



Contra
Costa
County

To: Board of Supervisors
From: William Walker, M.D., Health Services Director
Date: May 23, 2017

Subject: Purchase Order with MCG Health, LLC for Milliman software implementation

RECOMMENDATION(S):

Approve and authorize the Purchasing Agent, on behalf of the Health Services Department, to execute (1) a purchase order with MCG Health, LLC, in an amount not to exceed \$300,000, and (2) a Master License Agreement with MCG Health, LLC for hosted patient utilization management software for the Contra Costa Health Plan's determination of medical necessity according to regulatory requirements, for the period from May 9, 2017 through November 8, 2017.

FISCAL IMPACT:

100% funding is included in the Hospital Enterprise Fund I budget.

BACKGROUND:

MCG Health, LLC will provide Contra Costa Health Plan (CCHP) with access to hosted software that uses evidence based guidelines to establish medical necessity, level of care appropriateness, medical justification determination and compliance. Through real-time clinical application, the CCHP utilization management department will be able to deliver determinations on clinical requests to providers efficiently, and knowing decisions are supported by evidence based criteria.

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY ADMINISTRATOR

☐ RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **05/23/2017** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

AYE: John Gioia, District I Supervisor
Candace Andersen, District II Supervisor
Diane Burgis, District III Supervisor
Karen Mitchoff, District IV Supervisor
Federal D. Glover, District V Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: May 23, 2017

David Twa, County Administrator and Clerk of the Board of Supervisors

By: Rolanda Hartfield, Deputy

Contact: David Runt,
925-335-8700

BACKGROUND: (CONT'D)

MCG Health, LLC will provide evidence based research to present the most effective courses of treatment and best quality of care.

Approval of this Purchase Order and the Master License Agreement will allow the Contractor to provide a static version application for the Utilization Management Department at Contra Costa Health Plan through November 8, 2017, and allow CCHP to maintain its compliance with regulatory requirements regarding patient utilization review.

The Master License Agreement obligates the County to indemnify MCG for losses arising out of County's use of the software or system for other than their intended purpose or in a manner inconsistent with the agreement, and for any claim, action or proceeding relating to the personal injury or death of any patient.