



**Contra  
Costa  
County**

To: Board of Supervisors  
From: Anna Roth, Health Services Director  
Date: September 21, 2021

Subject: Contract Amendment #27-799-12 with Health Management Systems, Inc.

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**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Health Services Director, or designee, to execute on behalf of the County Contract Amendment Agreement #27-799-12 with Health Management Systems, Inc., a corporation, effective September 1, 2021, to amend Contract #27-799-11 to decrease the payment limit by \$1,000,000, from \$3,000,000 to a new payment limit of \$2,000,000, with no change in the original term of January 1, 2021 through December 31, 2023.

**FISCAL IMPACT:**

This amendment will result in a decrease in contractual service expenditures of \$1,000,000 for a new total of \$2,000,000 over a 3-year period and will be funded 100% by Contra Costa Health Plan Enterprise Fund II revenues. (No rate increase)

**BACKGROUND:**

Contra Costa Health Plan is mandated by State and Federal law to have a comprehensive fraud, waste, and abuse prevention and detection program which must include measures that prevent, detect, and correct noncompliance with the Centers for Medicare and Medicaid Services (CMS) program requirements.

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY  
ADMINISTRATOR

☐ RECOMMENDATION OF BOARD  
COMMITTEE

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Action of Board On: **09/21/2021** ☒ 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: September 21, 2021

Monica Nino, County Administrator and Clerk of the Board of Supervisors

By: Laura Cassell, Deputy

Contact: Sharron Mackey,  
925-313-6104

On February 7, 2017, the Board of Supervisors approved Contract #27-799-6 with Health Management Systems, Inc., for the period from February 1, 2017 through January 31, 2019 for the provision of

## BACKGROUND: (CONT'D)

professional auditing services. On February 6, 2018, the Board of Supervisors approved Amendment Agreement #27-799-7 to add additional auditing service activities with no change to the payment limit of \$3,000,000 or term. On May 5, 2018, the Board of Supervisors approved Amendment/Extension Agreement #27-799-8 to increase the payment limit by \$300,000 to a new payment limit of \$3,300,000 and extend the termination date from January 31, 2019 to December 31, 2020. On January 7, 2020, the Board of Supervisors approved Amendment Agreement #27-799-9 to add additional auditing service activities with no change to the payment limit of \$3,300,000 or term. On February 2, 2021, the Board of Supervisors approved Contract #27-799-11 in the amount of \$3,000,000, for the period from January 1, 2021 through December 31, 2023 for the provision of professional auditing services. Contra Costa Health Plan (CCHP) has been contracting with this vendor since May 2010.

Due to a corporate acquisition, some capabilities provided under Contract #27-799-11 were acquired by Cotiviti, Inc. (Contract #27-791-10). Of the services provided to the County under Contract #27-799-11, Cotiviti, Inc. has acquired the capabilities required for the provision of Fraud, Waste and Abuse, Inpatient Diagnosis Related Group (DRG) Grouping/Pricing Audit and Eliza Services for HIF/MET Program. The capabilities for all other services contracted under Standard Contract #27-799-11 are retained under Standard Contract #27-799-11 (as modified by this Contract Amendment #27-799-12).

Approval of Contract Amendment #27-799-12, will allow this contractor to continue to provide services including insurance billing, provider recoupment, and insurance verifications for CCHP, through December 31, 2023.

## CONSEQUENCE OF NEGATIVE ACTION:

If this amendment is not approved, this contractor's service plan will not be revised, and the affected services will not be removed from the service plan.