

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



ITEM
3.52
(ID # 3148)

FROM : RUHS-MEDICAL CENTER:

MEETING DATE:
Tuesday, December 13, 2016

SUBJECT: RUHS-MEDICAL CENTER: Approve and execute Amendment No. 11, for the extension of the Professional Services Agreement with RightSourcing, Inc. a Division of Comforce for up to \$9,000,000 per year for five years; District 5; [\$45,000,000 over 5 years], Hospital Enterprise Fund

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve and authorize the Chairman of the Board to execute Amendment No. 11, extending through December 31, 2021 the Professional Services Agreement with Rightsourcing, Inc. a Division of Comforce, to provide comprehensive registry staffing management services at \$9,000,000 per year for Riverside University Health System; and
2. Authorize the Purchasing Agent, or designee to adjust contract amounts of RightSourcing and ShiftWise as long as the total does not exceed \$9,000,000 per year; and
3. Authorize the Purchasing Agent, in accordance with Ordinance No. 459, to exercise renewal options, based on the availability of fiscal funding, and as approved by County Counsel to: a) to sign amendments that do not change the substantive terms of the Agreement; and b) sign amendments to the compensation provisions that do not exceed 10% annually.

Zareh Saffarian, Chief Executive Officer - Health System 12/5/2016

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 9 million	\$ 9 million	\$ 45 million	\$ n/a
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ n/a
SOURCE OF FUNDS: Medical Center Enterprise Fund – 40050 in previously approved budget			Budget Adjustment: No	
			For Fiscal Year: 16/17 to 20/21	

C.E.O. RECOMMENDATION: APPROVE

MINUTES OF THE BOARD OF SUPERVISORS

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

Ayes: Jeffries, Tavaglione Washington and Ashley
 Nays: None
 Absent: Benoit
 Date: December 13, 2016
 xc: RUHS-Medical Center, Purchasing

Kecia Harper-Ihem
 Clerk of the Board
 By:
 Deputy

3-52

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BACKGROUND:

Summary (continued)

Approval of this RightSource contract would allow RUHS – Medical Center to keep two approved contract options for securing temporary nurses for patient care. The hospital has existing contracts with both RightSource and Shiftwise, but the RightSource contract is at the end of its five-year term. Maintaining two temporary staffing service relationships will ensure adequate resources are available to meet hospital demand. If approved, the hospital would keep the total cost of temporary nurse staffing services at an annual amount of not to exceed \$9,000,000 between the two firms. This is the amount previously approved by the Board. Approval of this item does not increase the contract amount or change the Medical Center's budget.

Operationally, Medical Center staff plan to use RightSourcing as the primary registry staffing service and ShiftWise as the secondary. Another advantage of contracting with both firms is that the medical center would be sure of having enough nurses with Epic experience. Also, RightSourcing and ShiftWise are both members of the Group Purchasing Organization (GPO) for the hospital, so they qualify for its rebate program. Finally, the contract rates are comparable with market standard.

Impact on Citizens and Businesses

The hospital, its inpatient treatment facility, 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. The local economy will experience positive benefits from the presence of a thriving health system that is served by an educated workforce, and where patients of all incomes can feel safe and obtain high quality healthcare services.

During past periods of medical staffing shortages, hospital managers had difficulty using standard county hiring processes to quickly hire medical staff, especially registered nurses. Patient counts vary daily and staffing must also vary daily to satisfy nurse to patient ratio targets as efficiently as possible. To meet these objectives, hospital management has looked to temporary employment agencies to fill vacancies created by the variable nature of patient traffic. Filling vacancies with temporary nurses has, for example, improved RUHS' services by allowing shorter waiting periods for admission while ensuring that the required nurse-to-patient staffing ratios are met, all without the unnecessary cost of overstaffing.

Contract History and Price Reasonableness

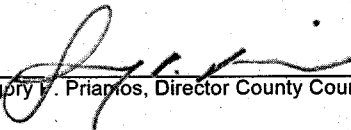
Both RightSource and ShiftWise are the primary competitors in the Inland Empire for providing contingent labor to hospitals. During the summer of 2016, Medical Center Staff conducted an informal survey of 16 local hospitals and found that five use RightSourcing, two use ShiftWise and one uses both. Of the others, most use smaller suppliers that won't be able to meet the medical center's needs. One surveyed hospital uses a national firm that is probably too big to adequately support a smaller account like ours.

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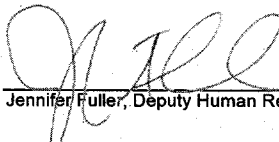
Medical Center staff conducted an analysis of industry rates with RightSourcing and Shiftwise. Their rates are within market standards for supplemental temporary staff and comparable to the GPO rates in both existing contracts.


Teresa Summers, Assistant Director of Purchasing

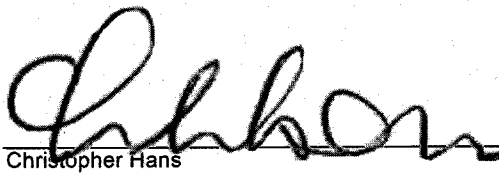
12/7/2016


Gregory V. Priamos, Director County Counsel

12/7/2016


Jennifer Fuller, Deputy Human Resources Director

12/7/2016


Christopher Hans

12/8/2016

ELEVENTH AMENDMENT TO THE AGREEMENT

WITH

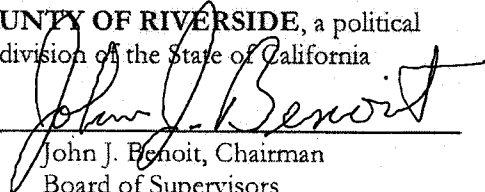
RIGHTSOURCING, INC.
(Vendor Management Services)

That certain Agreement between County of Riverside ("COUNTY") and RightSourcing, Inc. ("CONTRACTOR"), approved December 13, 2011; Agenda Item 3.29, is hereby amended as follows:

1. Section 8 (a), TERM AND TERMINATION is deleted in its entirety and replaced with the following :
 - (a) This Agreement shall be effective upon signature of this Amendment by both parties and continues in effect through 12/31/2021, unless terminated earlier. CONTRACTOR shall commence performance upon signature of this Agreement by both parties and shall diligently and continuously perform thereafter. The Riverside County Board of Supervisors is the only authority that may obligate the County for a non-cancelable multi-year agreement.
2. All other terms and conditions of the Agreement not modified herein shall remain unchanged.

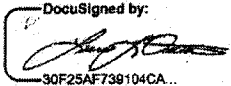
IN WITNESS WHEREOF, the parties have executed this Amendment.

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

By: 
John J. Benoit, Chairman
Board of Supervisors

Date: DEC 13 2016

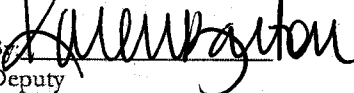
RightSourcing, Inc.

DocuSigned by:

30F25AF738104CA...
By: Leanne Oatman
President

Date: 12/7/2016

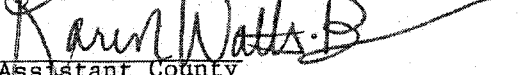
ATTEST:

Kecia Harper-Ihem
Clerk of the Board

By: 
Deputy

APPROVED AS TO FORM:

Gregory P. Priamos
County Counsel

By: 
Assistant County
Counsel