



**COUNTY OF SAN MATEO**  
**Inter-Departmental Correspondence**

Information Services Department

**DATE:** August 17, 2009  
**BOARD MEETING DATE:** September 22, 2009  
**SPECIAL NOTICE/HEARING:** None  
**VOTE REQUIRED:** Majority

**TO:** Honorable Board of Supervisors

**FROM:** Chris Flatmoe, CIO/Director, Information Services  
Jean S. Fraser, Chief, Health Systems  
Susan Ehrlich, MD, MPP, CEO/San Mateo Medical Center

**SUBJECT:** Amendment No. 2 with The Data Systems Group

**RECOMMENDATION:**

Adopt a Resolution authorizing the President of the Board to execute Amendment No. 2 to the Agreement with The Data Systems Group (DSG) to provide services for software maintenance, upgrades, and support, increasing the contract amount by up to \$92,753.65 for a new total maximum fiscal obligation of \$340,295.97, and extending the term through June 30, 2010.

**BACKGROUND:**

DSG has provided the San Mateo Medical Center (SMMC) with insurance claims editing software, product customization, support and training for electronic remittance advices. These services have been recently supplemented with new software modules that correct claims-billing and assist with insurance billing compliance.

**DISCUSSION:**

The DSG insurance claims management system is currently interfaced with San Mateo Medical Center's patient registration and billing system (Invision). The DSG system has several hundred customizations that are specific to San Mateo Medical Center. Significant time, effort, and expertise would be required to convert the existing claims management system to another vendor. We believe it is in the best interest of the County to extend this contract an additional nine (9) months and allow SMMC to initiate an RFP process to determine the best vendor for these services in the future.



The Agreement with DSG assures compliance with the County's Contractor Employee Jury Service Ordinance, as well as all other contract provisions that are required by County ordinance and administrative memoranda, including but not limited to insurance, hold harmless, non-discrimination and equal benefits. Risk Management has reviewed and approved Contractor's insurance and County Counsel has reviewed and approved the Amendment and Resolution as to form.

Approval of this agreement contributes to the Shared Vision 2025 outcome of a Collaborative Community due to fiscal accountability by enhancing SMMC's economic viability by increasing the number of payable claims filed. It is expected that the following number of payable claims filed will be met.

**Performance Measure(s):**

<b>Measure</b>	<b>FY 2008-09 Actual</b>	<b>FY 2009-10 Projected</b>
<b>Number of payables claims filed</b>	<b>561,424</b>	<b>611,952</b>

**FISCAL IMPACT:**

The term of this Agreement will be July 1, 2007 through June 30, 2010. This Agreement has a total fiscal obligation of \$340,295.97. \$123,676 is included in the FY 2009-10 SMMC tentatively Adopted Budget. Expenses at SMMC are covered by fees for services or third-party payors whenever possible. The portion of expenses for services provided to the medically indigent or to those covered by programs that do not meet the full costs of care are covered by the County's General Fund contribution to SMMC.