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



FROM: Riverside County Regional Medical Center

SUBMITTAL DATE:
April 30, 2015

SUBJECT: Ratify the First Amendment to the Professional Service Agreement with National Research Corporation effective April 14, 2015 for a period of three years [All Districts; \$442,000, Hospital Enterprise Funds]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Ratify and authorize the Chairman to execute the First Amendment with National Research Corporation to provide Patient Experience and Employee Culture Safety Survey services effective April 14, 2015 with the option to renew annually for two additional years in one-year increments not to exceed the aggregate amount of \$442,000; and
2. Authorize the Purchasing Agent, in accordance with Ordinance No. 459, to exercise annual renewal options, based on the availability of fiscal funding, to sign amendments that do not change the substantive terms of the agreement as approved by County Counsel, and to allow the Purchasing Agent to increase the annual compensation amount not more than ten percent.

Zareh H. Sarrafian, Hospital CEO

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 140,000	\$ 147,000	\$ 442,000	\$ 0	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0	
SOURCE OF FUNDS: Hospital Enterprise Fund 100% 40050				Budget Adjustment: No	
				For Fiscal Year: 15/16-17/18	

C.E.O. RECOMMENDATION: APPROVE

BY:
Christopher M. Hans

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

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

Ayes: Jeffries, Tavaglione, Washington, Benoit and Ashley
Nays: None
Absent: None
Date: June 30, 2015
xc: RCRMC, Purchasing

Kecia Harper-Ihem
Clerk of the Board
By:
Deputy

Prev. Agn. Ref.:

District: ALL

Agenda Number:

3-49

PURCHASING & FLEET SERVICES
Lisa Brandl, Director
Departmental Concurrence
FORM APPROVED COUNTY COUNSEL
BY: GREGORY P. PRIAMOS
DATE: 6/17/15

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

SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA
FORM 11: Ratify the First Amendment to the Professional Service Agreement with National Research Corporation effective April 14, 2015 for a period of three years [All Districts; \$442,000, Hospital Enterprise Funds]

DATE: April 30, 2015

PAGE: Page 2 of 2

BACKGROUND:

Summary (continued)

Riverside County Regional Medical Center (RCRMC), now known as Riverside University Medical Center is placing a focused emphasis on positive patient experience and improved Hospital Consumer Assessment of Healthcare Providers and Systems (HCAHPS) scores. Three broad goals shape the HCAHPS survey. First, the survey is designed to produce comparable data on patients' perspectives of care that allows objective and meaningful comparisons among hospitals on topics that are important to consumers. Second, public reporting serves to enhance public accountability in health care. Third, public reporting serves by increasing transparency. With these goals in mind, the HCAHPS project has taken substantial steps to assure that the survey is credible, useful and practical. This methodology and the information it generates are available to the public.

Hospital Consumer Assessment of Healthcare Providers and Systems (HCAHPS) participation is a Centers of Medicare and Medicaid Services (CMS) requirement and the scores are directly tied to CMS valued based purchasing (VBP). It warrants RCRMC gain the ability to earn market basket share of Medicare monetary reimbursement, while Clinician and Group Consumer Assessment of Healthcare Providers and Systems (CG CAHPS) scores are reported to CMS as part of the delivery system reform incentive payments (DSRIP) reporting—a medical waiver plan for public hospitals.

Impact on Citizens and Businesses

The Hospital, its site-based clinics and community-based clinics serve residents in all five Riverside County supervisorial districts, providing more than 450,000 patient encounters each year. By creating access to a quality health system that has historically been available only to lower income individuals will have positive impacts on the businesses and residents across the Inland region. Businesses will benefit from an additional option for quality, affordable health services to offer their families and employees. The local economy will reap positive benefits from the presence of a thriving regional health system that is served by a well-paid, educated workforce, and where patients of all incomes can obtain high quality healthcare services that now seek providers in neighboring counties.

Contract History and Price Reasonableness

On December 19, 2014, the County Purchasing Agent executed the Professional Services Agreement with National Research Corporation as a result of Request for Proposal (RFP #MCARC248). National Research Corporation was selected as the most responsive/responsible vendor, submitting a scope of work which met the needs of RCRMC and a proposed cost of \$36,400 for the first year.

The current service sample size was originally set at a lower number to provide useful feedback to RCRMC executive management. Since then additional services were necessary in order to obtain meaningful information which increased the number of surveys to provide a larger sample size. The rates for this service will not change, only the volume of surveys will increase from the standard CMS regulation of 400 surveys to over 2,000 surveys. RCRMC seeks a stronger reflection of patient satisfaction for the purpose of implementing appropriate improvement action plans. Patient satisfaction includes action plans aimed at improving patient experience in the emergency department.

FIRST AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT

WITH

NATIONAL RESEARCH CORPORATION

(Patient Experience & Employee Culture Safety Survey Services)

That certain Agreement between Riverside County Regional Medical Center ("COUNTY") and **National Research Corporation**, ("CONTRACTOR"), initially approved December 19, 2014, is hereby amended as follows:

1. Delete paragraph 3 of the Membership Subscription Agreement (Agreement) in its entirety and replace it with the following:

"Subject to the foregoing, payment to National Research Corporation (NRC) is due in US Dollars within thirty (30) days from the date of receipt of the invoice. Interest shall accrue on any past due amounts at the rate of one and one-half percent (1 ½%) per month until paid, unless waived by NRC. Maximum payment by Member to NRC shall not exceed one hundred forty thousand dollars (\$140,000) for the first year, one hundred forty seven thousand dollars (\$147,000) the second year, and one hundred fifty five thousand dollars (\$155,000) for the third year, including all expenses. Member is not responsible for any fees or costs incurred above or beyond the maximum amount and shall have no obligation to purchase any specified amount of services or products. Unless otherwise specifically stated in the LOA, Member shall not be responsible for payment of any of NRC's expenses related to this Agreement."

2. Delete the Letter of Agreement (LOA) dated December 4, 2014 and replace with the attached Letter of Agreement (LOA) dated April 14, 2015.
3. All other terms and conditions of this Agreement are to remain unchanged.

IN WITNESS WHEREOF, the parties have executed this Amendment.

CONTRACTOR
National Research Corporation

By: Rob Wirth

Rob Wirth
Type or Print Name

Revenue Manager
Type or Print Title

Date: 5/28/15

COUNTY OF RIVERSIDE

By: Marion Ashley

MARION ASHLEY
Type or Print Name

CHAIRMAN, BOARD OF SUPERVISORS
Type or Print Title

Date: JUN 30 2015

JUN 30 2015 349

ATTEST:

KECIA HARPER-IHEM, Clerk BY: NEAL R. KIPNIS
DEPUTY

FORM APPROVED COUNTY COUNSEL
DATE 5/17/15



4/14/2015

Naomi Santos
Riverside County Regional Medical Center
26520 Cactus Ave
Moreno Valley, CA 92555

Dear Naomi,

On behalf of National Research Corporation, we sincerely appreciate the opportunity to partner with your organization. This Letter of Agreement (LOA) and accompanying addendum(s) serve to confirm our understanding of the membership services that will be provided to your organization.

This agreement will become valid after final County Board Approval is reached in May or June of 2015 as the Executive Team at Riverside County Regional Medical Center has completed the first round of approvals for this project expansion. In the event of County Board Approval not being reached, this letter of agreement will become void and the original letter of agreement will be reinstated.

Please confirm your agreement and acceptance by signing and returning this LOA.

By email to ballemann@nationalresearch.com

Or via facsimile to my attention at 402.475.9061

Upon receipt of the signed LOA, we will be able to begin services as of the membership effective date.

Thank you again for the opportunity to be of service and we look forward to working with your organization. If we can provide you with any additional information, please feel free to contact me at any time.

Sincerely,

Title: Sr. Business Development Manager

Date: 4-14-15

Confirmation: Riverside County Regional Medical Center

Signature:

Printed Name: INES MARK

Title: PROCUREMENT CONTRACT SPECIALIST

Date: 4/29/15



Your Membership services include:

<input checked="" type="checkbox"/> PATIENT & FAMILY EXPERIENCE PROGRAMS <input type="checkbox"/> Universal <input type="checkbox"/> Universal Performance Improvement <input type="checkbox"/> Picker Plus <input type="checkbox"/> Picker Plus Performance Improvement <input checked="" type="checkbox"/> Classic (See Sample Plan Below) <input type="checkbox"/> H-CAHPS® Only <input checked="" type="checkbox"/> CG-CAHPS®	<input type="checkbox"/> PHYSICIAN ENGAGEMENT <input type="checkbox"/> EMPLOYEE ENGAGEMENT <input type="checkbox"/> HOME HEALTH <input type="checkbox"/> POINT OF CARE <input type="checkbox"/> HOSPICE
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MEMBERSHIP EFFECTIVE DATE:

7-1-15

Description of Service	Cost
<i>Inpatient Survey (HCAHPS Included)</i>	\$15.00 per completed survey in two (2) wave mail methodology (2,862 targets)
<i>Hospital (ancillary department) Outpatient Satisfaction Survey</i>	\$15.00 per completed survey in two (2) wave mail methodology (1,750 targets)
<i>Emergency Department</i>	\$15.00 per completed survey in two (2) wave mail methodology (383 targets)
<i>CG-CAHPS; primary care clinics; DSRIP; SNI-variant tool (4 point scale)</i>	\$11.00 per completed survey in two (2) wave mail methodology (5,000 targets – provider level measurement)
<i>Safety Culture Survey (employee survey)</i>	\$9,700 flat rate per year (irrespective of number of responses –web survey)
TOTAL ANNUAL COST	\$139,625.00



Letter of Agreement

☒ ADDITIONAL LANGUAGE (English/Spanish included)

SURVEY METHODOLOGY ☐ Phone ☒ Mail ☒ E-Mail ☐ Web

- o Notes: Please see sample plan above for specific methodology instructions.
- o Notes: _____

CONTRACT TERM AND FEE SCHEDULE

YEAR 1 ANNUAL MEMBERSHIP FEE:	\$139,625.00
YEAR 2 ANNUAL MEMBERSHIP FEE:	\$146,606.25
YEAR 3 ANNUAL MEMBERSHIP FEE:	\$153,936.56

INVOICE TERMS: ☒ Invoiced Quarterly at Start

PAYMENT TERMS: NET 30 DAYS FROM DATE OF INVOICE

NOTES:

- ✓ Should there be a conflict between the terms of the most recent LOA and the associated Membership Services Agreement, the terms of the most recent LOA will take precedence.
- ✓ While customization is possible, it is subject to approval and a subsequent fee would be determined.
- ✓ The pricing outlined in this LOA will expire in the event that the LOA is not signed and returned within 90 days of the date of the LOA.