

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

October 22, 2024

FROM

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

SUBJECT

Contract with Premier Cost Recovery, Inc., for Accounts Payable Recovery Services

RECOMMENDATION(S)

Approve **Contract No. 24-1001** with Premier Cost Recovery, Inc. to provide Accounts Payable Recovery Services for Arrowhead Regional Medical Center's Accounting Department, in the total amount not-to-exceed \$1,000,000, from the date of execution by both parties for a period of three years.

(Presenter: Andrew Goldfrach, ARMC Chief Executive Officer, 580-6150)

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 Discretionary General Funding (Net County Cost). The cost of \$1,000,000 is funded by State Medi-Cal, Federal Medicare, private insurances, and other departmental revenue. Funding sources may change in the future pending any legislative activity related to the repeal and/or replacement of the Affordable Care Act. Adequate appropriation and revenue have been included in the Arrowhead Regional Medical Center (ARMC) 2024-25 budget and will be included in future recommended budgets.

BACKGROUND INFORMATION

Approval of the contract with Premier Cost Recovery, Inc. (PCR) provides ARMC with accounts payable analysis and recovery services, with the goal of identifying and improving procedures and processes for future over and duplicate payment recovery. PCR will be responsible for the analyzing and recovering duplicate payments, overpayments, contract price variances, and missed discounts. This contract will not involve collection services related to medical billing for provided to ARMC patients.

PCR will provide a comprehensive review of the procurement and payment processes to recover all overspend issues, including identifying and reporting the causes of errors. and recommending improvements. The review will include recommendations such as a policy for data entry of invoices and/or enhanced processes for utilizing the Enterprise Resource Planning (ERP) system tools to better track products returned to vendors and even optimal Purchase Order (PO) usage.

**Contract with Premier Cost Recovery, Inc., for Accounts Payable
Recovery Services
October 22, 2024**

ARMC recommends approval of this contract as PCR will provide expanded accounting services and support for its Accounting Department, by identifying procedures and internal controls for future over and duplicate payment recovery.

PROCUREMENT

The County Administrative Office approved and authorized the release of Request for Proposal (RFP) No. ARMC124-ARMC-5266 on May 17, 2024, to solicit proposals from interested and qualified vendors to provide Accounts Payable recovery services. The RFP was posted on the County's Electronic Procurement Network.

Two proposals were received by the established deadline in response to the RFP. Proposals from the two vendors listed below met the minimum requirements and continued through the evaluation process.

| Company | Location |
|-----------------------------|------------------|
| Moody Associates, P.A. | Mt. Pleasant, SC |
| Premier Cost Recovery, Inc. | Denver, CO |

The evaluation committee, with representation from ARMC, reviewed and evaluated the proposals based on the criteria released in the RFP. The criteria included Qualifications and Experience, Technical Review, Cost, Reference, and Presentation.

Based on the evaluation criteria, the evaluation committee determined PCR best met the needs of ARMC and is being recommended for award to provide the accounts payable recovery services. The vendor not recommended for contract award was notified by electronic mail and advised of the opportunity to submit a formal written protest based on the criteria in the RFP. No protest was received.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Charles Phan, Supervising Deputy County Counsel, 387-5455) on September 23, 2024; Purchasing (Veronica Pedace, Buyer III, 387-2464) on September 23, 2024; ARMC Finance (Chen Wu, Finance and Budget Officer, 580-3165) on September 27, 2024; Finance (Jenny Yang, Administrative Analyst, 387-4884) on October 2, 2024; and County Finance and Administration (Valerie Clay, Deputy Executive Officer, 387-5423) on October 2, 2024.

**Contract with Premier Cost Recovery, Inc., for Accounts Payable
Recovery Services
October 22, 2024**

Record of Action of the Board of Supervisors
San Bernardino County

APPROVED (CONSENT CALENDAR)

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

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: October 22, 2024



cc: ARMC - Goldfrach w/agree
Contractor - c/o ARMC w/agree
File - w/agree
CCM 10/23/2024