

727

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



FROM: Riverside County Regional Medical Center

SUBMITTAL DATE:
November 20, 2013

SUBJECT: First Amendment to the Professional Services Agreement with Morrison Management Specialists, Inc. [All Districts - \$530,000]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Ratify and authorize the Chairman of the Board to execute the First Amendment to the contract agreement with Morrison Management Specialists, Inc effective August 1, 2013 through April 30, 2014, for an annual aggregate amount not to exceed \$530,000; and
2. Authorize the Purchasing Agent, in accordance with Ordinance No. 459, to sign amendments that do not change the substantive terms of the agreement and allow the Purchasing Agent to increase the total compensation not more than ten percent of the aggregate amount, should the need for services exceed the estimated volume.

BACKGROUND:

Summary

As changes to the interpretation of Federal Centers for Medicaid and Medicare Services (CMS) Food and Nutrition Services standards and their application by surveyors in CMS hospital surveys, Riverside

Lowell Johnson
Lowell Johnson
Interim CEO

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 530,000	\$ 0	\$ 530,000	\$ 0	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0	

SOURCE OF FUNDS: Hospital Enterprise Funds	Budget Adjustment: No
	For Fiscal Year: FY 2013/2014

C.E.O. RECOMMENDATION:

APPROVE

BY: *Debra Cournoyer*
Debra Cournoyer

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Jeffries, seconded by Supervisor Ashley and duly carried, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Stone, Benoit and Ashley
Nays: None
Absent: Tavaglione
Date: December 17, 2013
xc: RCRMC, Purchasing

Kecia Harper-Ihem
Clerk of the Board
By: *Tracy Rose*
Deputy

Prev. Agn. Ref.: 06/04/13; 3-43 | District: ALL | Agenda Number:

3-50

FORM APPROVED COUNTY COUNSEL
BY: *Neal R. Kipnis*
DATE: 12/15/13

Departmental Concurrence

Purchasing: *Mark Seiler*
Mark Seiler, Assistant Director

- A-30
- Positions Added
- 4/5 Vote
- Change Order

BACKGROUND:

Summary (continued)

County Regional Medical Center (RCRMC) requires a consulting service for the Food and Nutrition services department to prepare and train the department employees for inspections conducted by CMS. This service is greatly needed to ensure food and nutrition services maintain its competency as RCRMC does not have sufficient internal expertise and needs the benefit of outside specialized consulting services to assist in reconfiguring RCRMC's Food and Nutrition Department to adequately meet the standards.

This amendment will provide additional support personnel to assist the interim director of food and nutrition services to help with the coordination and scheduling of staff to meet compliance with regulatory standards.

On June 4, 2013, agenda item no. 3-43, the Board approved the contract agreement with Morrison Management Specialist, Inc. and approved for County Purchasing and Fleet Services on behalf of RCRMC to release a request for proposal (RFP), if services will be needed after April 30, 2014 to seek a new contract. To ensure fair competition, RCRMC will advertise the RFP through County Purchasing website and Public Purchase to previous Contractors and prospective bidders. RCRMC will adhere to the Board of Supervisors Policy Number A-18, "Procedures for Contracting for Professional or Personal Services." In addition, the proposals received and identified as "responsive" will be assessed by a diverse group of evaluators from various hospital departments. These individuals specifically selected will be based on their extensive knowledge and expertise working in Food and Nutrition management services.

Impact on Citizens and Businesses

Without timely support the hospital may not pass the next CMS review which will impact patients receiving care at RCRMC, their visitors and County employees who work at RCRMC.

Contract History and Price Reasonableness

Prior to obtaining a contract agreement with Morrison Management Specialists, Inc., RCRMC has endured several CMS surveys and continues to not meet the Conditions of Participation for dietary services. RCRMC conducted research and consultation in April 2013 with other hospitals and found Morrison Management Specialist is familiar with CMS survey preparation and is the only provider capable of providing the needed service in the timeframe which the hospital requires. In addition, Morrison has a strong knowledge base of CMS rules and regulations and is organized for immediate start up.

On June 4, 2013 agenda item no. 3-43, the Board approved the contract agreement with Morrison Management Specialist, Inc. for an aggregate amount not to exceed \$290,000 effective May 1, 2013 through April 30, 2014 to provide consulting services for the food and nutrition department at RCRMC. Morrison certifies that the prices offered are similar or equal to those offered to comparable size hospitals such as Los Angeles County, with an all inclusive fixed rate of \$24,166.67 per month.

This amendment would increase the maximum amount of the contract for an additional \$240,000 to obtain additional personnel to meet CMS requirements. Rates are similar or equal to those offered to comparable size hospitals.

Review/Approval

Concurrence obtained from Huron, Central Purchasing, and County Counsel

FIRST AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT

WITH

**Morrison Management Specialists, Inc.
(Food and Nutrition Services)**

That certain Agreement between Riverside County Regional Medical Center ("COUNTY") and Morrison Management Specialists, Inc., ("CONTRACTOR"), initially approved June 4, 2013, Agenda Item 3-43, is hereby amended effective August 1, 2013 as follows:

1. Amend the language of Section 1.1 (b), to include the following:

"Morrison shall provide, but not be limited to providing the following food and nutrition service positions to assist the Hospital with the operation of the Programs at the Facilities as listed below:

- Interim Director;
- Clinical Nutrition Manager
- Patient Services Manager(s)
- Executive Chef."

2. Amend the language of Section 1.2 (a), to include the following:

"Morrison shall furnish an interim director, clinical nutrition manager, patient services manager(s), and executive chef for food and nutrition services. The Hospital may request removal of Morrison's positions and Morrison will comply, provided such request is lawful, reasonably justified in writing, and Morrison is first given an opportunity to respond and address such issues consistent with this Agreement."

3. Amend the language of Section 2.1 (b), to read as follows:

"Morrison's monthly management fee of \$24,166.67 per month assumes that Morrison will provide an interim director of food and nutrition services. Morrison shall provide additional support personnel to assist the interim director with a clinical nutrition manager, patient services manager(s), and an executive chef. These additional support personnel shall be paid a rate not to exceed \$614.00 per day which includes all salaries, wages, associated payroll costs and travel expenses for each additional support person. This reimbursement to Morrison is in addition to the monthly management fee of \$24,166.67.

4. All other terms and conditions of this Agreement are to remain unchanged.

IN WITNESS WHEREOF, the parties have executed this Amendment.

CONTRACTOR
Morrison Management Specialists, Inc.

By: *Edward Clark*
Edward Clark
Type or Print Name

Type or Print Title

Date: 12-2-2013

COUNTY OF RIVERSIDE

By: *John J. Benoit*
JOHN J. BENOIT
Type or Print Name

Chairman
Type or Print Title

Date: DEC 17 2013

ATTEST:
KECIA HARPER-IHEM, Clerk
By: *[Signature]*
DEPUTY

FORM APPROVED COUNTY COUNSEL
BY: *Neal R. Kipnis* 12/17
NEAL R. KIPNIS DATE