
Setting the Standard in Health Care Excellence

March 28, 2023

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

SUBJECT

Approval of, and Authorization for the Purchasing Agent or Designee to Accept, the Master Relationship Agreement with Change Healthcare Technologies, LLC for Software Solutions; Authorize Waiver of County Administrative Manual Policy No. Chapter VI-1 Prohibiting the Inclusion of Provisions for Attorney Fees, Interest, and Governing Laws Other than California in County Contracts.

RECOMMENDATION

That your Board approve, and authorize the Purchasing Agent or designee to accept, the Master Relationship Agreement (MRA) (Exhibit 1) with Change Healthcare Technologies, LLC (Change Health) for software solutions, with non-material changes approved by County Counsel, and authorize waiver of County Administrative Manual Policy No. Chapter VI-1 prohibiting the inclusion of provisions for attorney fees, interest, and governing law other than California in County contracts.

FISCAL IMPACT

There is no fiscal impact with this item.


DISCUSSION

The MRA before your Board will be used for software solutions provided by Change Health, in particular InterQual, a clinical screening criterion used to determine medical necessity for inpatient and observation level of care. Currently the Health Care Agency (HCA) is performing these determinations with MCG, formerly known as the Milliman Care Guidelines; however, multiple payors either use, or have recently switched to, InterQual as a means to increase their denial rate. Read-only access to InterQual guidelines is needed to enable utilization management (UM) staff to effectively appeal denials that are based on InterQual criteria. Without access to the standards, our UM staff cannot use InterQual. Having access to InterQual criteria will, in essence, allow the UM staff to redress the information imbalance when a health plan issues a denial using InterQual

criteria. Having access to both MCG and InterQual allows our UM team enhanced flexibility.

The MRA requires payment of interest on amounts that are unpaid more than thirty (30) days past the payment due date, as well as costs and expenses incurred in collecting any overdue amount, which may include attorney fees, and is governed by the laws of the State of Georgia. Accordingly, we are requesting that your Board approve waiver of County Administrative Manual Policy No. Chapter VI-1 to permit inclusion of these provisions in the MRA.

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 – Change Healthcare Technologies, LLC – Master Relationship Agreement