

COUNTY OF SAN MATEO
Departmental Correspondence

DATE: JUN 13 2001
HEARING DATE: JUN 26 2001

TO: Honorable Board of Supervisors
FROM: Tim McMurdo, CEO, Division of Hospital and Clinics
SUBJECT: Amendment to the Agreement with Paralign Revenue Management, Inc.

RECOMMENDATION

Adopt a resolution authorizing the President of the Board to execute an amendment to the agreement with Paralign Revenue Management, Inc for third-party payment eligibility services.

Background

Since 1988, San Mateo County Health Services has been using outside service providers to develop payment sources for uninsured accounts. Health Services has contracted with Paralign Revenue Management to provide these cost recovery services since 1997. Paralign recovers costs from selected uninsured accounts referred to Paralign by Health Services when a program linkage such as Medi-Cal has been identified. While staff make every effort to qualify patients for Medi-Cal, some patients fail to follow through with the necessary paperwork and are difficult to locate. Paralign assists patients in completing the insurance application process. Upon approval of insurance eligibility, Health Services bills the third-party payor for reimbursement. In FY 1999-00, Health Services realized approximately \$650,000 in additional revenue based on Paralign's services. This type of service is typically used by county hospitals treating large volumes of Medi-Cal patients to maximize reimbursement from the program.

On October 3, 2000, your Board approved an agreement with Paralign Revenue Management to continue providing these services. This agreement is for the term July 1, 2000 through June 30, 2001 for the amount of \$125,000. An RFP for these third-party payor services was conducted in 1996, after which Paralign was awarded the contract with Health Services. A new RFP process will be completed by September 2001.

Discussion

Health Services is proposing an amendment extending the agreement with Paralign for six months, through December 31, 2000, allowing the RFP process to be completed. The full term of the contract will be July 1, 2000 through December 31, 2001.

In the past year, Health Services has increased efforts to enroll clients in insurance programs, in part by placing more patients in Medi-Cal pending status. As a result, Paralign enrollment

services have increased within the past year as well. The hospital expects to recover more than \$1 million through these program services in the current year. This amendment also increases the contract amount to cover the higher service levels provided by Paralign. In addition, this amendment adds the provision that the Contractor shall comply with State Department of Health Services (DHS) regulations and policies regarding Medi-Cal Administrative Activities as outlined in the agreement between DHS and the County. This provision will allow Health Services to claim a percentage of the contract costs through the Medi-Cal Administrative Activity (MAA) program.

	FY 1999-2000 Actuals	FY 2000-2001 Projections	FY 2001-02 Projections
Cost Recovery	\$681,454	\$1,079,163	\$1,705,078

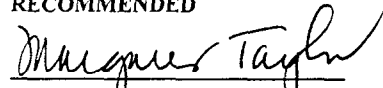
Paralign has substantially increased revenue recovery during the current fiscal year and is expected to collect even higher revenues next fiscal year, as the agency continues to target insurance enrollment.

County Counsel and Risk Management have approved the amendment to the agreement.

Term and Fiscal Impact

This amendment increases the maximum amount by \$315,000, from \$125,000 to \$440,000, due to the increase in revenue recovery and the term extension. Paralign is reimbursed on a contingency basis equal to an average of 22% of revenue recovery amounts. In addition, estimates are that 40% of contract expenditures can be recovered through MAA claiming. The new contract term is July 1, 2000 through December 31, 2001.

RECOMMENDED


 HEALTH SERVICES AGENCY

RESOLUTION NO. _____

BOARD OF SUPERVISORS, COUNTY OF SAN MATEO, STATE OF CALIFORNIA

* * * * *

RESOLUTION AMENDING THE AGREEMENT
WITH PARALIGN REVENUE MANAGEMENT, INC.

RESOLVED, by the Board of Supervisors of the County of San Mateo, State of California, that;

WHEREAS, there has been presented to this Board of Supervisors for its consideration

and acceptance an Amendment to the Agreement, reference to which is hereby made for further

particulars, whereby Paralign Revenue Management, Inc. shall recover third-party payment sources for uncompensated medical care for Health Services; and whereby Paralign Revenue Management, Inc. shall comply with State Department of Health Services (DHS) regulations and policies regarding Medi-Cal Administrative Activities as outlined in the Agreement between DHS and local government agency, namely County; and

WHEREAS, this Board has been presented with a form of the Amendment to the Agreement and has examined and approved it as to both form and content and desires to enter

into the Amendment to the Agreement:

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the President of this Board of Supervisors be, and is hereby, authorized and directed to execute said

Amendment to the Agreement for and on behalf of the County of San Mateo, and the Clerk of

this Board shall attest the President's signature thereto.

AMENDMENT TO THE AGREEMENT
WITH PARALIGN REVENUE SERVICES, INC.

THIS AGREEMENT, entered into this _____ day of _____, 2001, by and between the COUNTY OF SAN MATEO (hereinafter called "County") and PARALIGN REVENUE MANAGEMENT, INC. (hereinafter called "Contractor"),

W I T N E S S E T H:

WHEREAS, on October 3, 2000, the parties hereto entered into an agreement (hereinafter referred to as the "Original Agreement") for the furnishing of certain services by Contractor to County as set forth in that Original Agreement; and

WHEREAS, it is now the mutual desire and intent of the parties hereto to amend and clarify that Original Agreement;

NOW, THEREFORE, IT IS HEREBY AGREED between the parties that the Original Agreement is amended as follows:

1. Section 2, Payments, Paragraph A, Maximum Amount of the Original Agreement is hereby amended to read as follows:

“2. Payments

A. Maximum Amount. In full consideration of Contractor's performance of the services described in Schedule A, the amount that County shall be obligated to pay for services rendered under this Agreement shall not exceed FOUR HUNDRED FORTY THOUSAND DOLLARS (\$440,000) for the contract term.”

2. Section 6, Non-Discrimination, is hereby amended to read as follows:

“6. Non-Discrimination

Contractor shall comply with the non-discrimination requirements described in Schedule C, which is attached hereto, and incorporated herein.

Contractor shall comply with County admission and treatment policies which shall provide that patients are accepted for care without discrimination on the basis of race, color, religion, sex, sexual orientation, national origin, age, handicap, or political affiliation.

Violation of the non-discrimination provisions of this Agreement shall be considered a breach of this Agreement and subject Contractor to penalties, to be determined by the County Manager, including, but not limited to:

- i. termination of this Agreement;
- ii. disqualification of Contractor from bidding on or being awarded a County contract for a period of up to three (3) years;
- iii. liquidated damages of TWO THOUSAND FIVE HUNDRED DOLLARS (\$2,500) per violation;
- iv. imposition of other appropriate contractual and civil remedies and sanctions, as determined by the County Manager.

To effectuate the provisions of this paragraph, the County Manager shall have the authority to:

- i. examine Contractor's employment records with respect to compliance with this paragraph;
- ii. set off all or any portion of the amount described in this paragraph against amounts due to Contractor under the Contract or any other contractor between Contractor and County.

Contractor shall report to the County Manager the filing by any person in any court of any complaint of discrimination or the filing by any person of any and all charges with the Equal Employment Opportunity Commission, the Fair Employment and Housing Commission or any other entity charged with the investigation of allegations within thirty (30) days of such filing, provided that within such thirty (30) days such entity has not notified Contractor that such charges are dismissed or otherwise unfounded. Such notification shall include the name of the complainant, a copy of such

complaint, and a description of the circumstance. Contractor shall provide County with a copy of its response to the complaint when filed.”

3. Section 12, Term of the Agreement, of the Original Agreement is hereby amended to read as follows:

“12. Term of the Agreement

Subject to compliance with the terms and conditions of this Agreement, the term of this Agreement shall be from July 1, 2000 through December 31, 2001. This Agreement may be terminated by Contractor, Director of Health Services or her designee at any time upon thirty (30) days' written notice to the other party.”

4. Schedule A, SERVICES, Paragraph I, of the Original Agreement is hereby amended to add as follows:

“7. Contractor shall comply with State Department of Health Services (DHS) regulations and policies regarding Medi-Cal Administrative Activities as outlined in the Agreement between DHS and local government agency, namely County.”

5. Schedule B, PAYMENTS, A. Fee Structure, 1. Medi-Cal Eligibility, a. Inpatient of the Original Agreement is hereby amended to read as follows:

“a. Inpatient

- | | | |
|---|---|---|
| o | In-house rate | An amount equal to 15% of recovery amount |
| o | Discharged rate | An amount equal to 21% of recovery amount |
| o | Eligibility Prior to Referral | No Fee |
| o | Administrative Fair Hearings | An amount equal to 25% of recovery amount |
| o | Readmission within rate 60 days of initial referral | An amount equal to 19% of recovery rate” |

NOW, THEREFORE, IT IS HEREBY AGREED BY THE PARTIES that:

1. These amendments are hereby incorporated and made a part of the Original Agreement and subject to all provisions therein.
2. All provisions of the Original Agreement, including all references to audit and fiscal management requirements unless otherwise amended hereinabove, shall be binding on all the parties hereto.
3. All provisions of the Original Agreement, including all monitoring and evaluation requirements, shall be applicable to all amendments herein.

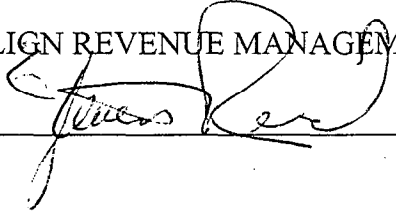
NOW, THEREFORE, IT IS HEREBY AGREED BY THE PARTIES that the Agreement of October 3, 2000, be amended accordingly.

IN WITNESS WHEREOF, the parties hereto, by their duly authorized representatives, have affixed their hand on the day and year first above written.

COUNTY OF SAN MATEO

PARALIGN REVENUE MANAGEMENT, INC.

By: _____
Michael D. Nevin
President, Board of Supervisors

By: _____


Date: _____

Date: 5/3/2021

ATTEST:

By: _____
Clerk of Said Board

Date: _____

COUNTY OF SAN MATEO

HEALTH SERVICES ADMINISTRATION

MEMORANDUM

July 12, 2000

TO: Priscilla Harris, Risk Management/Insurance Division
PONY# EPS163 Fax: 363-4864

FROM: Tere Larcina, Hospital & Clinics
PONY # HOS316MM Fax: 573-2267

SUBJECT: Contract Insurance Approval

CONTRACTOR: Paralign Staffing Technologies

DO THEY TRAVEL: No

PERCENT OF THE TIME:

NUMBER OF EMPLOYEES: More than one

DUTIES (SPECIFIC): Contractor provides third-party payments sources as described in Schedule A.

COVERAGE:

Comprehensive General Liability:
Motor Vehicle Liability:
Professional Liability:
Worker's Compensation:

\$ 1,000,000
\$ w
\$ 1,000,000
\$ Statutory

*Priscilla Harris
Warrant
Professional
Insur.*

APPROVE

WAIVE

MODIFY

REMARKS/COMMENTS:

Priscilla Harris
SIGNATURE

ICORD. CERTIFICATE OF LIABILITY INSURANCE

OP ID BC
PARAL-2
DATE (MM/DD/YY) 07/21/00

UCER

ne Scali & Company
0 East Glendale Avenue
enix AZ 85020-5505

rence M. Scali
No. 602-395-9111 Fax No. 602-395-0222

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

COMPANIES AFFORDING COVERAGE	
COMPANY A	Chubb Group
COMPANY B	Tudor Insurance Company
COMPANY C	c/o ARC
COMPANY D	

Paralign Revenue Management
Mary Scalco
4800 North 22nd Street, #210
Phoenix AZ 85016-4701

VERAGES
THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> OWNER'S & CONTRACTOR'S PROT <input checked="" type="checkbox"/> Professional Liab	SPL0004798	06/26/00	06/26/01	GENERAL AGGREGATE \$ 5000000 PRODUCTS - COMP/OP AGG \$ PERSONAL & ADV INJURY \$ EACH OCCURRENCE \$ FIRE DAMAGE (Any one fire) \$ MED EXP (Any one person) \$
AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	79786266PHA	03/17/00	03/17/01	COMBINED SINGLE LIMIT \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE \$
GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EACH ACCIDENT \$ AGGREGATE \$
EXCESS LIABILITY <input checked="" type="checkbox"/> UMBRELLA FORM <input type="checkbox"/> OTHER THAN UMBRELLA FORM	79786266PHA	03/17/00	03/17/01	EACH OCCURRENCE \$ 1,000,000 AGGREGATE \$ 1,000,000 \$
WORKERS COMPENSATION AND EMPLOYERS' LIABILITY THE PROPRIETOR/PARTNERS/EXECUTIVE OFFICERS ARE: <input type="checkbox"/> INCL <input type="checkbox"/> EXCL				WC STATUTORY LIMITS OTH-ER EL EACH ACCIDENT \$ EL DISEASE - POLICY LIMIT \$ EL DISEASE - EA EMPLOYEE \$
OTHER				

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS
 Proof of Insurance. Certificate Holder is Additional Insured. This form is subject to policy terms and conditions. (*except 10 day for nonpay)

CERTIFICATE HOLDER:

SANMATEO

 San Mateo County Hospital
 Tere Larcina, "HOS316MM"
 222 39th Ave.
 San Mateo CA 94403

CANCELLATION
 SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 30* DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

 RICHARD W. MALONE
 ICORD CORPORATION

This is to Certify that

HR LOGIC, INC.
 CLIENT - PARALIGN REVENUE MANAGEMENT
 4222 E. THOMAS ROAD, SUITE 400
 PHOENIX, AZ 85018

Name and address of Insured.



At the issue date of this certificate, insured by the Company under the policy(ies) listed below. The insurance afforded by the listed policy(ies) is subject to all their terms, conditions and is not altered by any requirement, term or condition of any contract or other document with respect to which this certificate may be issued.

TYPE OF POLICY	EXP. DATE		POLICY NUMBER	LIMIT OF LIABILITY								
	<input type="checkbox"/> CONTINUOUS	<input type="checkbox"/> EXTENDED			<input checked="" type="checkbox"/> POLICY TERM							
WORKERS COMPENSATION	7/1/2001		WA2-63D-004155-01 WC2-631-004155-02	COVERAGE AFFORDED UNDER WC LAW OF THE FOLLOWING STATES: ALL STATES EXCEPT MONOPOLISTIC STATE FUND STATES <table border="1"> <thead> <tr> <th colspan="2">EMPLOYERS LIABILITY</th> </tr> </thead> <tbody> <tr> <td>Bodily Injury By Accident</td> <td>\$1,000,000.00 Each Acc.</td> </tr> <tr> <td>Bodily Injury By Disease</td> <td>\$1,000,000.00 Per Person Limit</td> </tr> <tr> <td>Bodily Injury By Disease</td> <td>\$1,000,000.00 Each Person</td> </tr> </tbody> </table>	EMPLOYERS LIABILITY		Bodily Injury By Accident	\$1,000,000.00 Each Acc.	Bodily Injury By Disease	\$1,000,000.00 Per Person Limit	Bodily Injury By Disease	\$1,000,000.00 Each Person
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Bodily Injury By Disease	\$1,000,000.00 Per Person Limit											
Bodily Injury By Disease	\$1,000,000.00 Each Person											
GENERAL LIABILITY	RETRO DATE <input type="text"/>			General Aggregate - Other than Products/Completed Operations								
<input type="checkbox"/> OCCURRENCE				Products/Completed Operations Aggregate								
<input type="checkbox"/> CLAIMS MADE				Bodily Injury and Property Damage Liability	Per Occurrence							
				Personal Injury	Per Person/ Organization							
				Other	Other							
OTOMOBILE LIABILITY			CERTIFICATES NO LONGER REQUIRED OR CORRECTION REQUESTS FAX TO 610-687-0088	<table border="1"> <tbody> <tr> <td><input type="checkbox"/> OWNED</td> <td>Each Accident - Single B.I. and P.D. Combined</td> </tr> <tr> <td><input type="checkbox"/> NON-OWNED</td> <td>Each Person</td> </tr> <tr> <td><input type="checkbox"/> HIRED</td> <td>Each Accident or Occurrence</td> </tr> <tr> <td></td> <td>Each Accident or Occurrence</td> </tr> </tbody> </table>	<input type="checkbox"/> OWNED	Each Accident - Single B.I. and P.D. Combined	<input type="checkbox"/> NON-OWNED	Each Person	<input type="checkbox"/> HIRED	Each Accident or Occurrence		Each Accident or Occurrence
<input type="checkbox"/> OWNED	Each Accident - Single B.I. and P.D. Combined											
<input type="checkbox"/> NON-OWNED	Each Person											
<input type="checkbox"/> HIRED	Each Accident or Occurrence											
	Each Accident or Occurrence											
OTHER				**IF THE CONTRACT BETWEEN HR LOGIC, INC AND THE CLIENT TERMINATES, THIS CERTIFICATE IS NULL AND VOID.								

ADDITIONAL COMMENTS

COVERAGE IS PROVIDED FOR ONLY THOSE EMPLOYEES LEASED TO, BUT NOT SUBCONTRACTORS OF: PARALIGN REVENUE MANAGEMENT

the certificate expiration date is continuous or extended term, you will be notified if coverage is terminated or reduced before the certificate expiration date.

SPECIAL NOTICE-OMIG: ANY PERSON WHO, WITH INTENT TO DEFRAUD OR KNOWING THAT HE IS FACILITATING A FRAUD AGAINST AN INSURER, SUBMITS AN APPLICATION OR FILES A CLAIM CONTAINING A FALSE OR DECEPTIVE STATEMENT IS GUILTY OF INSURANCE FRAUD.

IMPORTANT NOTICE TO FLORIDA POLICYHOLDERS AND CERTIFICATE HOLDERS: IN THE EVENT YOU HAVE ANY QUESTIONS OR NEED INFORMATION ABOUT THIS CERTIFICATE FOR ANY REASON, PLEASE CONTACT YOUR LOCAL SALES PRODUCER, WHOSE NAME AND TELEPHONE NUMBER APPEARS IN THE UPPER RIGHT HAND CORNER OF THIS CERTIFICATE. THE APPROPRIATE LOCAL SALES OFFICE MAILING ADDRESS MAY ALSO BE OBTAINED BY CALLING THIS NUMBER.

NOTICE OF CANCELLATION: (NOT APPLICABLE UNLESS A NUMBER OF DAYS IS ENTERED BELOW.) BEFORE THE STATED EXPIRATION DATE THE COMPANY WILL CANCEL OR REDUCE THE INSURANCE AFFORDED UNDER THE ABOVE POLICIES UNTIL AT LEAST 30 DAYS

SAN MATEO CITY GENERAL HOSPITAL
 JANELLE QUINTANA, CONTRACT COORDINATOR
 222 WEST 39TH AVE
 SAN MATEO CA 94403

300
A-4

Helene M. McBrearty
 Helene McBrearty

AUTHORIZED REPRESENTATIVE

Wayne, PA (610)-971-9394

7/1/2001

OFFICE PHONE NUMBER DATE ISSUED