

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

577



FROM: Riverside County Regional Medical Center

SUBMITTAL DATE:
June 25, 2006

SUBJECT: Amendment to Professional Medical Services Agreement between the County of Riverside and Arrowhead Neurosurgical Medical Group, Inc.

RECOMMENDED MOTION: That the Board of Supervisors:
1) Ratify the Amendment to the Agreement with Arrowhead Neurosurgical Medical Group, Inc., effective May 1, 2006; **2)** authorize the Chairperson to sign three (3) copies of the Amendment; and **3)** retain one (1) copy and return two (2) copies of the executed Amendment to Riverside County Regional Medical Center (RCRMC) administration for distribution.

BACKGROUND: On October 16, 2001, Agenda Item No. 3.58 the Board of Supervisors approved the contract with Arrowhead Neurosurgical Medical Group, Inc. effective October 13, 2001 for the provision of comprehensive neurosurgery professional services to the patients at RCRMC on an inpatient, outpatient and emergency basis. The Agreement was first Amended on February 5, 2002, Agenda Item No 3.19 adding clerical support for the department chief and further Amended on May 13, 2003, Agenda No. 3.31 extending the term of the Agreement.

(continued on Page 2)

FORM APPROVED
COUNTY COUNSEL

JUN 26 2006

BY *Robert [Signature]*

Douglas D. Bagley
Douglas D. Bagley, Hospital Director

FINANCIAL DATA	Current F.Y. Total Cost:	\$1,363,058.34	Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ N/A	Budget Adjustment:	NO
	Annual Net County Cost:	\$ 0	For Fiscal Year:	06/07

SOURCE OF FUNDS: Enterprise Funds	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION: APPROVE

County Executive Office Signature *[Signature]*

- Dep't Recomm.: Consent Policy
- Per Exec. Ofc.: Consent Policy

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Prev. Agn. Ref.: | District: | Agenda Number:

ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

3.54

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BACKGROUND (Continued):

This Third (3rd) Amendment increases staffing for neurosurgery professional services that will allow additional patient access to specialty care and allow RCRMC to better meet patient care needs for neurosurgery surgical services. The Agreement was further Amended to allow billing for State of California Department of Corrections and Rehabilitation inmates.

The Amendment increases the maximum annual amount to \$1,258,050. The increased amount of \$630,050 reflects the addition of one (1) neurosurgeon physician for a total of four (4) full-time equivalent (FTE) neurosurgeons at RCRMC and provides an adjustment to compensation for the existing services provided by the Arrowhead Neurosurgical Medical Group.

FINANCIAL IMPACT: This Amendment to the Agreement will increase the professional services coverage for Neurosurgery Professional services at Riverside County Regional Medical Center (RCRMC). An additional full time (1) physician will be allocated to cover RCRMC outpatient clinics and to provide inpatient/outpatient neurosurgical professional services that will increase patient access to care.

- 1) Base guarantee to the medical group \$1,258,050.
- 2) Consistent with other professional service agreements, other services as payable by non-county payors would be billable by the medical group. The County financial payment would be limited to \$1,258,050 per annum under this risk-sharing formula.
- 3) The are financial penalties associated with lack of performance with the Agreement.

The Amendment has been reviewed and approved as to content by County Counsel.