or designee of a one-year automatic renewal clause in the eSolutions (now Waystar under an Assignment & Assumption) Services Agreement (Agreement A-14204) with Waystar, Inc., for the provision of Medicare claims clearinghouse services, extending the agreement by one year (January 15, 2024 through January 14, 2025), and adding \$3,000 for a total contract amount of \$14,580; and
- b. Authorize exercise by the Director of Health Services or designee of one-year automatic renewal clause in Agreement A-14204 for up to two additional one-year extensions adding \$3,000 per each one-year extension, for a total contract amount of \$20,580 for a revised full term of January 15, 2019 to January 14, 2027.

SUMMARY/DISCUSSION

Waystar, Inc. (formerly eSolutions, Inc.) is a Network Service Vendor authorized to be a clearinghouse for Providers to submit Medicare claims for review and to receive reports on those claims approved and rejected. This service enables the Health Department-Behavioral Health Bureau to continue the Medicare claims process and access revenues to support the Adult System of Care.

On December 11, 2018, the Board approved and authorized the Director of Health Services to sign vendor Agreement A-14204 for an initial two-year term to January 14, 2021, for a total Agreement amount not to exceed \$2,580. The Agreement contains non-standard insurance provisions and therefore required Board approval.

On May 5, 2021, the agreement was ratified by the Board to extend one-year to January 14, 2022 at a maximum obligation of an additional \$3,000, and also authorized two additional one-year extensions

as above for the same annual amount, to January 14, 2024, for a total County liability of \$11,580.

Under Section 1 of the Agreement, upon completion of the initial term, the Agreement automatically renews for consecutive terms of one-year each unless either party gives written notice of non-renewal at least ninety (90) days prior to the end of the initial term or renewal term. This “Evergreen” agreement is in place, with extremely attractive terms for the County, with the vendor seeing no need to enter into a new agreement; however, the County needs to re-authorize and ratify the extension of the agreement to encumber funds, no more than every three fiscal years.

Ratification by the Board will acknowledge the automatic renewal terms of this Agreement for a total period of three years, as well as provide authorization for payments to Waystar, Inc. in an amount not to exceed \$3,000 for each one-year extension of the Agreement, effective retroactively to January 15, 2024.

While this work is not directly in support of a Health Department Strategic Initiative, it is in support of one or more of the ten essential public health services, specifically: 6. Enforce laws and regulations that protect health and ensure safety.

OTHER AGENCY INVOLVEMENT:

The Office of the County Counsel and Auditor-Controller have reviewed and approved this Agreement as to legal form and fiscal provisions, respectively.

FINANCING:

This Agreement is funded by Federal Funding Participation (FFP) and Realignment funds. The funds are included in the Health Department’s Behavioral Health Bureau (HEA012, Unit 8410) FY 2023-24 Adopted Budget. The funds for FY 2024-25, FY 2025-26 and FY 2026-27 (Six-month periods of each FY) are included in the Health Department’s Behavioral Health Bureau (HEA012, Unit 8410) FY 2024-25, FY 2025-26, and FY 2026-27 Requested Budgets.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

Check the related Board of Supervisors Strategic Initiatives:

Economic Development:

- Through collaboration, strengthen economic development to ensure a diversified and healthy economy.

Administration:

- Promote an organization that practices efficient and effective resource management and is recognized for responsiveness, strong customer orientation, accountability and transparency.

Health & Human Services:

- Improve health and quality of life through County supported policies, programs, and services; promoting access to equitable opportunities for healthy choices and healthy environments in collaboration with communities.

Infrastructure:

- Plan and develop a sustainable, physical infrastructure that improves the quality of life for

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County residents and supports economic development results.

Public Safety:

- Create a safe environment for people to achieve their potential, leading businesses and communities to thrive and grow by reducing violent crimes as well as crimes in general.

Prepared By: Norm Morris, Management Analyst II, 796-1277

Approved by:

DocuSigned by:


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Date: 4/15/2024 | 8:51 AM PDT

Elsa Mendoza Jimenez, Director of Health Services, 755-4526

Attachment:

Board Report

Services Agreement

Assignment and Assumption Agreement