

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

730



FROM: Riverside County Regional Medical Center

SUBMITTAL DATE:
July 15, 2010

SUBJECT: Acceptance of Song Brown Grant Award Numbers 09-9032 and 09-9033 from the Office of Statewide Health Planning and Development for Family Practice Residency Program at Riverside County Regional Medical Center

RECOMMENDED MOTION: Move that the Board of Supervisors:

- 1) Authorize the Chairperson to accept, on behalf of the Board, \$51,615.00 in Fiscal Years 2009-10, 2010-11, and 2011-12 for a total of \$154,845.00 and \$17,205.00 in Fiscal Years 2009-10 and 2010-11 for a total of \$34,410.00.

BACKGROUND: Riverside County Regional Medical Center's (RCRMC) Family Medicine Residency Program was established in 1971 and is one of the oldest programs in the State of California. It was founded with the idea of improving patient care access to family practice physicians along with providing family practice physicians for Riverside County's large clinic systems.

(continued on Page 2)

Douglas D. Bagley

Douglas D. Bagley, Hospital Director

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost FY:	\$ 0	For Fiscal Year:	10/11

SOURCE OF FUNDS: Office of Statewide Health Planning and Development	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION: APPROVE

BY: *Debra Cournoyer*
Debra Cournoyer

County Executive Office Signature

FORM APPROVED COUNTY COUNSEL 2/1/10
BY: NEAL R. KIPNIS DATE
Departmental Concurrence

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

Prev. Agn. Ref.: | **District:** 2,4,5 | **Agenda Number:** 3.55
ATTACHMENTS FILED WITH THE CLERK OF THE BOARD

SUBJECT: Acceptance of Song Brown Grant Award 09-9032 and 09-9033 from the Office of Statewide Health Planning and Development for the Family Residency Program at Riverside County Regional Medical Center.

Page 2

BACKGROUND: (continued)

The Song-Brown program provides funding to support family practice training programs and was enacted by the California Legislature in September 1973 to encourage program graduates to practice in designated underserved areas of California. It has expanded the training programs of family practice residents by providing funding for over thirty years.

The RCRMC Family Practice Residency Training Program has participated with and received funding from the Song-Brown program beginning on July 1, 1997. The program has recently submitted a renewal application to continue funding of three additional residents for the program and applied for additional funding to continue to assist the residency program by providing continuity care clinics at the Perris and Rubidoux public health clinics. This will enhance the training of family practice residents in a community setting. The resident physicians continue to provide health education services on a bi-weekly basis to seniors in the Mead Valley area and will provide home visits to the homebound elderly. The request for additional funding is for the development of a rural training site in the Coachella Valley. The expansion will be coordinated with the University of California Bio Med School for both medical students and residents.

The RCRMC Family Practice Residency Training Program has been awarded with one capitation renewal equal to \$154,845.00 and two core support units of new capitation equal to \$34,410.00 for a total award of \$189,255.00 to be received in increments of \$51,615.00 annually for fiscal years 2009/10 through 2011/12 and \$17,205.00 annually for fiscal years 2009/10 through 2010/11.

DB:cg

STATE OF CALIFORNIA
STANDARD AGREEMENT
 STD 213 (Rev 06/03)

AGREEMENT NUMBER 09-9032
REGISTRATION NUMBER 1001159

1. This Agreement is entered into between the State Agency and the Contractor named below:

STATE AGENCY'S NAME

Office of Statewide Health Planning and Development (OSHPD)

CONTRACTOR'S NAME

Riverside County Regional Medical Center

2. The term of this Agreement is: **07/01/2009** through **06/30/2012**

3. The maximum amount of this Agreement is: **\$ 154,845.00**
 One hundred fifty-four thousand, eight hundred forty-five dollars and zero cents

4. The parties agree to comply with the terms and conditions of the following exhibits which are by this reference made a part of the Agreement.

- | | |
|--|------------|
| Exhibit A – Scope of Work | 01 page(s) |
| Exhibit B – Budget Detail and Payment Provisions | 01 page(s) |
| Exhibit C* – General Terms and Conditions | GTC307 |
| Check mark one item below as Exhibit D: | |
| <input checked="" type="checkbox"/> Exhibit - D Special Terms and Conditions (Attached hereto as part of this agreement) | 02 page(s) |
| <input type="checkbox"/> Exhibit - D* Special Terms and Conditions | |
| Exhibit E – Additional Provisions | 05 page(s) |

Items shown with an Asterisk (*), are hereby incorporated by reference and made part of this agreement as if attached hereto.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

CONTRACTOR

CONTRACTOR'S NAME (if other than an individual, state whether a corporation, partnership, etc.)

Riverside County Regional Medical Center

BY (Authorized Signature)

DATE SIGNED (Do not type)

D. Bagley

2/24/09

PRINTED NAME AND TITLE OF PERSON SIGNING

Douglas D. Bagley, Chief Executive Officer

ADDRESS

26520 Cactus Avenue
 Moreno Valley, Ca 92555

STATE OF CALIFORNIA

AGENCY NAME

OSHPD

BY (Authorized Signature)

DATE SIGNED (Do not type)

Pattye Nelson

2/28/09

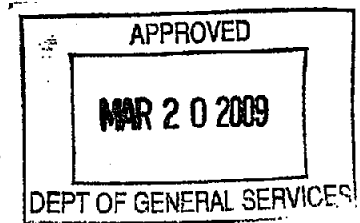
PRINTED NAME AND TITLE OF PERSON SIGNING

Pattye Nelson, SSM I Procurement and Contract Services

ADDRESS

400 R Street, Suite 359, Sacramento, Ca 95811

California Department of General Services Use Only



Exempt per:

[Signature]
 @ memo.

EXHIBIT A

SCOPE OF WORK

1. Contractor agrees to the following:

- A. Riverside County Regional Medical Center Family Medicine Residency Program shall meet the Family Practice Standards adopted by the California Healthcare Workforce Policy Commission (CHWPC) and perform services in accordance with the Contract Criteria as set forth in Exhibit E, hereby attached.
- B. Under the direction of the Program Director of the Riverside County Regional Medical Center Family Medicine Residency Program, in addition to the resident/s being trained under contract 06-7024 provide family medicine training for three (3) additional family practice resident/s in the 2009-10; 2010-11 and 2011-12 fiscal years.
- C. The residency program shall provide family medicine training for three (3) family practice resident/s for a three year cycle beginning July 1, 2009 and ending June 30, 2012.**

2. OSHPD agrees to provide:

- A. The Program Director of the Residency Program, the current fiscal year's (07-01-2009 to 06-30-2010) master certification form and instructions by September 30th of the fiscal year.
- B. Direct all contract inquiries to:

Requesting Agency: OSHPD	Contracting Agency: Riverside County Regional Medical Center
Name: Manuela Lachica, Program Director	Name: Marie Carmichael, Ph.D.
Phone: (916) 326-3752	Phone: (951) 486-4469
Fax: (916) 322-2588	Fax: N/A
E-mail: mlachica@oshpd.ca.gov	E-mail: mcarmich@co.riverside.ca.us

The project representatives during the term of this Agreement will be:

Requesting Agency: OSHPD	Training Program: Riverside County Regional Medical Center
Section/Unit: Healthcare Workforce Development Division (HWDD)	Section/Unit: Family Medicine Residency Program
Attention: Melissa Omand, Program Analyst	Attention: Asma Jafri, M.D.
Address: 400 R Street, Room 330 Sacramento, CA 95811	Address: 26520 Cactus Avenue Moreno Valley, Ca 92555
Phone: (916) 326-3753	Phone: (951) 486-5610
Fax: (916) 322-2588	Fax: (951) 486-5620
E-mail: momand@oshpd.ca.gov	E-mail: ajafri@co.riverside.ca.us

EXHIBIT B

BUDGET DETAIL AND PAYMENT PROVISIONS

1. Payment

- A. For services satisfactorily rendered and upon receipt and approval of the quarterly certifications as specified in this Article, Item C., the OSHPD agrees to compensate Riverside County Regional Medical Center in accordance with the rates specified herein.
- **\$1,433.75 (One Thousand, Four Hundred Thirty Three Dollars and Seventy-Five Cents)**, per resident per month for each resident up to a total of \$51,615.00 for three (3) resident/s in the 2009-10 fiscal year. Fiscal year begins July 1, 2009 to June 30, 2010.
 - **\$1,433.75 (One Thousand, Four Hundred Thirty Three Dollars and Seventy-Five Cents)**, per resident per month for each resident up to a total of \$51,615.00 for three (3) resident/s in the 2010-11 fiscal year. Fiscal year begins July 1, 2010 to June 30, 2011.
 - **\$1,433.75 (One Thousand, Four Hundred Thirty Three Dollars and Seventy-Five Cents)**, per resident per month for each resident up to a total of \$51,615.00 for three (3) resident/s in the 2011-12 fiscal year. Fiscal year begins July 1, 2011 to June 30, 2012.
- B. The total amount payable to the Contractor under this Agreement shall not exceed \$154,845.00 **(One hundred fifty-four thousand, eight hundred forty-five dollars and zero cents)**.
- C. Quarterly certifications shall include the Agreement Number, the names of the resident/s employed under this contract, a certification by the Director of the Family Practice Residency Training Program (original signature) that each resident was engaged in activities authorized by this Agreement, and shall be submitted on a quarterly basis in arrears to:
- Melissa Omand, Program Analyst
Song-Brown Training Program
Office of Statewide Health Planning and Development
400 R Street, Room 330
Sacramento, CA 95811
- D. Contractor shall submit a final certification within 120 days after the Agreement has ended (i.e., Agreement ends June 30th; final certification is due by October 30th). If contractor fails to submit a final certification within 120 days after the Agreement has ended, the monies revert back to OSHPD.

2. Budget Contingency Clause

- A. It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be of no further force and effect. In this event, the OSHPD shall have no liability to pay any funds whatsoever to Contractor or to furnish any other considerations under this Agreement and Contractor shall not be obligated to perform any provisions of this Agreement.
- B. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the OSHPD shall have the option to either cancel this Agreement with no liability occurring to the OSHPD, or offer an agreement amendment to Contractor to reflect the reduced amount.

EXHIBIT D

SPECIAL TERMS AND CONDITIONS

1. RESOLUTION OF CONTRACT DISPUTES:

Any dispute arising under this agreement, which cannot be resolved at the State Program Administrator level nor at the Director's level of the Department (OSHDP) signing this contract shall be submitted to non-binding arbitration after the following process, has been completed:

(A) The Contractor first discusses a problem informally with the Family Physician Training Act Administrator. If unresolved, the problem shall be presented as a grievance to the Deputy Director, Healthcare Workforce Development Division, in writing, stating the issues in dispute, the legal authority or other basis for the Contractor's position and the remedy sought.

(B) The Deputy Director shall make a determination on the problem within ten (10) working days after receipt of the written communication from the Contractor and shall respond in writing to the Contractor indicating the decision and reasons for it.

(C) Should the Contractor find the Deputy Director's decision an unacceptable one, a letter shall be sent to the Director within ten (10) working days of receipt of the Deputy Director's decision. The Director or designee shall meet with the Contractor within twenty (20) working days of receipt of the Contractor's letter. Should the Contractor disagree with the Director's decision, the Contractor and Director may agree to submit the matter to binding arbitration.

(D) Binding Arbitration

(1) At the option of the parties, binding arbitration of a dispute of grievance may be sought. Each party shall provide written notice to the other of an intention to exercise this provision. Both parties must agree to submit to arbitration. The dispute or grievance shall be resolved by a panel of three (3) experts in the particular field of dispute. Each party shall have the right to select one (1) panelist. If the party does not exercise that right within ten (10) working days after written agreement to submit to arbitration, the other party may select one (1) additional panelist. The selected panel will then select a third member.

(2) The panel shall set a hearing day, time and place convenient to both within thirty (30) working days of panel selection. Each party shall submit a written statement to the panel and the opposing party issues and arguments to be presented within five (5) working days of the hearing date. The hearing shall be informal with an opportunity for both parties to present their arguments. A court reporter may be present at the expense of the requesting party. The panel shall provide the parties with a written decision within thirty (30) working days of the hearing. The decision shall be binding on the parties.

EXHIBIT D

- (3) The costs of the arbitration panel shall be borne equally by the parties. At the option of the parties, these costs may be deducted from any balance of the contract funds. Both parties must agree, in writing, to utilizing contract funds to reimburse the arbitration.

EXHIBIT E

ADDITIONAL PROVISIONS

1. Family Practice Standards Adopted by the California Healthcare Workforce Policy Commission June 11, 1999.

- I. Each Family Practice Residency Training Program approved for funding and contracted with under the Health Care Workforce Training Act (hereinafter "the Act") shall, prior to the initiation of training and the transfer of State funds:
 - A. Meet the American Medical Association's "Essentials for Residency Training in Family Practice", and
 - B. Be approved by the Residency Review Committee on Family Practice of the American Medical Association, as documented in a formal letter of approval from the Residency Review Committee, or the Liaison Committee on Graduate Medical Education, and
 - C. Be provided by an accredited medical school or a teaching hospital, which has programs, or departments that recognize family practice as a major independent specialty,

or

For postgraduate osteopathic medical programs in family practice:

- A. Be approved by the American Osteopathic Association (AOA) Council on Postdoctoral Training and meet requirements to ensure that Osteopathic Programs are comparable to programs specified above and
 - B. Be accredited as an "Osteopathic Postdoctoral Training Institution" (OPTI) by the Bureau of Professional Education through the Council on Postdoctoral Training (COPT) and
 - C. Meet C requirement above.
- II. Each Family Practice Residency Training Program, or Post Graduate Osteopathic Medical Program in Family Practice approved for funding under the Act shall include a component of training in medically underserved multi-cultural communities, lower socioeconomic neighborhoods, or rural communities, and shall be organized to prepare family physicians for service in such neighborhoods and communities.
- III. Appropriate strategies shall be developed by each training institution receiving funds under the Act to encourage Family Physicians who are trained in the training program funded by the Act, to enter into practice in areas of unmet priority need for primary care family physicians within California as defined by the California Healthcare Workforce Policy Commission (hereinafter referred to as "areas of need"). Such strategies shall incorporate the following elements:

EXHIBIT E

- A. An established procedure to identify, recruit and match family practice residents who possess characteristics which would suggest a predisposition to practice in areas of need, and who express a commitment to serve in areas of need.
- B. An established counseling and placement program designed to encourage training program graduates to enter practice in areas of need.
- C. A program component such as a preceptorship experience in an area of need, which will enhance the potential.

2. Family Practice Contract Criteria Adopted by the California Healthcare Workforce Policy Commission February 16, 2000.

I. Contract Awards

- A. Each contract entered into, pursuant to the Song-Brown Health Care Workforce Training Act, Health and Safety Code, Sections 128200, etc seq., (hereinafter "the Act"), shall be based on the recommendation of the California Healthcare Workforce Policy Commission to the Director of the Office of Statewide Health Planning and Development recorded in the California Healthcare Workforce Policy Commission official minutes.
- B. Each contract shall be for a purpose authorized by the California Healthcare Workforce Policy Commission Standards for Family Practice Residency Training Programs.
- C. Each contract shall be between the Office of Statewide Health Planning and Development and a Contractor authorized to apply for funds by the California Healthcare Workforce Policy Commission Standards for Family Practice Residency Training Programs.
- D. Purpose for Which Contract Funds May be Expended
 - 1. Contract funds may be expended for any purpose which the training institution judges will most effectively advance the training of family practice residents, but may not be expended for any purpose specifically prohibited by State law, by these contract criteria, or by the contract with the training institution.
 - 2. Contract funds may be used for expenses incurred for the provision of training, including faculty and staff salaries, family practice resident's stipends, alterations and renovations necessary to the provision of the residency training programs, and supplies and travel directly related to the training program.
 - 3. Contract funds may be used for new construction only when such construction is specifically provided for in the contract.

EXHIBIT E

E. Maintenance of Effort

Training institutions approved for funding under the Act shall, as a minimum, maintain a level of expenditures equivalent to that expended on the family practice residency training programs during the 1973-74 fiscal year. Capitation contracts that begin July 1, 2003 or thereafter will have no resident maintenance of effort requirement beyond the number of Song-Brown cycles awarded.

II. Contract Terms

- A. Funds must be expended during such months and in accordance with such provisions as are provided in the Contract, which shall be in accordance with recommendations of the California Healthcare Workforce Policy Commission.
- B. Payment shall be made quarterly in arrears on the basis of amounts set forth by the Contractor with final certification submitted within 120 days of contract's end to the Healthcare Workforce Development Division. The certification shall include the name of the person employed under this contract, certification by the Program Director that the person was engaged in activities authorized by this agreement, and costs to the Contractor for the services for which reimbursement is sought. The required quarterly certification format shall be provided to the Contractor prior to the effective date of the Contract.
- C. Each Contract shall specify the total amount allowable under the Contract and allowable in each budget category authorized under the Contract, and shall be in accordance with recommendations of the California Healthcare Workforce Policy Commission.
- D. Method of Payment

Payment under the Act shall be at a capitation rate of \$17,205 per year for each full-time family practice resident enrolled in the training program as a result of a training contract funded under this Act.

EXHIBIT E

III. Accounting Records and Audits

A. Accounting

Accounting for contract funds will be in accordance with the training institution's accounting practices based on generally accepted accounting principles consistently applied regardless of the source of funds. Supporting records must be in sufficient detail to show the exact amount and nature of expenditures.

Training institutions may elect to commingle capitation funds received under the Act with any other income available for operation of the family practice residency training program provided that the institution maintains such written fiscal control and accounting procedures as are necessary to assure proper disbursement of, and accounted for, such commingled funds, including provisions for:

1. the accurate and timely separate identification of funds received under the Act.
2. the separate identification of expenditures prohibited by the contract criteria.
3. an adequate record of proceeds from the sale of any equipment purchased by funds received under the Act.

B. Expenditure Reporting

Reports of training program expenditures and enrollment of family practice residents under the contract must be submitted as requested by the Commission or the Director of the Office of Statewide Health Planning and Development for purposes of program administration, evaluation, or review.

C. Record Retention and Audit

1. The training institution shall permit the Director of the Office of Statewide Health Planning and Development, or the Auditor General, or the State Controller, or their authorized representatives, access to records maintained on source of income and expenditures of its family practice residency training program for the purpose of audit and examination.
2. The training institution shall maintain books, records, documents, and other evidence pertaining to the costs and expenses of this contract (hereinafter collectively called the "records") to the extent and in such detail as will properly reflect all net costs, direct and indirect, of labor, materials, equipment, supplies and services, and other costs and expenses of whatever nature for which reimbursement is claimed under the provisions of this contract.

EXHIBIT E

3. The training institution agrees to make available at the office of the training institution at all reasonable times during the period set forth in subparagraph 4 below any of the records for inspection, audit or reproduction by an authorized representative of the State.
4. The training institution shall preserve and make available its records (a) for a period of three years from the date of final payment under this contract, and (b) for such longer period, if any, as is required by applicable statute, by any other clause or this subcontract, or by subparagraph a or b below:
 - a. If this contract is completely or partially terminated, the records relating to the work terminated shall be preserved and made available for a period of three years from the date of any resulting final settlement.
 - b. Records which relate to (1) litigation of the settlement of claims arising out of the performance of this contract, or (2) costs and expenses of this contract as to which exception has been taken by the State or any of its duly authorized representatives, shall be retained by the training institution until disposition of such appeals, litigation, claims, or exceptions.
5. Except for the records described in subparagraph 4 above, the training institution may in fulfillment of its obligation to retain the records as required by this clause substitute photographs, microphotographs, or other authentic reproductions of such records, after the expiration of the two years following the last day of the month or reimbursement to the training institution of the invoice or voucher to which such records relate, unless a charter person is authorized by the State or its duly authorized representatives.

STATE OF CALIFORNIA
STANDARD AGREEMENT
 STD 213 (Rev 06/03)

AGREEMENT NUMBER 09-9033
REGISTRATION NUMBER 41400309361375

1. This Agreement is entered into between the State Agency and the Contractor named below:

STATE AGENCY'S NAME Office of Statewide Health Planning and Development (OSHPD)
CONTRACTOR'S NAME Riverside County Regional Medical Center

2. The term of this Agreement is: **07/01/2009** through **06/30/2011**

3. The maximum amount of this Agreement is: **\$34,410.00**
 Thirty-four thousand, four hundred ten dollars and zero cents

4. The parties agree to comply with the terms and conditions of the following exhibits which are by this reference made a part of the Agreement.

Exhibit A – Scope of Work	01 page(s)
Exhibit B – Budget Detail and Payment Provisions	01 page(s)
Exhibit C* – General Terms and Conditions	GTC307
Check mark one item below as Exhibit D:	
<input checked="" type="checkbox"/> Exhibit - D Special Terms and Conditions (Attached hereto as part of this agreement)	02 page(s)
<input type="checkbox"/> Exhibit - D* Special Terms and Conditions	
Exhibit E – Additional Provisions	05 page(s)

Items shown with an Asterisk (*), are hereby incorporated by reference and made part of this agreement as if attached hereto.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

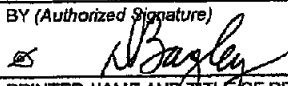

CONTRACTOR		California Department of General Services Use Only APPROVED FEB 20 2009 OSHPD - Contracts & Business Services THIS CONTRACT EXEMPT FROM DEPARTMENT OF GENERAL SERVICES APPROVAL <input type="checkbox"/> Exempt per:
CONTRACTOR'S NAME (if other than an individual, state whether a corporation, partnership, etc.) Riverside County Regional Medical Center		
BY (Authorized Signature) 	DATE SIGNED (Do not type) 2/24/09	
PRINTED NAME AND TITLE OF PERSON SIGNING Douglas D. Bagley, Chief Executive Officer		
ADDRESS 26520 Cactus Avenue Moreno Valley, Ca 92555		
STATE OF CALIFORNIA		
AGENCY NAME OSHPD		
BY (Authorized Signature) 	DATE SIGNED (Do not type) 2/28/09	
PRINTED NAME AND TITLE OF PERSON SIGNING Patty Nelson, SSM I Procurement and Contract Services		
ADDRESS 400 R Street, Suite 359, Sacramento, Ca 95811		

EXHIBIT A

SCOPE OF WORK

1. Contractor agrees to the following:

- A. Riverside County Regional Medical Center Family Medicine Residency Program shall meet the Family Practice Standards adopted by the California Healthcare Workforce Policy Commission (CHWPC) and perform services in accordance with the Contract Criteria as set forth in Exhibit E, hereby attached.
- B. Under the direction of the Program Director of the Riverside County Regional Medical Center Family Medicine Residency Program, in addition to the resident/s being trained under contract 06-7024 provide family medicine training for one (1) additional family practice resident/s in the 2009-10 and 2010-11 fiscal years.
- C. The residency program shall provide family medicine training for one (1) family practice resident/s for a two year cycle beginning July 1, 2009 and ending June 30, 2011.

2. OSHPD agrees to provide:

- A. The Program Director of the Residency Program, the current fiscal year's (07-01-2009 to 06-30-2010) master certification form and instructions by September 30th of the fiscal year.
- B. Direct all contract inquiries to:

Requesting Agency: OSHPD	Contracting Agency: Riverside County Regional Medical Center
Name: Manuela Lachica, Program Director	Name: Marie Carmichael, Ph.D.
Phone: (916) 326-3752	Phone: (951) 486-4469
Fax: (916) 322-2588	Fax: N/A
E-mail: mlachica@oshpd.ca.gov	E-mail: mcarmich@co.riverside.ca.us

The project representatives during the term of this Agreement will be:

Requesting Agency: OSHPD	Training Program: Riverside County Regional Medical Center
Section/Unit: Healthcare Workforce Development Division (HWDD)	Section/Unit: Family Medicine Residency Program
Attention: Melissa Omand, Program Analyst	Attention: Asma Jafri, M.D.
Address: 400 R Street, Room 330 Sacramento, CA 95811	Address: 26520 Cactus Avenue Moreno Valley, Ca 92555
Phone: (916) 326-3753	Phone: (951) 486-5610
Fax: (916) 322-2588	Fax: (951) 486-5620
E-mail: momand@oshpd.ca.gov	E-mail: ajafri@co.riverside.ca.us

EXHIBIT B

BUDGET DETAIL AND PAYMENT PROVISIONS

1. Payment

- A. For services satisfactorily rendered and upon receipt and approval of the quarterly certifications as specified in this Article, Item C., the OSHPD agrees to compensate Riverside County Regional Medical Center in accordance with the rates specified herein.
- **\$1,433.75 (One Thousand, Four Hundred Thirty Three Dollars and Seventy-Five Cents)**, per resident per month for each resident up to a total of \$17,205.00 for one (1) resident/s in the 2009-10 fiscal year. Fiscal year begins July 1, 2009 to June 30, 2010.
 - **\$1,433.75 (One Thousand, Four Hundred Thirty Three Dollars and Seventy-Five Cents)**, per resident per month for each resident up to a total of \$17,205.00 for one (1) resident/s in the 2010-11 fiscal year. Fiscal year begins July 1, 2010 to June 30, 2011.
- B. The total amount payable to the Contractor under this Agreement shall not exceed \$34,410.00 (Thirty-four thousand, four hundred ten dollars and zero cents).
- C. Quarterly certifications shall include the Agreement Number, the names of the resident/s employed under this contract, a certification by the Director of the Family Practice Residency Training Program (original signature) that each resident was engaged in activities authorized by this Agreement, and shall be submitted on a quarterly basis in arrears to:
- Melissa Omand, Program Analyst
Song-Brown Training Program
Office of Statewide Health Planning and Development
400 R Street, Room 330
Sacramento, CA 95811
- D. Contractor shall submit a final certification within 120 days after the Agreement has ended (i.e., Agreement ends June 30th; final certification is due by October 30th). If contractor fails to submit a final certification within 120 days after the Agreement has ended, the monies revert back to OSHPD.

2. Budget Contingency Clause

- A. It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be of no further force and effect. In this event, the OSHPD shall have no liability to pay any funds whatsoever to Contractor or to furnish any other considerations under this Agreement and Contractor shall not be obligated to perform any provisions of this Agreement.
- B. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the OSHPD shall have the option to either cancel this Agreement with no liability occurring to the OSHPD, or offer an agreement amendment to Contractor to reflect the reduced amount.

EXHIBIT D

SPECIAL TERMS AND CONDITIONS

1. RESOLUTION OF CONTRACT DISPUTES:

Any dispute arising under this agreement, which cannot be resolved at the State Program Administrator level nor at the Director's level of the Department (OSHPD) signing this contract shall be submitted to non-binding arbitration after the following process, has been completed:

(A) The Contractor first discusses a problem informally with the Family Physician Training Act Administrator. If unresolved, the problem shall be presented as a grievance to the Deputy Director, Healthcare Workforce Development Division, in writing, stating the issues in dispute, the legal authority or other basis for the Contractor's position and the remedy sought.

(B) The Deputy Director shall make a determination on the problem within ten (10) working days after receipt of the written communication from the Contractor and shall respond in writing to the Contractor indicating the decision and reasons for it.

(C) Should the Contractor find the Deputy Director's decision an unacceptable one, a letter shall be sent to the Director within ten (10) working days of receipt of the Deputy Director's decision. The Director or designee shall meet with the Contractor within twenty (20) working days of receipt of the Contractor's letter. Should the Contractor disagree with the Director's decision, the Contractor and Director may agree to submit the matter to binding arbitration.

(D) Binding Arbitration

(1) At the option of the parties, binding arbitration of a dispute of grievance may be sought. Each party shall provide written notice to the other of an intention to exercise this provision. Both parties must agree to submit to arbitration. The dispute or grievance shall be resolved by a panel of three (3) experts in the particular field of dispute. Each party shall have the right to select one (1) panelist. If the party does not exercise that right within ten (10) working days after written agreement to submit to arbitration, the other party may select one (1) additional panelist. The selected panel will then select a third member.

(2) The panel shall set a hearing day, time and place convenient to both within thirty (30) working days of panel selection. Each party shall submit a written statement to the panel and the opposing party issues and arguments to be presented within five (5) working days of the hearing date. The hearing shall be informal with an opportunity for both parties to present their arguments. A court reporter may be present at the expense of the requesting party. The panel shall provide the parties with a written decision within thirty (30) working days of the hearing. The decision shall be binding on the parties.

EXHIBIT D

- (3) The costs of the arbitration panel shall be borne equally by the parties. At the option of the parties, these costs may be deducted from any balance of the contract funds. Both parties must agree, in writing, to utilizing contract funds to reimburse the arbitration.

EXHIBIT E

ADDITIONAL PROVISIONS

1. Family Practice Standards Adopted by the California Healthcare Workforce Policy Commission June 11, 1999.

- I. Each Family Practice Residency Training Program approved for funding and contracted with under the Health Care Workforce Training Act (hereinafter "the Act") shall, prior to the initiation of training and the transfer of State funds:
 - A. Meet the American Medical Association's "Essentials for Residency Training in Family Practice", and
 - B. Be approved by the Residency Review Committee on Family Practice of the American Medical Association, as documented in a formal letter of approval from the Residency Review Committee, or the Liaison Committee on Graduate Medical Education, and
 - C. Be provided by an accredited medical school or a teaching hospital, which has programs, or departments that recognize family practice as a major independent specialty,

or

For postgraduate osteopathic medical programs in family practice:

- A. Be approved by the American Osteopathic Association (AOA) Council on Postdoctoral Training and meet requirements to ensure that Osteopathic Programs are comparable to programs specified above and
 - B. Be accredited as an "Osteopathic Postdoctoral Training Institution" (OPTI) by the Bureau of Professional Education through the Council on Postdoctoral Training (COPT) and
 - C. Meet C requirement above.
- II. Each Family Practice Residency Training Program, or Post Graduate Osteopathic Medical Program in Family Practice approved for funding under the Act shall include a component of training in medically underserved multi-cultural communities, lower socioeconomic neighborhoods, or rural communities, and shall be organized to prepare family physicians for service in such neighborhoods and communities.
- III. Appropriate strategies shall be developed by each training institution receiving funds under the Act to encourage Family Physicians who are trained in the training program funded by the Act, to enter into practice in areas of unmet priority need for primary care family physicians within California as defined by the California Healthcare Workforce Policy Commission (hereinafter referred to as "areas of need"). Such strategies shall incorporate the following elements:

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- A. An established procedure to identify, recruit and match family practice residents who possess characteristics which would suggest a predisposition to practice in areas of need, and who express a commitment to serve in areas of need.
- B. An established counseling and placement program designed to encourage training program graduates to enter practice in areas of need.
- C. A program component such as a preceptorship experience in an area of need, which will enhance the potential.

2. **Family Practice Contract Criteria Adopted by the California Healthcare Workforce Policy Commission February 16, 2000.**

I. Contract Awards

- A. Each contract entered into, pursuant to the Song-Brown Health Care Workforce Training Act, Health and Safety Code, Sections 128200, etc seq., (hereinafter "the Act"), shall be based on the recommendation of the California Healthcare Workforce Policy Commission to the Director of the Office of Statewide Health Planning and Development recorded in the California Healthcare Workforce Policy Commission official minutes.
- B. Each contract shall be for a purpose authorized by the California Healthcare Workforce Policy Commission Standards for Family Practice Residency Training Programs.
- C. Each contract shall be between the Office of Statewide Health Planning and Development and a Contractor authorized to apply for funds by the California Healthcare Workforce Policy Commission Standards for Family Practice Residency Training Programs.
- D. Purpose for Which Contract Funds May be Expended
 - 1. Contract funds may be expended for any purpose which the training institution judges will most effectively advance the training of family practice residents, but may not be expended for any purpose specifically prohibited by State law, by these contract criteria, or by the contract with the training institution.
 - 2. Contract funds may be used for expenses incurred for the provision of training, including faculty and staff salaries, family practice resident's stipends, alterations and renovations necessary to the provision of the residency training programs, and supplies and travel directly related to the training program.
 - 3. Contract funds may be used for new construction only when such construction is specifically provided for in the contract.

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E. Maintenance of Effort

Training institutions approved for funding under the Act shall, as a minimum, maintain a level of expenditures equivalent to that expended on the family practice residency training programs during the 1973-74 fiscal year. Capitation contracts that begin July 1, 2003 or thereafter will have no resident maintenance of effort requirement beyond the number of Song-Brown cycles awarded.

II. Contract Terms

- A. Funds must be expended during such months and in accordance with such provisions as are provided in the Contract, which shall be in accordance with recommendations of the California Healthcare Workforce Policy Commission.
- B. Payment shall be made quarterly in arrears on the basis of amounts set forth by the Contractor with final certification submitted within 120 days of contract's end to the Healthcare Workforce Development Division. The certification shall include the name of the person employed under this contract, certification by the Program Director that the person was engaged in activities authorized by this agreement, and costs to the Contractor for the services for which reimbursement is sought. The required quarterly certification format shall be provided to the Contractor prior to the effective date of the Contract.
- C. Each Contract shall specify the total amount allowable under the Contract and allowable in each budget category authorized under the Contract, and shall be in accordance with recommendations of the California Healthcare Workforce Policy Commission.
- D. Method of Payment

Payment under the Act shall be at a capitation rate of \$17,205 per year for each full-time family practice resident enrolled in the training program as a result of a training contract funded under this Act.

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III. Accounting Records and Audits**A. Accounting**

Accounting for contract funds will be in accordance with the training institution's accounting practices based on generally accepted accounting principles consistently applied regardless of the source of funds. Supporting records must be in sufficient detail to show the exact amount and nature of expenditures.

Training institutions may elect to commingle capitation funds received under the Act with any other income available for operation of the family practice residency training program provided that the institution maintains such written fiscal control and accounting procedures as are necessary to assure proper disbursement of, and accounted for, such commingled funds, including provisions for:

1. the accurate and timely separate identification of funds received under the Act.
2. the separate identification of expenditures prohibited by the contract criteria.
3. an adequate record of proceeds from the sale of any equipment purchased by funds received under the Act.

B. Expenditure Reporting

Reports of training program expenditures and enrollment of family practice residents under the contract *must be submitted* as requested by the Commission or the Director of the Office of Statewide Health Planning and Development for purposes of program administration, evaluation, or review.

C. Record Retention and Audit

1. The training institution shall permit the Director of the Office of Statewide Health Planning and Development, or the Auditor General, or the State Controller, or their authorized representatives, access to records maintained on source of income and expenditures of its family practice residency training program for the purpose of audit and examination.
2. The training institution shall maintain books, records, documents, and other evidence pertaining to the costs and expenses of this contract (hereinafter collectively called the "records") to the extent and in such detail as will properly reflect all net costs, direct and indirect, of labor, materials, equipment, supplies and services, and other costs and expenses of whatever nature for which reimbursement is claimed under the provisions of this contract.

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3. The training institution agrees to make available at the office of the training institution at all reasonable times during the period set forth in subparagraph 4 below any of the records for inspection, audit or reproduction by an authorized representative of the State.
4. The training institution shall preserve and make available its records (a) for a period of three years from the date of final payment under this contract, and (b) for such longer period, if any, as is required by applicable statute, by any other clause or this subcontract, or by subparagraph a or b below:
 - a. If this contract is completely or partially terminated, the records relating to the work terminated shall be preserved and made available for a period of three years from the date of any resulting final settlement.
 - b. Records which relate to (1) litigation of the settlement of claims arising out of the performance of this contract, or (2) costs and expenses of this contract as to which exception has been taken by the State or any of its duly authorized representatives, shall be retained by the training institution until disposition of such appeals, litigation, claims, or exceptions.
5. Except for the records described in subparagraph 4 above, the training institution may in fulfillment of its obligation to retain the records as required by this clause substitute photographs, microphotographs, or other authentic reproductions of such records, after the expiration of the two years following the last day of the month or reimbursement to the training institution of the invoice or voucher to which such records relate, unless a charter person is authorized by the State or its duly authorized representatives.