

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



ITEM  
3.19  
(ID # 3615)

**MEETING DATE:**

Tuesday, March 14, 2017

**FROM :** RIVERSIDE UNIVERSITY HEALTH SYSTEM (RUHS):

**SUBJECT:** RIVERSIDE UNIVERSITY HEALTH SYSTEM: Approval of \$7.1 Million Increase to FY 2016-17 RightSourcing Contract from \$9 million to \$16.1 Million For Service to Fill Temporary Clinical Positions [District 5; \$7.1 Million From Medical Center Enterprise Fund]

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

1. That the Board of Supervisors approve the attached amendment, adding \$7.1 million to the FY 2016-17 RightSourcing Contract increasing it from \$9 million to \$16.1 million for service to fill temporary clinical positions

**ACTION:** Policy

Zareh Sacrafian, Chief Executive Officer - Health System

2/27/2017

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**MINUTES OF THE BOARD OF SUPERVISORS**

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

Ayes: Jeffries, Tavaglione, Washington and Ashley  
Nays: None  
Absent: None  
Date: March 14, 2017  
xc: RUHS

Kecia Harper-Ihem  
Clerk of the Board  
By:   
Deputy

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<b>FINANCIAL DATA</b>	<b>Current Fiscal Year:</b>	<b>Next Fiscal Year:</b>	<b>Total Cost:</b>	<b>Ongoing Cost</b>
<b>COST</b>	\$ 7,100,000	\$ 0	\$ 7,100,000	\$ n/a
<b>NET COUNTY COST</b>	\$ 0	\$ 0	\$ 0	\$ 0
<b>SOURCE OF FUNDS:</b> Medical Center Enterprise Fund 40050			<b>Budget Adjustment:</b>	NO
			<b>For Fiscal Year:</b>	16/17

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

**BACKGROUND:**

**Summary**

An additional \$7,100,000 is being requested for the RightSourcing contract for fiscal year 2016-2017. The additional amount will pay travelers and registry nurses for current staff positions the Medical Center has been unable to fill. To cover the cost, there are budgeted salary and benefit dollars not being used in key areas, such as Emergency Department.

Unforeseen difficulties in filling staff nursing jobs are the primary reason for the contract overage, and are discussed in detail below. Critical staffing needs in the FQHC clinics and Corrections Health were greater than expected. Additionally, Epic and other special projects required considerably more contracted support than was planned. Finally, a few non-clinical departments accessed the contract to fill open positions. The intent of these managers was sincere, but the practice has been halted and they are again using normal county channels to fill open positions.

The Medical Center takes advantage of County TAP services to fill a variety of positions. This service is invaluable when the need is transient, it is desirable to fill a position and start a recruitment at the same time, or when a manager wants to test a candidate before offering a permanent job. To supplement this service the Medical Center, corrections health, and clinics use two temporary agencies - RightSourcing is the primary and ShiftWise is the secondary - to secure temporary employees for clinical positions. RightSourcing and ShiftWise have contacts all over the region and the state, as well as other states, and so are able to immediately provide essential, and often hard-to-recruit, positions. These include nurses of differing skill-sets & training for clinics, the emergency room, corrections health and others, as well as dieticians, case managers, pharmacy technicians, and social workers.

It is not an exaggeration to say that without the travelers/registry nurses from RightSourcing or ShiftWise, the medical center would have trouble meeting Title 22 regulations related to nurse staffing ratios in the Emergency Room, and so might not be able to meet the emergency needs of our patient population safely.

This essential contract has been challenging to manage this year for a number of reasons.

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- a. The contracted rate increased for travelers (10%) after years with no change. The rate is not fixed in the contract and can be moved to match changing demand. Within the last year, Medical Center was unable to attract candidates to consistently fill vacancies at the old rate.
- b. Additional Travelers have been requested in an effort to reduce overtime, which is costly and risks staff fatigue.
- c. Increasing regional shortage of critical care nurses:
  - 1) It is now difficult to recruit any experienced ED, ICU or NICU RNs
  - 2) There is a growing trend of RNs leaving critical care areas to become travelers related to higher income, thus creating more vacancies.
  - 3) Our emergency dept. has approximately 60% of working staff that are travelers. This is the highest percentage we've had in at least five years.
  - 4) Based on information from the State of California, Riverside California is critically short of nurses per population.
  - 5) In conferring with other Riverside County hospitals, we are hearing the same trends for increasing shortages of critical care nurses and increased use of travelers.
- d. Epic required additional staff for go-live to enable staff super users on every unit - assisting others 24/7 for several weeks required back filling their positions with travelers.
- e. The contract is also utilized by the Corrections department for traveler nurses.
- f. Some non-clinical departments that normally don't use registry or travelers utilized during urgent projects such as ICD 10 and Epic implementation. This has now ceased, but utilized contract dollars that aren't normally part of registry/traveler use.
- g. Federal regulation 42CFR 482.23(b) requires hospitals certified by CMS to have adequate numbers of nurses, as does Title 22.
- h. According to the Bureau of Labor Statistics Employment Projects 2012-2022 released in December 2013, Registered Nursing is listed among the top occupations in terms of job growth through 2022.
- i. California is one of the lowest states in the nation for RNs to population and critical care nurses are among the most critically short.

**Impact on Residents and Businesses**

This contract allows the Medical Center, Clinics, and Corrections Health to keep vital positions filled, and continue to provide essential services to the community and their target populations.

**SUPPLEMENTAL:**

**Additional Fiscal Information**

The other terms and duration of the contract remain unchanged.

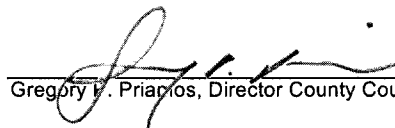
**Contract History and Price Reasonableness**

The Medical Center has contracted with this vendor for many years. The Board approved the current 5-year contract in December 2016.

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Lisa Brandt, Director of Purchasing and Fleet Services

3/10/2017

  
Gregory P. Priamos, Director County Counsel

3/10/2017

**CLERK'S COPY**

to Riverside County Clerk of the Board, Stop 1010  
Post Office Box 1147, Riverside, Ca 92502-1147  
Thank you.

**TWELVE AMENDMENT TO THE AGREEMENT**

**WITH**

**RIGHTSOURCING, INC. A DIVISION OF COMFORCE**

(Vendor Management Services)

That certain Agreement between County of Riverside ("COUNTY") and RightSourcing, Inc. a Division of Comforce, ("CONTRACTOR"), approved December 13, 2011 as Agenda Item 3.29, First Amendment approved April 12, 2012, Second Amendment approved June 8, 2012, Third Amendment approved November 1, 2012, Fourth Amendment approved May 30, 2013, Fifth Amendment approved October 16, 2013, Sixth Amendment approved July 11, 2014, Seventh Amendment approved February 27, 2015, Eighth Amendment approved July 10, 2015, Ninth Amendment approved July 17, 2015, Tenth Amendment approved May 24, 2016, and Eleventh Amendment approved December 13, 2016, is hereby amended as follows:

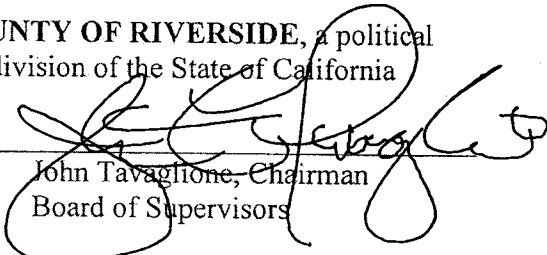
1. All references to "Riverside County Regional Medical Center" are removed and replaced with "Riverside University Health System".
2. The following paragraph shall be added to the end of Section 3. BILLING:  
  
"Maximum payment by Client to RightSourcing shall not exceed \$16.1 million annually. Client shall be responsible for monitoring the amount spent and advising RightSourcing when payments come close to this not to exceed annual amount. Client shall ensure that adequate funding exists for the duration of an assignment requested by Client. Client shall not be responsible for payment of any of RightSourcing's expenses related to this Agreement. Price increases for services performed shall not be permitted without prior written consent of both parties. Contractor shall provide written proof satisfactory to Client of any proposed price increase prior to its consideration and approval. All price increases shall be documented and included in a written amendment to this Agreement. No later than sixty (60) days prior to the expiration of each renewal term of this Agreement, both parties shall meet to review costs and pricing and mutually agree on any changes to pricing for the ensuing year. "
3. All other terms and conditions of the Agreement not modified herein shall remain unchanged.

*[Intentionally Left Blank; Signature Page Follows]*

IN WITNESS WHEREOF, the parties have executed this Amendment.

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

RightSourcing, Inc. a Division of  
Comforce

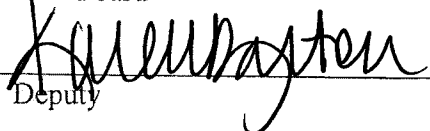
By:   
John Tavaglione, Chairman  
Board of Supervisors

By: \_\_\_\_\_  
Leanne Oatman  
President

Date: MAR 14 2017

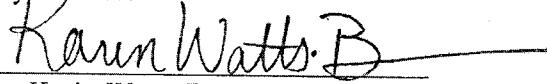
Date: \_\_\_\_\_

ATTEST:  
Kecia Harper-Ihem  
Clerk of the Board

Date:   
Deputy

APPROVED AS TO FORM:

Gregory P. Priamos  
County Counsel

By:   
Karin Watts-Bazan,  
Assistant County Counsel