
Setting the Standard in Health Care Excellence

October 29, 2024

Board of Supervisors
County of Ventura
800 South Victoria Avenue
Ventura, California 93009

SUBJECT:

Approval of, and Authorization for the Purchasing Agent or Designee to Sign Amendment One to the Statement of Work - Clinical Documentation Integrity Review with CorroHealth, Inc. Extending the Term to October 31, 2025 and Increasing the Not to Exceed Amount by \$15,000 From \$35,000 to \$50,000 for the Term November 1, 2023 to October 31, 2024, and for each Contract Term Thereafter; Approval of, and Authorization for the Purchasing Agent or Designee to Sign Amendment One to the Statement of Work – Utilization Management Services with CorroHealth, Inc. Extending to Term to October 31, 2025; Approval of, and Authorization for the Purchasing Agent or Designee to Sign Amendments Extending Both Statements of Work, in Accordance with Their Terms; Approval of, and Authorization for the Purchasing Agent or Designee to Sign Future Amendments to Make Administrative Modifications to the Statements of Work with County Counsel Approval.

RECOMMENDATION:

1. That your Board approve, and authorize the Purchasing Agent or designee to sign, Amendment 1 to the Statement of Work – Clinical Documentation Integrity Review (CDI) (Exhibit 1) with CorroHealth, Inc. extending the Statement of Work to October 31, 2025 and increasing, the not-to-exceed amount from \$35,000 to \$50,000 to apply to the term November 1, 2023 – October 31, 2024 and to each contract year thereafter.
2. That your Board approve, and authorize the Purchasing Agent or designee to sign, Amendment 1 to the Statement of Work – Utilization Management Services (UMS) (Exhibit 2) with CorroHealth, Inc. extending the Statement of Work to October 31, 2025.
3. That your Board approve, and authorize the Purchasing Agent or designee to sign, amendments to extend both Statements of Work in accordance with their terms.
4. That your Board approve and authorize the Purchasing Agent or designee to amend both Statements of Work to make corrections, clarifications, administrative

and budgetary changes, business entity name changes from mergers and acquisitions, excluding Taxpayer ID Numbers, scheduling, and technical changes, when the changes are consistent with the original purpose of the SOWs and do not result in additional costs to the County, subject to County Counsel review and approval.

FISCAL IMPACT:

Mandatory: No
Source of Funding: VCMC Operating Revenues/Collections
Funding Match Required: None
Impact on Other Departments: N/A

Summary of Annual Revenues and Costs Under these agreements:

	<u>Contract Year 1</u>	<u>Contract Year 2</u>
REVENUE:	\$15,000	\$50,000
DIRECT COSTS:	\$15,000	\$50,000
INDIRECT COSTS:	Minor	Minor
Net Revenue <cost>	\$0	\$0

CURRENT FISCAL YEAR BUDGET:

Current FY 2024-25 Budget Projections for Ventura County Medical System #3300				
	Adopted Budget	Adjusted Budget	Projected Actual	Estimated Savings/(Deficit)
Expenditures	\$720,985,484	\$720,985,484	\$720,985,484	\$0
Revenue	\$721,404,225	\$721,404,225	\$721,404,225	\$0
Operational Income/(Loss)	\$418,741	\$418,741	\$418,741	\$0

Sufficient revenue and appropriations are included in the FY 24-25 budget. The operational income includes "Operating Transfers In" that are primarily attributed to County contribution.

STRATEGIC PLAN PRIORITY:

The item presented in this Board letter supports the Healthy, Safe, and Resilient Communities strategic priority of the County Strategic Plan as it is designed to meet the goal of providing access to quality healthcare required for our community to thrive.


DISCUSSION:

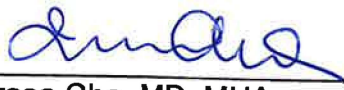
To address the Health Care Agency's (HCA) need to optimize financial performance, HCA met with six vendors to determine the best way to address the various issues within revenue cycle management. Several vendors provided demonstrations of their solutions. HCA determined CorroHealth, Inc. was best suited to address our revenue cycle management needs.

On September 26, 2023, Your Board approved a three (3) year Master Services Agreement with CorroHealth, Inc., a part of which was a Statement of Work for Clinical Documentation Integrity Review (CDI) in the amount of \$35,000 per contract year. Your Board also approved another Statement of Work for Utilization of Management Services (UMS) in the amount of \$247,600 for Contract Year 1, \$235,100 for Contract Year 2, and \$235,100 for Contract Year 3.

Though both Statements of Work had extension terms, the September 26, 2023 board letter did not include authority to extend the Statements of Work. Additionally, due to increased usage of services, since the beginning of services, HCA has found the need to increase the amount of the CDI Statement of Work to \$50,000 to apply to this first term and future extensions.

This letter has been reviewed by the County Executive Office, County Counsel, Auditor-Controller's Office, and General Services Agency Procurement Services. If you have any questions regarding this item, please call John Fankhauser, M.D., Chief Executive Officer, County Hospitals, at 805-652-6058.



John Fankhauser, M.D.
Chief Executive Officer, County Hospitals

Theresa Cho, MD, MHA
Health Care Agency Director

EXHIBITS

- Exhibit 1 – CorroHealth, Inc. – Amendment 1 to CDI Statement of Work
- Exhibit 2 – CorroHealth, Inc. – Amendment 1 to UMS Statement of Work