

Setting the Standard in Health Care Excellence

July 25, 2023

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 No. 4 to the Subscription Agreement with Huron Consulting Services LLC (Huron) for Clinical Documentation Improvement Software, Effective July 1, 2023 Through June 30, 2024, for an Annual Total of \$84,000; Approval of, and Authorization for the Purchasing Agent or Designee to Sign, Amendment No. 6 to the Subscription Agreement with Huron for Revenue Cycle Analytics Software and Revenue Cycle Workflow Software, Effective July 1, 2023 Through June 30, 2024, for an Annual Total of \$223,650; Ratification of the Health Care Agency's Authorization for Huron to Provide Services in Anticipation of Your Board's Approval.

RECOMMENDATIONS:

1. That your Board approve, and authorize the Purchasing Agent or designee to sign, amendment No. 4 to the subscription agreement with Huron Consulting Services LLC (Huron) (Exhibit 1) for clinical documentation improvement (CDI) software, extending the contract term through June 30, 2024 (fifth renewal term) with an annual subscription fee of \$74,000, and \$10,000 for the inclusion of TruCode Encoder Essentials (TruCode), for an annual total of \$84,000, and ratify the Health Care Agency's (HCA) continued use of the Huron software pending your Board's approval.
2. That your Board approve, and authorize the Purchasing Agent or designee to sign, amendment No. 6 to the subscription agreement with Huron for revenue cycle analytics software and revenue cycle workflow software (Exhibit 2), extending the contract term through June 30, 2024 (fifth renewal term) with an annual subscription fee of \$223,650, and ratify HCA's continued use of the Huron software pending your Board's approval.

REASON FOR RATIFICATIONS

HCA continued to use the Huron software pending your Board's approval of the necessary contract amendments to extend the software licenses.

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>FY 2023-24</u>	<u>FY 2024-25</u>
REVENUE:	\$307,650	\$0
DIRECT COSTS:	\$307,650	\$0
INDIRECT COSTS:	Minor	Minor
Net Revenue <cost>	\$0	\$0

CURRENT FISCAL YEAR BUDGET:

Current FY 2023-24 Budget Projections for Ventura County Medical Center #3300				
	Adopted Budget	Adjusted Budget	Projected Actual	Estimated Savings/(Deficit)
Expenditures	\$673,790,899	\$673,790,899	\$673,790,899	\$0
Revenue	\$665,452,626	\$665,452,626	\$665,452,626	\$0
Operational Income/(Loss)	(\$8,338,273)	(\$8,338,273)	(\$8,338,273)	\$0

Sufficient revenue and appropriations are included in the FY 23-24 adopted budget. The operational income includes "Operating Transfers In" that are primarily attributed to County contribution.

DISCUSSION:

Huron’s (Exhibit 1) CDI software was implemented in 2018 to monitor and support clinical documentation reviews. Included with the Huron CDI software since 2019 is a third-party software – TruCode Encoder Essentials - which automatically presents critical coding information for clinical documentation specialists (CDSs) and coders precisely when and where they need it, all within a single screen. CDS and coders balance accuracy with productivity by using TruCode’s streamlined coding workflow and renowned research pane. Huron provides quality and financial metrics to assess the financial benefit of the software. The systems also assess CDI impact on diagnosis-related groups (DRGs) and recommend improvements which can be used as educational tools for our practitioners. It also assesses if a facility is meeting length-of-stay targets and allowable days targets, and calculates the case mix index, a measure used to evaluate the diversity, complexity, and severity of illnesses treated at a health care facility. This is the only platform used by CDSs daily for reviews, physician’s queries, translating diagnoses into coding data, and appropriately assigning and reconciling the DRGs for particular episodes of care.

Huron's (Exhibit 2) revenue cycle software support functions include pre-registration, insurance verification, financial counseling, medical records coding, vendor management, and accounts receivable management (billing, collections, and account resolution). This revenue cycle analytics and workflow software provides HCA with the ability to analyze and report revenue cycle information. It has been in use since 2018.

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



Barry L. Zimmerman
Health Care Agency Director

EXHIBITS

Exhibit 1 - Huron Consulting Services LLC - Amendment No. 4 to Hosted Software
Subscription Agreement

Exhibit 2 - Huron Consulting Services LLC - Amendment No. 6 to Amended and Restated
Hosted Software Subscription Agreement