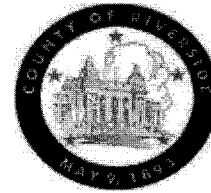


**SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



**ITEM  
3.15**

**MEETING DATE:**

Tuesday, November 8, 2016

**FROM :** RUHS-MEDICAL CENTER:

**SUBJECT:** RUHS-MEDICAL CENTER: Approve and execute the First Amendment to the Professional Service Agreement with Polaris Healthcare Consulting to provide process improvement management consulting and training services effective January 1, 2017, 1 year; District 5; [\$264,000], Hospital Enterprise Funds

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Approve and authorize the Chairman to execute the First Amendment to the Professional Services Agreement with Polaris Healthcare Consulting to provide process improvement management consulting and training services between January 1, 2017 and December 31, 2017 increasing the contract annual amount by \$264,000 from \$132,000 to \$396,000.
2. Authorize the Purchasing Agent, in accordance with Ordinance No. 459 as approved by County Counsel to sign amendments that do not change the substantive terms of the agreement and sign amendments to the compensation provisions that do not exceed ten percent.

*Zareh Sarrafian*

Zareh Sarrafian, Chief Executive Officer - Health System

10/31/2016

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 132,000	\$ 132,000	\$ 264,000	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: Hospital Enterprise Fund 40050			Budget Adjustment:	No
			For Fiscal Year:	16/17-17/18

**C.E.O. RECOMMENDATION:** APPROVE

**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Tavaglione, seconded by Supervisor Ashley 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: November 8, 2016  
xc: RUHS, Purchasing

Kecia Harper-Ihem  
Clerk of the Board

By: *[Signature]*  
Deputy

**3-15**

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

**BACKGROUND:**

**Summary**

The requested Board action will allow Riverside University Health System (RUHS) to extend the Agreement with Polaris Healthcare Consulting to finalize the completion of the process improvement management initiative.

As a result of the Accountable Care Act and related market factors, public hospital systems are under increasing pressure to expand their capacity, enhance the patient experience, improve care, and reduce costs. RUHS implemented an active daily management system to sustain the productivity gains achieved to date and foster a continuous improvement throughout the health system. Polaris Healthcare Consulting has provided assistance with implementing this Lean Active Daily Management system and process improvement management consulting and training services to RUHS to ensure the process improvement gains are sustained.

**Impact on Residents 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. System wide improvements in clinic scheduling, referrals, and throughput will increase clinic capacity, appointment availability and access to care, providing residents with greater access to quality, efficient, convenient care within Riverside County.

**Contract History and Price Reasonableness**

On May 24, 2016, Agenda Item 3-24, the Board approved the Professional Services Agreement with Polaris Healthcare Consulting effective June 1, 2016 for a project budget amount of \$132,000. The Polaris Healthcare Consulting work has consisted of multiple services for assessment, with more focus on leadership training, full project guidance, coaching, and consultation. The hourly rate was \$125.00 per hour and is well below market standards.

This Amendment would extend the services, at the same hourly rate, for one year to continue to extend and expand of the process improvement management initiatives across the RUHS care clinics and other medical center departments. The total budget for the now eighteen month engagement project will be \$396,000 (\$264,000 in FY 2016/2017; \$132,000 in FY 2017/2018).

  
Lisa Brandl, Director of Purchasing and Fleet Services

11/1/2016

**FIRST AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT**

**WITH**

**POLARIS HEALTHCARE CONSULTING**  
(Process Improvement Management Consulting Services)

That certain Agreement between County of Riverside, Riverside University Health System -- Medical Center ("COUNTY") and **Polaris Healthcare Consulting**, ("CONTRACTOR"), initially executed May 24, 2016; Agenda Item No. 3-24, is hereby amended as follows:

1. The first sentence of **Section 2. Period of Performance** is deleted in its entirety and replaced with the following:

"This Agreement is effective through December 31, 2017, unless terminated as otherwise provided herein."

2. The language of **Section 3. Compensation, subsection 3.1** is deleted in its entirety and replaced with the following:

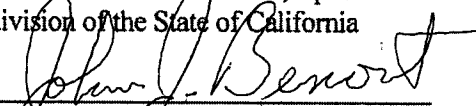
"The COUNTY shall pay the CONTRACTOR at an hourly rate of one hundred twenty five dollars (\$125.00) per hour for project management, coaching and to monitor the completion of the Lean Management System at Riverside University Health System. Maximum payments by COUNTY to CONTRACTOR shall not exceed Three hundred ninety-six thousand dollars (\$396,000) including all expenses. The COUNTY is not responsible for any fees or costs incurred above or beyond the contracted amount and shall have no obligation to purchase any specified amount of services or products."

3. Exhibit B is deleted in its entirety.
4. All other terms and conditions of this Agreement are to remain unchanged.

*[THE BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK]*

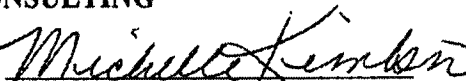
IN WITNESS WHEREOF, the parties have executed this Amendment.

COUNTY OF RIVERSIDE, a political  
subdivision of the State of California

By:   
John J. Benoit, Chairman  
Board of Supervisors

Dated: NOV 08 2016

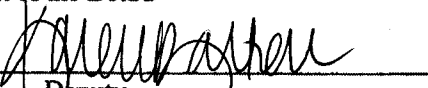
POLARIS HEALTHCARE  
CONSULTING

By:   
Michelle Kimbro,  
Managing Director

Dated: 10/26/16


ATTEST:

Kecia Harper-Ihem  
Clerk of the Board

By:   
Deputy

APPROVED AS TO FORM:

Gregory P. Priamos  
County Counsel

By:   
Martha Knutson,  
Deputy County Counsel