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To: Board of Supervisors From: Anna Roth, Health Services Director Date: February 7, 2023 Subject: Amendment/Extension #23-652-1 with Change Healthcare Technologies, LLC

## **RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Health Services Director, or designee, to execute on behalf of the County Contract Amendment/Extension Agreement #23-652-1 with Change Healthcare Technologies, LLC, a limited liability company, effective January 21, 2023, to amend Contract #23-652, to increase the payment limit by \$1,197,192, from \$878,803, to a new payment limit of \$2,075,995, and extend the termination date from January 21, 2023 to January 21, 2026 for additional InterQual software support and services for the Health Services Department.

## **FISCAL IMPACT:**

Approval of this amendment will result in additional annual expenditures of up to \$1,197,192 and will be funded as budgeted by the department in FY 2022-26, by 100% Hospital Enterprise Fund I.

## **BACKGROUND:**

Change Healthcare Technologies, LLC licenses InterQual software, an evidence-based

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Contra Costa County clinical decision support solution, to help payers, providers, and government agencies make clinically appropriate medical utilization decisions. Contra Costa Regional Medical Center (CCRMC) uses the InterQual software and clinical content for performing medical necessity reviews. This software also helps determine appropriateness and level of admission, approximate length of stay, and determination of continued stay. The Contra Costa Health Plan (CCHP) has used InterQual since (at least) 2020 to ensure the appropriate utilization of resources and for medical necessity criteria. The contractor was awarded a sole-source contract for its solution based on its established communication cadence with Epic, the department's electronic

## BACKGROUND: (CONT'D)

health records system that helps to ensure best practices when integrating revenue cycle technology. On December 8, 2020, the Board of Supervisors approved Contract #23-652, with Change Healthcare Technologies, LLC, for the provision of software licenses and services regarding its InterQual software, for the period from January 22, 2020, through January 21, 2023. The department requests a retroactive effective date due to a delay in documentation from the contractor. Approval of Contract Amendment/Extension Agreement #23-652-1 will allow the contractor to continue providing software licensing and services through January 21, 2026.

CONSEQUENCE OF NEGATIVE ACTION: