



San Bernardino County

Legislation Text

File #: 4905, Agenda Item #: 10

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

October 5, 2021

FROM

WILLIAM L. GILBERT, Director, Arrowhead Regional Medical Center

SUBJECT

Amendment to Agreements for Home Health Services

RECOMMENDATION(S)

Approve Amendment No. 1 to Agreements for the provision of home health services, to increase the total not-to-exceed aggregate amount by \$400,000, from \$100,000 to a total not-to-exceed aggregate amount of \$500,000, and to add clarifying language relating to County's right to obtain vendor records, with no change to the contract term of December 14, 2017 through December 13, 2022, for the following vendors:

1. Reliant Home Healthcare Services, Inc. (Contract No. 4400004464)
2. All in One Home Health Agency, Inc. (Contract No. 4400003897)

(Presenter: William L. Gilbert, Director, 580-6150)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

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

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). The additional not-to-exceed aggregate cost of \$400,000 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) 2021-22 budget and will be included in 2022-23 recommended budget.

BACKGROUND INFORMATION

ARMC utilizes home health services agencies to provide post-acute care for patients who have been released from the hospital. These services prevent readmissions to the hospital and help patients heal with greater independence at home. Home health services include: skilled nursing, psychosocial assessments, infusion and supplies, durable medical equipment, dietary services, pharmaceutical services, as well as physical, occupational and speech therapy.

The County pays for the home health services for certain indigent patients of ARMC. Under the current agreements with Reliant Home Healthcare Services, Inc., and All in One Home Health Agency, Inc. (collectively, "Contractors"), if an indigent patient is an active Medi-Cal patient or retroactively qualifies for Medi

-Cal, the Contractors are contractually required to seek payment for their services from Medi-Cal. Only if Medi-Cal denies payment because of the patient's ineligibility for coverage of the specified services may the Contractors then bill the County for their services. Although such services may be denied by Medi-Cal, these services are critical to reducing preventable readmissions of indigent ARMC patients. Grapevine Home Health Services, Inc. also had an agreement (Contract No. 4400003894) to provide the services stated above for ARMC patients. However, on October 10, 2021, per the vendor's request, the agreement between Grapevine Home Health Services and the County will terminate.

The proposed amendment adds provisions to the Agreements to clarify that in the event the Contractors seek payment from the County after a denial from Medi-Cal, the Contractors must provide, upon the County's request, all documents evidencing the denial and basis of denial so that the County can properly determine if payment should be made pursuant to the terms of the Agreements.

The proposed amendment also increases the not-to-exceed total aggregate amount by \$400,000 for the remainder of the term of the Agreements due to an unanticipated increase in the provision of home health services that is not payable by Medi-Cal. ARMC will put in place audit measures to ensure denials from Medi-Cal are for uncovered services, not clerical errors or omissions, prior to approving reimbursement.

In 2017, ARMC requested quotes from home health service agencies to provide services for patients who have been released from the hospital and require a lower level of care. After this competitive process, the County Purchasing Agent executed agreements with the Contractors with a not-to-exceed aggregate total of \$100,000 for the contract period of December 14, 2017 through December 13, 2022.

ARMC recommends approval of the Amendment with the Contractors as it will provide for the safety, health, and social services needs of County residents by providing home health services to reduce preventable readmissions to the hospital.

PROCUREMENT

Purchasing continues to support this competitive procurement from 2017 that resulted in an aggregate contract award executed by the Purchasing Agent to Reliant Home Healthcare Services, Inc., Grapevine Home Health Services, Inc. and All in One Home Health Agency. The recommended amendment will apply only to Reliant Home Healthcare Services, Inc. and All in One Home Health Agency, as the agreement with Grapevine Home Health Services terminates on October 10, 2021.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Charles Phan, Deputy County Counsel, 387-5455) on September 7, 2021; Purchasing (Ariel Gill, Buyer III, 777-0722) on September 21, 2021; ARMC Finance (Chen Wu, Finance and Budget Officer, 580-3165) on September 13, 2021; Finance (Yael Verduzco, Administrative Analyst, 387-5285) on September 14, 2021; and County Finance and Administration (Matthew Erickson, County Chief Financial Officer, 387-5423) on September 19, 2021.