

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF SAN BERNARDINO COUNTY
AND RECORD OF ACTION**

December 17, 2024

FROM

ANDREW GOLDFRACH, ARMC Chief Executive Officer, Arrowhead Regional Medical Center

SUBJECT

Amendment to Contract with Xtend Healthcare LLC, for Assignment to CorroHealth, Inc.

RECOMMENDATION(S)

Approve **Amendment No. 2 to Agreement No. 24-560** assigning the contract from Xtend Healthcare LLC, to CorroHealth, Inc., as a result of a corporate transaction, for the provision of audit services for coding and billing, effective December 17, 2024, with no changes to the contract amount of \$750,000 or contract term of June 4, 2021 through June 30, 2026. (Presenter: Andrew Goldfrach, ARMC Chief Executive Officer, 580-6150)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Provide for the Safety, Health and Social Service Needs of County Residents.

FINANCIAL IMPACT

Approval of this item will not result in the use of Discretionary General Funding (Net County Cost) as assigning the contract from Xtend Healthcare LLC, to CorroHealth Inc. (CorroHealth) is non-financial in nature.

BACKGROUND INFORMATION

Approval of this Amendment No. 2 to Agreement No. 24-560 will allow Arrowhead Regional Medical Center (ARMC) to continue to receive data related to inpatient and outpatient encounters per calendar quarter for the assessment of the documentation and the accuracy of coding assignments, claim submissions, and payments determinations and audit services.

On September 19, 2024, it was publicly announced that Xtend Healthcare, LLC's (Xtend) parent company, Navient, sold Xtend to CorroHealth. CorroHealth has accepted all of Xtend's obligations, responsibility and duties under Agreement No. 24-560, and the services will now be provided by CorroHealth.

On June 4, 2021, the Purchasing Agent approved SAP No. 4400017400 after a competitive procurement, for the provision of audit services for coding and billing, in the amount not-to-exceed \$750,000 for the term of June 4, 2021 through June 3, 2026.

On June 25, 2024 (Item No. 17), the Board approved Amendment No. 1 to Contract No. 24-560 with Xtend, expanding the scope of the current contract to include coding audits of inpatient and outpatient encounters to determine coding and documentation accuracy, increasing the annual not-to-exceed contract amount by \$50,000, from \$200,000 to \$250,000 with a total not-to-

**Amendment to Contract with Xtend Healthcare LLC, for Assignment to CorroHealth, Inc.
December 17, 2024**

exceed contract amount of \$750,000, with no change to the contract term of June 4, 2021 through June 30, 2026.

ARMC recommends approval of the amendment to provide for the health and safety of County residents and the advancement of healthcare outcomes resulting from audits and recommendations for the development of staff and operational improvements.

PROCUREMENT

Not Applicable.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Bonnie Uphold, Supervising Deputy County Counsel, 387-5455) on November 21, 2024; Purchasing (Veronica Pedace, Buyer III, 387-2464) on November 21, 2024; ARMC Finance (Chen Wu, Finance and Budget Officer, 580-3165) on November 21, 2024; Finance (Jenny Yang, Administrative Analyst, 387-4884) on November 26, 2024; and County Finance and Administration (Valerie Clay, Deputy Executive Officer, 387-5423) on November 26, 2024.

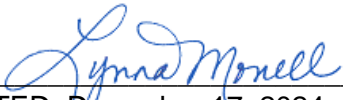
**Amendment to Contract with Xtend Healthcare LLC, for Assignment to CorroHealth, Inc.
December 17, 2024**

Record of Action of the Board of Supervisors
San Bernardino County

APPROVED (CONSENT CALENDAR)

Moved: Curt Hagman Seconded: Joe Baca, Jr.
Ayes: Col. Paul Cook (Ret.), Jesse Armendarez, Dawn Rowe, Curt Hagman, Joe Baca, Jr.

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: December 17, 2024



cc: ARMC - Goldfrach w/ agree
Contractor c/o ARMC w/ agree
File w/ agree
JLL 12/20/2024