

**County of Santa Clara**  
**Santa Clara Valley Health & Hospital System**  
Agency Administration  
Financial Services



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HHS13 082509

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DATE: August 25, 2009

TO: Board of Supervisors

FROM:   
Kim Roberts  
SCVHHS - Chief Executive Officer

SUBJECT: Salary Ordinance Amendment Adding Six Revenue Control Analyst Positions for the T2010 Revenue Cycle Charge Capture Initiative

**RECOMMENDED ACTION**

Introduction and preliminary adoption of Salary Ordinance No. NS-5.10.14 amending Santa Clara County Salary Ordinance No. NS-5.10 relating to the compensation of employees adding six Revenue Control Analyst positions in Santa Clara Valley Medical Center. (Roll Call Vote to waive reading, Roll Call Vote to adopt)

**FISCAL IMPLICATIONS**

There is no impact on the County General Fund. The FY10 budget process included a T2010 Revenue Cycle Charge Capture Initiative proposal (page 541 of the Recommended Budget) assuming \$11.9 million in new revenue, net of the cost of new positions, to continue to improve third party reimbursements.

During the FY10 budget hearings, the Board of Supervisors set-aside \$666,667 in a SCVMC Object 1 reserve to cover the 10-month cost of eight new positions for the T2010 Revenue Cycle Charge Capture Initiative. Of this reserve amount, \$500,000 will be used to cover the FY10 cost of the six Revenue Control Analyst positions included in this transmittal. The annualized cost of these positions will be \$604,872. \$166,667 will remain in the Object 1 reserve pending creation of the Clinical Documentaiton Analyst classification.

## **REASONS FOR RECOMMENDATION**

### T2010 Revenue Cycle Charge Capture Initiative

SCVMC's original proposal was to add 6.0 Professional Fee Coding Analyst and 2.0 Clinical Documentation Analyst positions. However, additional time was needed to review the proposal and determine the appropriate job classifications.

During the preparation of the County Executive's Recommended Budget (page 541), the proposal was revised to include the addition of 8.0 Health Coding Specialist positions, a new classification, at a FY10 cost of \$666,667. However, additional time was needed to review the job specifications with the Employee Services Agency. As a result, the Board of Supervisors set-aside \$666,667 in a SCVMC Object 1 reserve to cover the 10-month cost of these eight new positions.

The Employee Services Agency has determined that the work duties for six of the proposed Health Coding Specialist positions is consistent with the Revenue Control Analyst job specification. Therefore, approval of the recommended action to add 6.0 Revenue Control Analyst positions will enable SCVMC to move forward with this initiative to help achieve the projected new revenue. The Employee Services Agency will be creating a separate job specification for the Clinical Documentation Analyst positions and that action will be coming to the Board at a later date.

ESA concurs with this recommendation.

## **BACKGROUND**

SCVMC currently does extensive billing and collections for the hospital, clinics and physicians. Annually, more than 3 million bills totalling \$2.4 billion are submitted to private insurance companies, Medicare, Medi-Cal and other payers and patients. The objective of the

Revenue Cycle-Charge Capture Initiative is to improve net revenues and accelerate case flow while working with staff to further improve the organizational structure throughout the Revenue Cycle.

**CONSEQUENCES OF NEGATIVE ACTION**

Failure to approve the recommended action will impact SCVMC's ability to deliver on the revenue included in the FY 10 Budget.