



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Health System



DATE: July 15, 2011
BOARD MEETING DATE: August 9, 2011
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority

TO: Honorable Board of Supervisors

FROM: Jean S. Fraser, Chief, Health System
Susan Ehrlich, MD, MPP, Chief Executive Officer
San Mateo Medical Center

SUBJECT: Agreement with ELIPSe

RECOMMENDATION:

Adopt a Resolution authorizing the:

- A) President of the Board to execute an Agreement with ELIPSe for coding consultation and interim management services for the term September 1, 2011 through August 31, 2014, for a maximum obligation of \$938,500; and
- B) Chief of the Health System or designee to execute contract amendments which modify the County's maximum fiscal obligation by no more than \$25,000 (in aggregate), and/or modify the contract term and/or services so long as the modified term or services is/are within the current or revised fiscal provisions.

BACKGROUND:

Currently multiple government-mandated coding systems and "grouping" methodologies are used by health care providers to report and bill for the medical services they provide. Inaccurate reporting of codes can result in inadvertent overbilling for services provided and place the facility at risk for substantial penalties, and conversely, inaccurate and/or underreporting of coded data can result in underpayments and the loss of significant revenues. Audits of the coded data generated and reported by San Mateo Medical Center (SMMC) in recent years have documented significant variability in the accuracy of coded data. While a number of initiatives have been undertaken to improve the quality of coding, the processes by which codes are generated and reported throughout SMMC remain largely decentralized with no overall oversight of the function or of the quality of coded data.

DISCUSSION:

In November 2010 a Request for Proposals (RFP) was issued for Coding Consultation and Interim Management Services. ELIPSe's proposal was elevated

because of their systematic approach to SMMC's needs and stated deliverables in addition to being cost competitive. This Agreement will provide SMMC with coding assistance and expertise that, for the first time, will have as its goal global oversight and control of SMMC's coding function. Specifically, this Agreement will provide interim management of coding operations while SMMC conducts a search for a permanent coding manager. In addition, ELIPSe will assess the current coding policies and procedures and implement a program that will train internal staff in an established coding process that will allow the SMMC to perform this process in-house.

County Counsel has reviewed and approved the Agreement and Resolution as to form. The Contractor's insurance has been reviewed and approved by Risk Management.

The Contractor has assured 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.

This Agreement contributes to the Shared Vision 2025 outcome of a Healthy Community by providing SMMC with ongoing quarterly audits of inpatient/outpatient fee for service coding and verifying the accuracy of the reimbursement. It is anticipated that SMMC's cost per adjusted patient day will increase from \$881 to \$918.

Performance Measure:

Measure	FY 2009-10 Actual	FY 2010-11 Projected
SMMC cost per adjusted patient day	\$881	\$918*

*Due to increase in operating costs

FISCAL IMPACT:

The term of the Agreement is September 1, 2011 through August 31, 2014. The maximum fiscal obligation is \$938,500. Funds in the amount of \$260,690 are included in the SMMC FY 2011-12 Recommended Budget. Funds in the amount of \$312,828 will be included in the SMMC FY 2012-13 Recommended Budget. Similar arrangements will be made for future years.

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.

Request for Proposals Matrix

1.	General Description of RFP	Coding Consultation and Interim Management Services
2.	List key evaluation criteria	<ul style="list-style-type: none"> • Proposed approach to coding • Proposed staffing needs • Proposed metrics/deliverables • Cost associated with proposed plan
3.	Where advertised	San Mateo Medical Center Website
4.	In addition to any advertisement, list others to whom RFP was sent	3M Health Information System Caban Resources, LLC Care Communications, Inc. ELIPSe Healthcare Cost Solutions HFS Consultants Hirschl & Associates National Healthcare Review Peak Health Solutions
5.	Total number sent to prospective proposers	9
6.	Number of proposals received	5
7.	Who evaluated the proposals	James Hughey, CFO Brian Faust, Director HIM Christine Garvey, Assistant Director HIM Conrad Fernandes, Manager Corporate Compliance Maxine da Roza, Director of Materials Management
8.	In alphabetical order, names of proposers (or finalists, if applicable) and location	ELIPSEe 11901 Santa Monica Blvd. Los Angeles, CA 90025 SourceCorp HealthServe 301 Science Dr. Suite,240 Moorpark, CA 93021

RESOLUTION NO. _____

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

* * * * *

RESOLUTION AUTHORIZING THE: A) PRESIDENT OF THE BOARD TO EXECUTE AN AGREEMENT WITH ELIPSE FOR CODING CONSULTATION AND INTERIM MANAGEMENT SERVICES FOR THE TERM OF SEPTEMBER 1, 2011 THROUGH AUGUST 31, 2014, FOR A MAXIMUM OBLIGATION OF \$938,500; AND B) CHIEF OF THE HEALTH SYSTEM OR DESIGNEE TO EXECUTE CONTRACT AMENDMENTS WHICH MODIFY THE COUNTY'S MAXIMUM FISCAL OBLIGATION BY NO MORE THAN \$25,000 (IN AGGREGATE), AND/OR MODIFY THE CONTRACT TERM AND/OR SERVICES SO LONG AS THE MODIFIED TERM OR SERVICES IS/ARE WITHIN THE CURRENT OR REVISED FISCAL PROVISIONS

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

WHEREAS, inaccurate reporting of codes can result in inadvertent over billing for services provided and place the facility at risk for substantial penalties, and conversely, inaccurate and/or underreporting of coded data can result in underpayments and the loss of significant revenues; and

WHEREAS, audits of the coded data generated and reported by San Mateo Medical Center (SMMC) in recent years have documented significant variability in the accuracy of coded data; and

WHEREAS, while a number of initiatives have been undertaken to improve the quality of coding, the processes by which codes are generated and reported throughout SMMC remain largely decentralized with no overall oversight of the function or of the quality of coded data; and

WHEREAS, in November 2010 a Request for Proposals (RFP) was issued for Coding Consultation and Interim Management Services; and

WHEREAS, ELIPSe's proposal was elevated because of their systematic approach to SMMC's needs and stated deliverables in addition to being cost competitive; and

WHEREAS, both parties now wish to enter into an Agreement to provide Coding Consultation and Interim Management Services for the period of September 1, 2011 through August 31, 2014, for a maximum fiscal obligation of \$938,500; and

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

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 Agreement for and on behalf of the County of San Mateo, and the Clerk of the Board shall attest the President's signature thereto.

BE IT FURTHER RESOLVED that the Chief of the Health System or designee is authorized to execute contract amendments which modify the County's maximum fiscal obligation by no more than \$25,000 (in aggregate), and/or modify the contract term and/or services so long as the modified term or services is/are within the current or revised fiscal provisions.

* * * * *

**AGREEMENT BETWEEN THE COUNTY OF SAN MATEO AND
ELIPSe**

THIS AGREEMENT, entered into this _____ day of _____ ,
20____, by and between the COUNTY OF SAN MATEO, hereinafter called "County,"
and ELIPSe, hereinafter called "Contractor";

W I T N E S S E T H:

WHEREAS, pursuant to Government Code, Section 31000, County may contract with independent contractors for the furnishing of such services to or for County or any Department thereof;

WHEREAS, it is necessary and desirable that Contractor be retained for the purpose of Coding Consultation and Interim Mismanagement Services.

**NOW, THEREFORE, IT IS HEREBY AGREED BY THE PARTIES HERETO
AS FOLLOWS:**

1. Exhibits and Attachments

The following exhibits and attachments are included hereto and incorporated by reference herein:

Exhibit A—Services

Exhibit B—Payments and rates

Exhibit E – Corporate Compliance SMMC Code of Conduct (Third Parties)

Attachment H—HIPAA Business Associate requirements

Attachment I—§ 504 Compliance

2. Services to be performed by Contractor

In consideration of the payments set forth herein and in Exhibit “B,” Contractor shall perform services for County in accordance with the terms, conditions and specifications set forth herein and in Exhibit “A.”

3. Payments

In consideration of the services provided by Contractor in accordance with all terms, conditions and specifications set forth herein and in Exhibit "A," County shall make payment to Contractor based on the rates and in the manner specified in Exhibit "B." The County reserves the right to withhold payment if the County determines that the quantity or quality of the work performed is unacceptable. In no event shall the County’s total fiscal obligation under this Agreement exceed NINE HUNDRED AND THIRTY-EIGHT THOUSAND FIVE HUNDRED DOLLARS (\$938,500).

4. Term and Termination

Subject to compliance with all terms and conditions, the term of this Agreement shall be from September 1, 2011 through August 31, 2014.

This Agreement may be terminated by Contractor, the Chief of the Health System or his/her designee at any time without a requirement of good cause upon thirty (30) days' written notice to the other party.

In the event of termination, all finished or unfinished documents, data, studies, maps, photographs, reports, and materials (hereafter referred to as materials) prepared by Contractor under this Agreement shall become the property of the County and shall be promptly delivered to the County. Upon termination, the Contractor may make and retain a copy of such materials. Subject to availability of funding, Contractor shall be entitled to receive payment for work/services provided prior to termination of the Agreement. Such payment shall be that portion of the full payment which is determined by comparing the work/services completed to the work/services required by the Agreement.

5. Availability of Funds

The County may terminate this Agreement or a portion of the services referenced in the Attachments and Exhibits based upon unavailability of Federal, State, or County funds, by providing written notice to Contractor as soon as is reasonably possible after the County learns of said unavailability of outside funding.

6. Relationship of Parties

Contractor agrees and understands that the work/services performed under this Agreement are performed as an independent Contractor and not as an employee of the County and that Contractor acquires none of the rights, privileges, powers, or advantages of County employees.

7. Hold Harmless

Contractor shall indemnify and save harmless County, its officers, agents, employees, and servants from all claims, suits, or actions of every name, kind, and description, brought for, or on account of: (A) injuries to or death of any person, including Contractor, or (B) damage to any property of any kind whatsoever and to whomsoever belonging, (C) any sanctions, penalties, or claims of damages resulting from Contractor's failure to comply with the requirements set forth in the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and all Federal regulations promulgated thereunder, as amended, or (D) any other loss or cost, including but not limited to that caused by the concurrent active or passive negligence of County, its officers, agents, employees, or servants, resulting from the performance of any work required of Contractor or payments made pursuant to this Agreement, provided that this shall not apply to injuries or damage for which County has been found in a court of competent jurisdiction to be solely liable by reason of its own negligence or willful misconduct.

The duty of Contractor to indemnify and save harmless as set forth herein, shall include the duty to defend as set forth in Section 2778 of the California Civil Code.

8. Assignability and Subcontracting

Contractor shall not assign this Agreement or any portion thereof to a third party or subcontract with a third party to provide services required by contractor under this Agreement without the prior written consent of County. Any such assignment or subcontract without the County's prior written consent shall give County the right to automatically and immediately terminate this Agreement.

9. Insurance

The Contractor shall not commence work or be required to commence work under this Agreement unless and until all insurance required under this paragraph has been obtained and such insurance has been approved by Risk Management, and Contractor shall use diligence to obtain such insurance and to obtain such approval. The Contractor shall furnish the County with certificates of insurance evidencing the required coverage, and there shall be a specific contractual liability endorsement extending the Contractor's coverage to include the contractual liability assumed by the Contractor pursuant to this Agreement. These certificates shall specify or be endorsed to provide that thirty (30) days' notice must be given, in writing, to the County of any pending change in the limits of liability or of any cancellation or modification of the policy.

- (1) **Worker's Compensation and Employer's Liability Insurance** The Contractor shall have in effect during the entire life of this Agreement Workers' Compensation and Employer's Liability Insurance providing full statutory coverage. In signing this Agreement, the Contractor certifies, as required by Section 1861 of the California Labor Code, that it is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions of the Code, and will comply with such provisions before commencing the performance of the work of this Agreement.
- (2) **Liability Insurance** The Contractor shall take out and maintain during the life of this Agreement such Bodily Injury Liability and Property Damage Liability Insurance as shall protect him/her while performing work covered by this Agreement from any and all claims for damages for bodily injury, including accidental death, as well as any and all claims for property damage which may arise from contractors operations under this Agreement, whether such operations be by himself/herself or by any sub-contractor or by anyone directly or indirectly employed by either of them. Such insurance shall be combined single limit bodily injury and property damage for each occurrence and shall be not less than the amount specified below.

Such insurance shall include:

- (a) Comprehensive General Liability \$1,000,000
 . . .
- (b) Motor Vehicle Liability Insurance \$1,000,000
 . . .
- (c) Professional Liability \$1,000,000
 . . .

County and its officers, agents, employees and servants shall be named as additional insured on any such policies of insurance, which shall also contain a provision that the insurance afforded thereby to the County, its officers, agents, employees and servants shall be primary insurance to the full limits of liability of the policy, and that if the County or its officers and employees have other insurance against the loss covered by such a policy, such other insurance shall be excess insurance only.

In the event of the breach of any provision of this section, or in the event any notice is received which indicates any required insurance coverage will be diminished or canceled, the County of San Mateo at its option, may, notwithstanding any other provision of this Agreement to the contrary, immediately declare a material breach of this Agreement and suspend all further work pursuant to this Agreement.

10. Compliance with laws; payment of Permits/Licenses

All services to be performed by Contractor pursuant to this Agreement shall be performed in accordance with all applicable Federal, State, County, and municipal laws, ordinances and regulations, including, but not limited to, the Health Insurance Portability and Accountability Act of 1996 (HIPAA), and the Federal Regulations promulgated thereunder, as amended, and will comply with the Business Associate requirements set forth in Attachment “H,” and the Americans with Disabilities Act of 1990, as amended, and Section 504 of the Rehabilitation Act of 1973, as amended and attached hereto and incorporated by reference herein as Attachment “I,” which prohibits discrimination on the basis of handicap in programs and activities receiving any Federal or County financial assistance. Such services shall also be performed in accordance with all applicable ordinances and regulations, including, but not limited to, appropriate licensure, certification regulations, provisions pertaining to confidentiality of records, and applicable quality assurance regulations. In the event of a conflict between the terms of this Agreement and State, Federal, County, or municipal law or regulations, the requirements of the applicable law will take precedence over the requirements set forth in this Agreement. The parties agree that, pursuant to Section 70713 of Title 22 of the California Code of Regulations (“Title 22”), the facility retains all professional and administrative responsibility for services rendered under this Agreement and that this Agreement is otherwise subject to any applicable requirements of Title 22. Further, Contractor certifies that the Contractor and all of its subcontractors will adhere to all applicable provisions of Chapter 4.106 of the San Mateo County Ordinance Code, which regulates the use of disposable food service ware.

Contractor will timely and accurately complete, sign, and submit all necessary documentation of compliance.

11. Non-Discrimination and Other Requirements

- A. *Section 504 applies only to Contractors who are providing services to members of the public.* Contractor shall comply with § 504 of the Rehabilitation Act of 1973, which provides that no otherwise qualified handicapped individual shall, solely by reason of a disability, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination in the performance of this Agreement.
- B. *General non-discrimination.* No person shall, on the grounds of race, color, religion, ancestry, gender, age (over 40), national origin, medical condition (cancer), physical or mental disability, sexual orientation, pregnancy, childbirth or related medical condition, marital status, or political affiliation be denied any benefits or subject to discrimination under this Agreement.
- C. *Equal employment opportunity.* Contractor shall ensure equal employment opportunity based on objective standards of recruitment, classification, selection, promotion, compensation, performance evaluation, and management relations for all employees under this Agreement. Contractor's equal employment policies shall be made available to County of San Mateo upon request.
- D. *Violation of Non-discrimination provisions.* Violation of the non-discrimination provisions of this Agreement shall be considered a breach of this Agreement and subject the Contractor to penalties, to be determined by the County Manager, including but not limited to
 - i) termination of this Agreement;
 - ii) disqualification of the Contractor from bidding on or being awarded a County contract for a period of up to 3 years;
 - iii) liquidated damages of \$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 section, the County Manager shall have the authority to examine Contractor's employment records with respect to compliance with this paragraph and/or to set off all or any portion of the amount described in this paragraph against amounts due to Contractor under the Contract or any other Contract 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 30 days of such filing, provided that within such 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 their response to the Complaint when filed.

- E. *Compliance with Equal Benefits Ordinance.* With respect to the provision of employee benefits, Contractor shall comply with the County Ordinance which prohibits contractors from discriminating in the provision of employee benefits

- between an employee with a domestic partner and an employee with a spouse.
- F. The Contractor shall comply fully with the non-discrimination requirements required by 41 CFR 60-741.5(a), which is incorporated herein as if fully set forth.

12. Compliance with Contractor Employee Jury Service Ordinance

Contractor shall comply with the County Ordinance with respect to provision of jury duty pay to employees and have and adhere to a written policy that provides that its employees shall receive from the Contractor, on an annual basis, no less than five days of regular pay for actual jury service in San Mateo County. The policy may provide that employees deposit any fees received for such jury service with the Contractor or that the Contractor deduct from the employees' regular pay the fees received for jury service.

13. Retention of Records, Right to Monitor and Audit

(a) CONTRACTOR shall maintain all required records for three (3) years after the COUNTY makes final payment and all other pending matters are closed, and shall be subject to the examination and/or audit of the County, a Federal grantor agency, and the State of California.

(b) Reporting and Record Keeping: CONTRACTOR shall comply with all program and fiscal reporting requirements set forth by appropriate Federal, State and local agencies, and as required by the COUNTY.

(c) CONTRACTOR agrees to provide to COUNTY, to any Federal or State department having monitoring or review authority, to COUNTY's authorized representatives, and/or their appropriate audit agencies upon reasonable notice, access to and the right to examine all records and documents necessary to determine compliance with relevant Federal, State, and local statutes, rules and regulations, and this Agreement, and to evaluate the quality, appropriateness and timeliness of services performed.

14. Merger Clause

This Agreement, including the Exhibits attached hereto and incorporated herein by reference, constitutes the sole Agreement of the parties hereto and correctly states the rights, duties, and obligations of each party as of this document's date. In the event that any term, condition, provision, requirement or specification set forth in this body of the agreement conflicts with or is inconsistent with any term, condition, provision, requirement or specification in any exhibit and/or attachment to this agreement, the provisions of this body of the agreement shall prevail. Any prior agreement, promises, negotiations, or representations between the parties not expressly stated in this document are not binding. All subsequent modifications shall be in writing and signed by the parties.

15. Controlling Law and Venue

The validity of this Agreement and of its terms or provisions, as well as the rights and duties of the parties hereunder, the interpretation, and performance of this Agreement shall be governed by the laws of the State of California. Any dispute arising out of this Agreement shall be venued either in the San Mateo County Superior Court or in the

United States District Court for the Northern District of California.

16. Notices

Any notice, request, demand, or other communication required or permitted hereunder shall be deemed to be properly given when both (1) transmitted via facsimile to the telephone number listed below and (2) either deposited in the United State mail, postage prepaid, or when deposited for overnight delivery with an established overnight courier that provides a tracking number showing confirmation of receipt, for transmittal, charges prepaid, addressed to:

In the case of County, to:

San Mateo Medical Center
222 W. 39th Avenue
San Mateo, CA 94403
Facsimile: (650) 573-2030

In the case of Contractor, to:

Elaine Lips, RHIA
President & CEO
11901 Santa Monica Blvd., Ste 500
Los Angeles, CA 90025
Facsimile: (310) 471-2588

In the event that the facsimile transmission is not possible, notice shall be given both by United States mail and an overnight courier as outlined above.

IN WITNESS WHEREOF, the parties hereto, by their duly authorized representatives, have affixed their hands.

COUNTY OF SAN MATEO

By: _____
President, Board of Supervisors, San Mateo
County

Date: _____

ATTEST:

By: _____
Clerk of Said Board

Elaine Lips RHIA
President & CEO, ELIPSe

Contractor's Signature

Date: _____

Long Form Agreement/Business Associate
SMMC rev. 1/25/11

Exhibit "A"

In consideration of the payments set forth in Exhibit "B", Contractor shall provide the following services:

- Month One:
 - **Interim Coding Manager starts**
 - Orientation of SMMC, HIM Department, Inpatient Coding Staff, Outpatient and Professional Fee Coding Staff, and functions of each area
 - Meet with HR to review and understand personnel policies and union policies
 - Begin day to day supervision of coding staff
 - Schedule a one on one meeting with each coder
 - Review and understand SMMC and HIM policies and procedures as they relate to coding
 - Begin to set up standing meetings with CFO (if appropriate), HIM Director, Revenue Cycle, inpatient coders, outpatient coders, and professional fee coders
 - Review previous external audit reports
 - Provide ongoing feedback and advice to the coding staff and other hospital personnel who use coded data (ongoing)
 - Understand current coding workflow of coding including current status of clinical documentation and physician query procedures
- Month Two:
 - **Consultant 1:** On site to begin assessment of inpatient, outpatient and pro fee coding workflow and coders; will also use information from the ELIPSe Coding Assessment Report from August 2010 to validate if any of the recommendations have been initiated; present preliminary findings on last day of site visit

- **Consultant 2:** Determine baseline audit: Meet or conference call with Compliance, Revenue Cycle, Quality Management, and other appropriate departments to discuss and determine the objectives of internal baseline audits to be conducted on inpatient, outpatient and professional fee coding
 - Meet or conference call with any internal and/or external auditors regarding previous and/or ongoing coding audits
 - Based on input received, determine which internal baseline audit to start (inpatient, outpatient, and/or professional fee coding)
 - Baseline audit for inpatient will include assessing clinical documentation
- Month Three
 - **Consultant 1:** Will present Report of final findings and recommendations based on input from the exit conference.
 - **Consultant 2:** Begin first internal baseline audit (inpatient) and present preliminary findings to Compliance, HIM Director, CFO; adjust audit methodology, if needed.
 - Present preliminary findings on last day of site visit
 - Submit first baseline audit report within 12-15 days from site visit
 - Develop new policies and procedures, if needed.
- Month Four
 - **Consultant 1:** Begin implementing any approved changes and/or develop new policies and procedures as a result of the findings and/or recommendations of the coding workflow assessment (one week on site)
 - **Consultant 2:** Begin second internal baseline audit (pro fee coding) and present preliminary findings to Compliance, HIM Director, CFO

- Present preliminary findings on last day of site visit
 - Submit second baseline audit report within 12-15 days from site visit
 - Develop new policies and procedures, if needed
- Month Five
 - **Consultant 1:** Continue with follow up work on site (one week on site)
 - **Consultant 2:** Begin third internal baseline audit (outpatient) and present preliminary findings to Compliance, HIM Director, CFO
 - Present preliminary findings on last day of site visit
 - Submit second baseline audit report within 12-15 days from site visit
 - Develop new policies and procedures, if needed
- Month Six
 - **Consultant 1:** Continue with follow up work on site (one week on site)
 - **Consultant 2:** Work with Compliance and CFO to determine the frequency of internal coding audits by patient type based on the findings and recommendations of the internal baseline audits.
 - Develop master schedule for remainder of the year
- Month Seven
 - Begin Clinical Documentation Improvement Program

Month one to end of interim coding management:

- Coding Manger will have the following responsibilities on an ongoing basis:

- Coordinate with treatment areas the collection and reporting of diagnosis, procedure and pro fee codes (ongoing)
- Respond to billing office requirements for coded data (ongoing)
- Coordinate CDM updates with CDM Coordinator (ongoing)
- Provide continuing education of the coding staff
- Provide ongoing monitoring and feedback to the coders
- Attend Committee meetings, or other SMMC required meetings, as appropriate (ongoing)
- Meet with physicians on an as needed basis (ongoing)
- Schedule meetings on an as needed basis with other department managers, and physicians as it pertains to coding
- Interview any applicants for the Coding Manager position
- Standing meetings with:
 - HIM Director
 - Revenue Cycle (including CDM)
 - Coders (to include education and training on current coding issues, and planning for ICD10, as appropriate)
- Attend external meetings, as appropriate (e.g., coding seminar)
- Transition position to newly hired Coding Manager

Clinical Documentation Improvement Program (start approximately month seven of the engagement)

- ELIPSe will provide CDI consultant to develop and implement a Clinical Documentation Improvement Program

ICD-10 CM/PCS TRAINING

2011-2012:

ICD10 Preparation: Awareness presentations, coder gap analysis, coder focus group meetings, re-education and training.

2012-2013:

I. High Level Training: Introduction to ICD10 CM and PCS code structure and organization; conventions used, and design.

- Introduction to ICD-10 CM and PCS code structure and organization, conventions used, and design:
 1. Develop training materials - 24 hours
 2. Develop educational sessions to introduce the basics of ICD-10 CM and PCS: 1-2 hours per session
 3. Provide educational sessions on a regularly scheduled basis determined by SMMC

II. Moderate Level Training: 3 hours on ICD-10 CM and 3 hours on ICD-10 PCS; 6 hours total of continuing education:

- Review the ICD-10 Official Coding Guidelines and coding system differences; review coding changes to ICD-10
- Overview of ICD-10 CM: 3 hours per session
- Overview of ICD-10 PCS: 3 hours per session
- Schedule after 10/1/2012 to include any new code changes
- 40 hours preparation & development of materials;

April – September 2013:

- Educate and train non-coders: Revenue Cycle billers, business analysts, report writers, etc. On site one day - per session: 3 hours ICD-10 CM, 3 hours ICD-10 PCS

III. ICD10 CM/PCS Comprehensive education and training: (March – Sept 2013)

- Start April 2013: ICD-10 CM/PCS comprehensive education and training
 1. Preparation and development of training materials (approx 200 hrs)
 2. ICD-10 CM & PCs training: 39 hours of actual classroom time
 3. Comprehensive exam – trainees will require a 80% pass rate before moving to code assignment

2014:

January – June: Repeat of Levels I, II, and III as needed.

Exhibit "B"

In consideration of the services provided by Contractor in Exhibit "A", County shall pay Contractor based on the following fee schedule:

- **Interim Coding Management:** \$22,000 per month. Monday through Thursday on site, Friday work remotely. Includes SMMC holidays and off site continuing education time if approved in advance.
- **Inpatient/Outpatient/Pro Fee Workflow Assessment and follow up visits:** \$55,000.00. If additional follow up work is required after month six: \$175 per hour.
- **Coding Baseline Audits** (Inpatient, Outpatient, Pro Fee): \$10,000.00 per audit. Quarterly follow-up coding audits: \$10,000.00 per audit.
- **ICD10 Preparation:** Awareness presentations, coder gap analysis, coder focus group meetings, re-education and training (one week on site): \$8,000.00. Number of weeks on site TBD.
- **ICD10 High Level Training:** Development of training materials – 24 hours: \$6,000.00. Educational sessions 1-2 hours per session, 3 sessions per day: \$2,000.00. Number of training days TBD.
- **ICD10 Moderate Level Training:** Development of training materials – 40 hours: \$8,000.00. Educational sessions, 3 hours per session, 2 sessions per day: \$2,000.00. Number of training days TBD.
- **ICD10 CM/PCS Comprehensive Educations and Training:** Development of training materials – approximately 200 hours (five weeks) at \$8,000.00 per week. Six educational sessions, 6.5 hours per day: \$12,000.00.
- **Clinical Documentation Improvement Program – Option I,** Karen Dayton \$60,000.
- **Clinical Documentation Improvement Program – Option II,** DocuComp, LLC First Option \$106,000 and Second Option \$90, 600

Additional Services:

- Backfill Coding: \$80.00 per hour
- Interim CDI Specialist: \$25,000.00 per month
- ICD10 Awareness Presentations: \$2,000.00 per day

All amounts listed in this exhibit are inclusive of travel, lodging, and other costs incurred by Contractor, and Contractor is not entitled to submit any receipts or expenses for reimbursement under this Agreement.

Exhibit "C"

Assumptions:

Engagement begins on Sept 1, 2011 = Month 1

Interim Coding Manager - guarantee for six months.

		Consultant 1					
Month		1. Int Coding Mgmt	2. IP/OP/ProFee Assessment & Follow UP				
Start Sep 1, 2011						Optional	
1	Sep 2011	22,500					
2	Oct	22,500		55,000			
3	Nov	22,500				10,000	
4	Dec	22,500				10,000	
5	Jan 2012	22,500				10,000	
6	Feb	22,500				10,000	
7	Mar	22,500				10,000	
8	Apr	22,500				10,000	
9	May	22,500					
10	Jun	22,500					
11	Jul	22,500					
12	Aug	22,500					
13	Sep						
14	Oct						
15	Nov						
16	Dec						
17	Jan 2013						
18	Feb						
19	Mar						
20	Apr						
21	May						
22	Jun						
23	Jul						
24	Aug						
25	Sep						
26	Oct						
27	Nov						
28	Dec						
29	Jan 2014						

30	Feb							
31	Mar							
32	Apr							
33	May							
34	Jun							
35	Jul							
36	Aug							
Subtotal		247,500		55,000		60,000		
Total		938,500						

Assumptions:

Engagement begins on Sept 1, 2011 = Month 1

Interim Coding Manager - guarantee for six months.

Consultant 2								
3. Coding Audits:						4. ICD10		5. CDI
Inpt	OP	ProFee	1/4 Inpt	1/4 OP	1/4 Pro	Prepare	Train	See proposal
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