

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

904



FROM: Riverside County Regional Medical Center

SUBMITTAL DATE:
March 13, 2014

SUBJECT: Amendment to the Professional Services Agreement with Regents of University of California
[All Districts - \$30,000]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve and authorize the Chairman to execute the Amendment to the contract agreement with Regents of University of California effective April 1, 2014 through June 30, 2015, for an annual aggregate amount not to exceed \$30,000; 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

There are over 4,000 diabetic patients at Riverside County Regional Medical Center (RCRMC) and

Lowell Johnson

Lowell Johnson
Interim CEO

| FINANCIAL DATA | Current Fiscal Year: | Next Fiscal Year: | Total Cost: | Ongoing Cost: | POLICY/CONSENT (per Exec. Office) |
|-----------------|----------------------|-------------------|-------------|---------------|---|
| COST | \$ 5,000 | \$ 30,000 | \$ 30,000 | \$ 0 | Consent <input checked="" type="checkbox"/> Policy <input 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 Stone, seconded by Supervisor Benoit 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: April 8, 2014
 xc: RCRMC, Purchasing

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

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

3-22

FORM APPROVED BY COUNTY COUNSEL
BY: *Neal R. Kipnis* DATE: 3/13/14
Departmental Concurrence

Purchasing: *Mark Seiler*
Mark Seiler, Assistant Director

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

SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA
FORM 11: Amendment to the Professional Services Agreement with Regents of University of California [All Districts - \$30,000]

DATE: March 13, 2014

PAGE: Page 2 of 2

BACKGROUND:

Summary (continued)

approximately another 6,000 diabetic patients throughout the Family Health Centers within Riverside County Health Systems. Diabetic patients are recommended to have regular retinal eye examinations. Retinal photographs are cost effective way for meeting this recommended component of diabetes care and are likely at least four times economical than in-person eye examinations.

Regents of University of California provides HIPAA-compliant storage service of the retinal photographs, guaranteed 24 hour turnaround time for retinal photograph interpretations from the time of submission, free retinal photographer training, support, certification and has an internal quality control process that involves frequent random audits of retinal photograph interpretations to ensure high quality reports and telephone consultation for an retinal photograph interpretation or submission of questions.

Impact on Citizens and Businesses

This service impacts the patients residing in Riverside County receiving care from Riverside County Regional Medical Center.

Contract History and Price Reasonableness

On January 24, 2011, a memorandum of understanding (MOU) was established between Regents of the University of California and Riverside County Regional Medical Care - Family Care Clinic for an amount of \$12,000 annually. Historically, the MOU has renewed annually and in fiscal year 2013/2014, the contract amount increased to \$25,000. This amendment would increase the maximum amount of the contract for an additional \$5,000 to ensure diabetic patients are treated.

The cost of each set of retinal photograph interpretations is \$15 per patient, which is significantly less than average market price. Cost of the retinal camera and ongoing maintenance of the camera is free of charge as long as RCRMC meets a minimum of 60 patients per month.

FIRST AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT

WITH

**Regents of the University of California
(Retinal Screening Services)**

That certain Agreement between Riverside County Regional Medical Center ("COUNTY") and **Regents of the University of California**, ("CONTRACTOR"), initially executed January 24, 2011, is hereby amended as follows:

- 1. Amend the language of **Section A. Operation Dates**, to include the following:

"The MOU is effective April 1, 2014, with the option to renew through June 30, 2015, unless terminated earlier. The agreement can be terminated by either of the interested parties, without cause, upon thirty (30) days written notice to the other party. In the event of termination, UCBOEC will remove the retinal camera from RCRMC."

- 2. Amend to include Section G. Payment for Services, paragraph 3. to state the following:

"UCBOEC understands that the County's budget for these services shall not exceed the aggregate amount of thirty thousand dollars (\$30,000) annually."

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

IN WITNESS WHEREOF, the parties have executed this Amendment.

CONTRACTOR
Regents of the University of California

COUNTY OF RIVERSIDE

By: Ed Revelli
Ed Revelli
Type or Print Name

By: Jeff Stone
JEFF STONE
Type or Print Name

Clint Director
Type or Print Title

CHAIRMAN, BOARD OF SUPERVISORS
Type or Print Title

Date: 3/12/14

Date: APR 08 2014

ATTEST:
KECIA WARRPER-HEM, Clerk
By: [Signature]
DEPUTY

FORM APPROVED COUNTY COUNSEL
BY: [Signature]
NEAL R. KIPNIS DATE 3/24/14

Date: March 13, 2014

From: Lowell Johnson, Interim Hospital Director Department/Agency: RCRMC

To: Board of Supervisors/Purchasing Agent

Via: Purchasing Agent

Subject: Sole Source Procurement; Request for Retinal Photograph Interpretation

The below information is provided in support of my Department requesting approval for a sole source. Outside of a duly declared emergency, the time to develop a statement of work or specifications is not in itself justification for sole source.

1. **Supply/Service being requested:** Retinal photograph interpretation
2. **Supplier being requested:** Regents of University of California
3. **Alternative suppliers that can or might be able to provide supply/service:** Researched local optometry and ophthalmology groups regarding price of retinal photo interpretation or taking retinal photos with interpretation. The price ranged from \$30 - \$100 per set of photos per patient.
4. **Extent of market search conducted:** Consulted with Loma Linda Ophthalmology Group regarding the possibility of them performing the retinal photograph interpretation. Loma Linda advised that the cost would be higher and the turnaround time for the interpretation reports would be longer. They also do not have a HIPAA compliant storage to maintain the retinal photographs.
5. **Unique features of the supply/service being requested from this supplier, which no alternative supplier can provide:** Regents of the University of California provides a HIPAA compliant storage service of the retinal photographs. The Group provides guaranteed 24 hour turnaround time for the retinal photograph interpretations from the time of submission. The Group provides free retinal photographer training, support, and certification. As long as RCRMC meets a certain amount of retinal photographs yearly, the retinal camera is provided to the site for free (value of \$20,000-\$30,000). The Group has an internal quality control process that involves frequent random audits of retinal photograph interpretations to ensure high quality reports. The Group also provides telephone consultation for any retinal photograph interpretation or submission for which a site has questions.
6. **Reasons why my department requires these unique features and what benefit will accrue to the county:** There are over 4,000 diabetic patients at Riverside County Regional Medical Center and approximately another 6,000 diabetic patients throughout the Family Health Centers within Riverside County Health Systems. Diabetic patients are recommended to have regular retinal eye examinations. Retinal photographs are a cost-effective way for meeting this recommended component of diabetes care and are likely at least 4 times cheaper than in-person eye examinations.
7. **Price Reasonableness including purchase price and any ongoing maintenance or ancillary costs from the supplier:** Cost of retinal camera is free. Ongoing maintenance of the retinal camera is provided for fee by the Group. The cost of each set of retinal photograph interpretations is \$15 per patient, which is significantly lower than average market price. Maximum amount = \$30,000 annually.

8. Does moving forward on this product or service further obligate the county to future similar contractual arrangements or any ongoing costs affiliated with this sole source? (Maintenance, support, or upgrades, if so, please explain). No.

9. Period of Performance: April 1, 2014 through June 30, 2015.

Lawrence J. Johnson

Department Head/Signature

17 March 2014

Date

Purchasing Department Comments:

Approve

Approve with Condition/s

Disapprove

Not to exceed: \$ *30,000* One time Annual Amount through *6-30-15*

M. L. Johnson

Purchasing Agent

3-19-14

Date

14-417

Approval Number
(Reference on Purchasing Documents)