

## **Tulare Local Healthcare District dba Tulare Regional Medical Center**

### **Agenda Item**

**Board Meeting Date:** October 24, 2018

**Title to Appear on Agenda:** Discussion and Action on HRG patient billing services agreement

**Brief Description:** TRMC has contracted with HRG for the provision of patient billing services when the hospital re-opens.

**Background and Details:** As the Hospital is being re-opened and managed by Adventist Health, it has been decided by all parties to continue to contract with HRG for patient billing services. This takes into account that the following:

- I/T communications are already established and functional under the Districts contract with HRG for the legacy AR.
- Staff from both HRG and TRMC are familiar with working with each other and their “systems”.

New contracts have been negotiated, and the contracted rates are based on a contingency fee as follows:

- 3.0% on inpatient collections
- 4.0% on outpatient collections
- 7.5% on self-pay collections

These rates are considered competitive rates. The initial term of the contract is 6 months.

**Exhibits:** See attached Agreement

**Recommended Action:** That the Board approve the Patient Billing Services agreement with HRG as outlined.