

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

July 14, 2020

FROM

LEANNA WILLIAMS, Director, Department of Risk Management

SUBJECT

Amendment to Contract with Arissa Cost Strategies, LLC for Workers' Compensation Utilization Review Services

RECOMMENDATION(S)

Approve **Amendment No. 2** to **Contract No. 16-886** with Arissa Cost Strategies, LLC, to extend the current contract by one year, for the new term of November 17, 2016 through November 16, 2021, for the continued provision of workers' compensation utilization review services per the existing contracted fee schedule, with no change to the estimated aggregated cost of \$3.1 million, and all other terms and conditions remaining the same.
(Presenter: LeAnna Williams, Director, 386-8621)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Operate in a Fiscally-Responsible and Business-Like Manner.

FINANCIAL IMPACT

Approval of this item will not result in the use of additional Discretionary General Funding (Net County Cost). The estimated cost for workers' compensation utilization review services for 2020-21 is approximately \$600,000, and will be funded through the Department of Risk Management's (DRM) workers' compensation insurance funds (4082 and 4104) in accordance with the existing contracted fee schedule. Sufficient appropriation is included in the DRM 2020-21 budget.

BACKGROUND INFORMATION

The County of San Bernardino's workers' compensation program has been self-insured and self-administered since 1972. Since then, DRM has utilized various cost containment programs, including a medical utilization review (UR) process that determines medical necessity, appropriateness, and duration of treatments.

UR services include review of requests for authorization of medical treatments and procedures on a case-by-case basis, to determine their appropriateness, frequency, and duration, prior to the provision of services. UR provides a structured process for making a determination regarding whether or not the medical services requested are medically necessary and reasonable, based on professionally recognized standards and specialized physician (peer) reviews, as required by state regulations to manage cost and improve patient care.

Approval of Amendment No. 2 will extend the contract term for a period of one year, allowing Arissa Cost Strategies, LLC to provide uninterrupted workers' compensation utilization review

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services to the County per the existing contracted fee schedule, and under the same contract terms and conditions.

PROCUREMENT

On November 1, 2016 (Item No. 56), as a result of a competitive procurement process, ePro Bid No. RMG116-RMADM-1983, the Board of Supervisors (Board) approved Contract No. 16-886 with Arissa Cost Strategies, LLC, with an estimated aggregate cost of \$3.1 million for the three year period of November 17, 2016 through November 16, 2019.

On June 11, 2019 (Item No. 67), the Board approved Amendment No. 1 to Contract No. 16-886 with Arissa Cost Strategies, LLC, extending the term of the contract from November 17, 2019 through November 16, 2020. All other terms and conditions of the contract remained the same.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Teresa McGowan, Principal Assistant County Counsel, 387-5283) on June 16, 2020; Purchasing Department (Bruce Cole, Supervising Buyer, 387-2148) on June 12, 2020; Finance (Joon Cho, Administrative Analyst, 387-5402) on June 19, 2020; and County Finance and Administration (Kelly Welty, Deputy Executive Officer, 387-4376) on June 22, 2020.

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Record of Action of the Board of Supervisors
County of San Bernardino

APPROVED (CONSENT CALENDAR)

Moved: Robert A. Lovingood Seconded: Josie Gonzales
Ayes: Robert A. Lovingood, Janice Rutherford, Curt Hagman, Josie Gonzales
Absent: Dawn Rowe

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: July 14, 2020



cc: Risk- Williams w/agree
 Contractor- C/O Risk w/agree
 File- w/agree
la 07/20/2020