

Health Advocates Contract Amendment: Uncompensated Care Reimbursement Recovery Services

BOS Budget & Finance Committee

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SAN FRANCISCO DEPARTMENT OF PUBLIC HEALTH



Overview of Contract Amendment



- **Contractor:** Health Advocates, LLC
- **Contract Summary:** Provide uncompensated care reimbursement services at ZSFG and Laguna Honda hospitals
- **Not to Exceed Amount:** \$11,391,540
- **Timeline:** January 2024 - December 2028

Health Advocates Contract



- **Health Advocates, LLC provides uncompensated care reimbursement recovery services which includes:**
 - Providing eligibility screening, program application assistance, application tracking, and appealing denials for programs such as Medi-Cal and Medicare for referrals without coverage or with incomplete coverage.
 - Investigating and pursuing the responsible party for Third-Party Liability and Worker's Compensation referrals.
 - Resolving payment denials and underpayments on referrals with existing coverage.

What is Uncompensated Care?



- Services provided to patients without any insurance or government program coverage, or with only limited benefits insurance or coverage.
- Services identified as the potential responsibility of a Third-Party Liability or Workers Compensation payer.
- Billed services for which the insurance has denied the claim or underpaid the claim.

Benefits of Health Advocates



- Possess the capacity and access to resources exceeding the Department's including to reach vulnerable patients, represent patients on denials and Medi-Cal Fair Hearing, pursue all potential coverage and reimbursement sources.
- Secures maximum government program eligibility for patients to cover the care they have received and to access the care they will continue to need.
- Secures maximum reimbursement to the City for the referred uncompensated care **and** future care provided throughout the SF Health Network.

Reimbursement Recovery Success



Health Advocates previously held a 10-year contract from Jan 2014 – Dec 2023 for total of \$20,100,000.

- Recovery performance for 4 ½ years, Jul 2019 – Dec 2023
 - Uncompensated Care Referrals: 4,032
 - Number of Referrals with Recovery: **2,425**
 - Recovery Success Rate: **60%**
 - Total Charges: \$554,516,521
 - Reimbursement Recovery estimate: **\$79,924,151**
 - Remaining Referrals that Health Advocates continues to manage for recovery: 727

Retroactivity



We are seeking **retroactive authorization** for this item.

- **This contract is retroactive due to extended negotiations between Health Advocates LLC and the City Attorney's Office because of Health Advocates' disagreement with the City's standard contract agreement terms.**
- Following extensive negotiations between Health Advocates and the City Attorney's Office, Health Advocates and the City came to an agreement on contract terms.

Conclusion



- DPH agrees with BLA recommendations
- DPH requests approval of proposed resolution

Thank you!
Any questions?