

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



ITEM  
3.12  
(ID # 5437)

**MEETING DATE:**

Tuesday, October 17, 2017

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

**SUBJECT:** RIVERSIDE UNIVERSITY HEALTH SYSTEM-MEDICAL CENTER: Approval of the First Amendment to the Professional Services Agreement with Community Health Solutions, Inc. D/BA/ FQHC Associates for Professional FQHC Cost Reporting Services effective October 1, 2017, 1 year; All Districts; [\$100,000 Annually]; Hospital Enterprise Funds.

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

1. Approve and execute the First Amendment with Community Health Solutions, Inc. D/BA/ FQHC Associates for Professional FQHC Cost Reporting Services to increase the amount from \$50,000 to \$100,000 and;
2. Authorize the Purchasing Agent, in accordance with Ordinance No. 459 and as approved by County Counsel to: (a) sign amendments that do not change the substantive terms of the agreement, (b) sign amendments to renew or extend the term period consistent with the terms in Section 2 of the Agreement, and (c) sign amendments to the compensation provisions that do not exceed ten percent (10%) annually.

**ACTION:**


  
Jennifer Cruikshank, Chief Executive Officer - Health System 10/5/2017

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**MINUTES OF THE BOARD OF SUPERVISORS**

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

Ayes: Jeffries, Tavaglione, Washington, Perez and Ashley  
Nays: None  
Absent: None  
Date: October 17, 2017  
xc: RUHS-Medical Center, Purchasing

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>	\$ 50,000	\$ 0	\$ 50,000	\$ 0
<b>NET COUNTY COST</b>	\$ 0	\$ 0	\$ 0	\$ 0
			<b>Budget Adjustment:</b>	No
			<b>For Fiscal Year:</b>	17/18

**C.E.O. RECOMMENDATION:** [CEO use]

**BACKGROUND:**

**Summary**

Community Health Solutions, dba FQHC, Associates is currently a contracted vendor of RUHS-Hospital. This vendor was successful in providing accurate cost reports to the Centers of Medicare and Medicaid for (CMS) for fiscal year ending 2014/2015 on behalf of the (10) Community Care Clinics. The Community Care clinics have requested to retain the vendor's services to submit cost reports to the CMS for fiscal year ending 2015/2016. The Amendment will increase the amount from \$50,000 to \$100,000.

Community Health has over 40 plus years' experience devising, reviewing and submitting FQHC cost reports to the state. Furthermore, this vendor is experienced in negotiations and has a successful track record in negotiating a reduction in penalty costs for their clients.

Community Health Solutions is unique in that they have extensive knowledge and expertise in the area of filing reports to the Centers of Medicare and Medicaid (CMS). Community Health Solutions is well versed in state reporting requirements and Federally Qualified Health Centers requirements.

**Impact on Residents and Businesses**

This vendor is currently contracted with RUHS. The community relies on the Community Care /FQHC clinics for their medical services. In order to sustain the clinic's viability, CMS mandates submission of accurate cost reporting for each fiscal year end. Failure to submit these cost reports could potentially cause the clinics to receive penalties resulting in fines.

**Contract History and Price Reasonableness**

On April 7, 2017, SSJ approval # 17-228, Central Purchasing approved the Sole Source with Community Health Solutions, not to exceed \$50,000. The cost for these specialized services will remain at a rate of \$5,000 per cost report per clinic. These rates are within the range of fiscal expert-level. By adhering to fiscal year end reporting, the clinics will avoid paying penalty costs that may have occurred due to untimely filing.

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Teresa Summers, Director of Purchasing

10/5/2017

  
Gregory V. Priamos, Director County Counsel

10/5/2017



# Riverside University HEALTH SYSTEM

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Date: September 20, 2017  
From: Jennifer Cruikshank, CEO  
To: Board of Supervisors/Purchasing Agent  
Via: Michelle DeSpain, RUHS Contracts Administration  
Subject: Single Source Procurement; Request for Cost Reporting Services

The below information is provided in support of my Department requesting approval for a sole source.

1. **Supplier being requested:** Community Health Solutions dba FQHC Associates
2. **Vendor ID:**
3. **Supply/Service being requested:** Refile and submission of cost reports for the (10) Community Health Center, Federally Qualified Health Centers (FQHC)
4. **Alternative suppliers that can or might be able to provide supply/service and extent of market search conducted:**  
This vendor is unique in that they have extensive knowledge and expertise in the area of reports submission to the Centers of Medicare and Medicaid (CMS). This vendor is well versed in state reporting requirements.
5. **Unique features of the supply/service being requested from this supplier, which no alternative supplier can provide:** Community Health has over 40 plus years' experience in devising, reviewing and submitting the FQHC cost reports to the state Vendor, Community Health Solutions, dba FQHC, Associates is a current contracted client of RUHS-Hospital. This vendor is experienced in negotiations and has a successful track record in negotiating a reduction in penalties for their clients.
6. **Reasons why my department requires these unique features and what benefit will accrue to the county:** This vendor is currently contracted with RUHS. The Community Care Clinics require their expertise and vast knowledge in submitting precise cost reports to CMS. The clinics need to report cost data at the end of the fiscal year in order to maintain daily operations. The community relies on the Community Care /FQHC clinics for their medical needs. This vendor was successful in providing accurate cost reports to the Centers of Medicare and Medicaid for (CMS) for fiscal year ending 14/15 for the (10) Community Care Clinics. The Community Care clinics have requested to retain the vendor's services again to submit cost reports to the Centers of Medicare and Medicaid (CMS) for fiscal year ending, 15/16 to remain in compliance with mandated CMS reporting.
7. **Period of Performance:** March 20, 2017 – March 31, 2018.
8. **Is this an annually renewable contract?** No  
**Is this a fixed-term agreement?** Yes

8. Identify all costs for this requested purchase. If approval is for multiple years, ongoing costs must be identified below. If annual increases apply to ongoing costs such as CPI or other contract increases, provide the estimated annual cost for each consecutive year. If the annual increase may exceed the Purchasing Agent's authority, Board approval must be obtained.

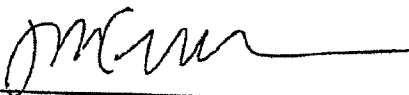
Description:	FY17/18	FY18/19	FY19/20	FY20/21	FY21/22	Total
One-time Costs:	\$100,000	\$100,000				\$200,000
Expenses included						
Ongoing Costs:	N/A					
(Insert description)						
Total Costs	\$100,000	\$100,000				\$200,000

\$100,000

\$100,000

9. **Price Reasonableness:** The cost for these specialized services will be at a rate of \$5,000 per cost report per clinic. These rates are within the range of fiscal expert-level. Maximum amount shall not exceed \$100,000 for twelve months.

10. Projected Board of Supervisor Date (if applicable): N/A

  
 Department Head Signature \_\_\_\_\_ Print Name Jennifer Cruikshank Date 10/4/17

Purchasing Department Comments:  
Approve

Approve with Condition/s


Disapprove

Not to exceed: \$ 100,000

One time

Annual Amount through

3/31/2018  
(Date)

  
 Purchasing Agent \_\_\_\_\_ Date 10/4/17

Approval Number

(Reference on Purchasing Documents)

17-228A

List Attachments: Contract Agreement

**FIRST AMENDMENT TO THE AGREEMENT**

**WITH**

**COMMUNITY HEALTH SOLUTION, INC. D/B/A FQHC ASSOCIATES  
(CONSULTATION SERVICES FOR FQHC COST REPORTS)**

That certain Agreement between County of Riverside ("COUNTY") and, **Community Health Solutions, Inc. D/B/A FQHC Associates** ("CONTRACTOR"), executed March 20, 2017 is hereby amended as follows. This amendment will become effective upon final signature.

1. The language in **Section 3.1, Compensation** is deleted in its entirety and replaced with the following:

"The COUNTY shall pay the CONTRACTOR for services performed, products provided and expenses incurred in accordance with the terms of Exhibit B, Payment Provisions. Maximum payments by COUNTY to CONTRACTOR shall not exceed One Hundred Thousand dollars (\$100,000) annually 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. Unless otherwise specifically stated in Exhibit B, COUNTY shall not be responsible for payment of any of CONTRACTOR's expenses related to this Agreement".

2. The language in **Exhibit B, Section 3.0 Payment Provisions**, is deleted in its entirety and replaced with the following:

"Maximum payments by COUNTY to CONTRACTOR shall not exceed One Hundred Thousand dollars (\$100,000) for the period of this Agreement including all expenses".

IN WITNESS WHEREOF, the parties have executed this Amendment.

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

By: 

Name: JOHN TAVAGLIONE

Title: CHAIRMAN, BOARD OF SUPERVISORS

Date: OCT 17 2017

CONTRACTOR

By: 

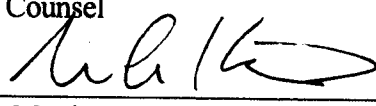
Name: Steven D Weihman

Title: President and CEO

Date: September 30, 2017

APPROVED AS TO FORM:

Gregory Priamos  
County Counsel

By: 

Martha Ann Knutson,  
Deputy County Counsel

ATTEST:

KECIA HARPER-IHEM, Clerk

By:   
DEPUTY