



**Request for City Council Committee Action
Health Department**

Date: October 9, 2013
To: PUBLIC SAFETY, CIVIL RIGHTS & HEALTH COMMITTEE
Subject: CONTRACT WITH OPTUM INC. FOR USE OF ITS HEALTHIA EXCHANGE

Recommendation:

Council authorization for the proper City officials to enter into an expenditure contract with Optum Inc. for use of its HEALTHIA exchange, an insurance eligibility verification service for health care providers, at an estimated annual cost of \$5,000 payable under 01600-8600152.

Previous Directives: None

Prepared or Submitted by: Becky McIntosh, Director of Planning & Administration
Phone: x2884

Approved by:

Gretchen Musicant, Commissioner of Health

Permanent Review Committee (PRC): Approval ____ Not Applicable X
Policy Review Group (PRG) Approval ____ Date of Approval ____ Not Applicable X

Presenters in Committee: Gretchen Musicant, Commissioner of Health

Financial Impact (Check those that apply)

X No financial impact (If checked, go directly to Background/Supporting Information).

Background/Supporting Information Attached

The department is requesting authorization to enter into an agreement from Optum Inc. for use of its Healthia Exchange, an insurance eligibility verification service for health care providers for the School Based Clinic (SBC) Program. This internet service would allow SBC staff to verify current insurance coverage even with very limited information. The exchange is Minnesota based and all of the SBC insurers are in the system. It could save the program a lot of time in looking up insurance status after each visit – currently our biller must have log in to each insurer to determine if there is active coverage - and may eliminate rejected claims due to incorrect information. SBC would do a 30 day trial in fall and if it works well then enter into a contract for ongoing service at an estimated cost of \$300 per month payable through revenues generated by these billings. The Optum contract form has been reviewed and approved through the City Attorney's office.