



**SUBMITTAL TO THE RIVERSIDE UNIVERSITY HEALTH
SYSTEM MEDICAL CENTER GOVERNING BOARD
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

**Riverside
University
HEALTH SYSTI
Medical Cent** ITEM
15.5
(ID # 10781)

MEETING DATE:

Tuesday, September 10, 2019

FROM: RUHS-MEDICAL CENTER:

SUBJECT: RIVERSIDE UNIVERSITY HEALTH SYSTEM-MEDICAL CENTER: Ratification and Approval of a Third Amendment to the Professional Service Agreement with Faculty Physicians and Surgeons of Loma Linda University School of Medicine for General Pediatric, Neonatology, Pediatric Specialty and Pediatric Intensive Care Professional Services effective July 1, 2018; All Districts. [Total Cost \$18,771,996; Annual Cost \$351,996; up to \$35,199 in additional compensation – 100% Hospital Enterprise Fund]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Ratify and approve the Third Amendment to the Professional Service Agreement with Faculty Physicians and Surgeons of Loma Linda University School of Medicine (FPS LLUSM) for General Pediatric, Neonatology, Pediatric Specialty and Pediatric Intensive Care Professional Services effective July 1, 2018, and decrease the contract amount by \$2,058,004 from \$2,410,000 to \$351,996 and amend the initial term through December 31, 2019 and authorize the Chairman of the Board to sign the amendment on behalf of the County; and
2. Authorize the Purchasing Agent, in accordance with Ordinance No. 459 and based on the availability of funding and as approved by County Counsel, to sign amendments that do not change the substantive terms of the agreement and to sign amendments to the compensation provisions that do not exceed the sum total of ten percent (10%) annually.

ACTION:Policy

Jeffrey Crankham
Jeffrey Crankham, Chief Executive Officer - Health System 9/3/2019

MINUTES OF THE GOVERNING BOARD

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

Ayes: Jeffries, Spiegel, Perez and Hewitt
Nays: None
Absent: Washington
Date: September 10, 2019
xc: RUHS

Kecia R. Harper
Clerk of the Board
By: *Kecia R. Harper*
Deputy

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FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$351,996	\$0	\$351,996	\$0
NET COUNTY COST	\$0	\$0	\$0	\$0
SOURCE OF FUNDS: 100% Hospital Enterprise Fund 40050			Budget Adjustment: No	
			For Fiscal Year: 18/19-19/20	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

The requested Board action will approve a Third Amendment to continue the term of the Agreement through December 31, 2019 while narrowing the scope of work.

With the exception of the neonatal high-risk development outpatient clinic, this amendment will remove all responsibilities related to general pediatrics, pediatric intensive/critical care, neonatology and neonatal intensive care and transfer services which have been separately contracted under other, separate, agreements and will reduce the total not to exceed amount of the contract.

Impact on Citizens and Businesses

There will not be any impact on Citizens and Businesses as these listed pediatric specialty services will be contracted under separate agreements to continue the effort of providing these needed services at Riverside University Health System – Medical Center (RUHS MC).

SUPPLEMENTAL:

Additional Fiscal Information

This Third Amendment modifies the annual amount previously approved by the Board. Illustrated in the table below are the amounts approved per fiscal year since commencement of the contract Agreement.

Fiscal Year	Master Agreement	1st Amendment	2nd Amendment	3rd Amendment	TOTAL
FY10/11	\$ 2,130,000				
FY11/12	\$ 2,130,000				
FY12/13		\$ 2,260,000			
FY13/14		\$ 2,260,000			
FY14/15			\$ 2,410,000		
FY15/16			\$ 2,410,000		

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FY16/17			\$ 2,410,000		
FY17/18			\$ 2,410,000		
FY18/19				\$ 351,996	
	\$ 4,260,000	\$ 4,520,000	\$ 9,640,000	\$ 351,996	\$ 18,771,996

Contract History and Price Reasonableness

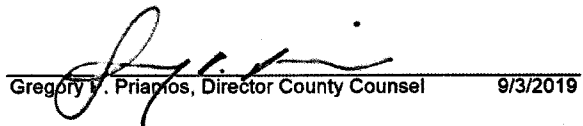
On May 25, 2010, Agenda Item #3.46, the Board approved a Professional Services Agreement with Faculty Physicians and Surgeons of LLUSM dba Loma Linda University Faculty Medical Group for General Pediatric, Neonatology, Pediatric Specialty and Pediatric Intensive Care Professional Services effective October 1, 2010 not to exceed \$2,130,000 annually. On November 6, 2012; Agenda Item #3.56, the Board approved a First Amendment which enabled the Medical Center to add a Director of Ambulatory Care Services. Then on July 29, 2014; Agenda Item #3-46, the Board approved a Second Amendment to add a PICU Director.

This Third Amendment to the Professional Services Agreement will continue the term of the Agreement through December 31, 2019 while narrowing the scope of work of the Agreement and decreasing the contract not to exceed amount to \$351,996.

ATTACHMENTS:

Attachment A: THIRD AMENDMENT TO THE PROFESSIONAL SERVICE AGREEMENT WITH FACULTY PHYSICIAN AND SURGEONS OF LLUSM DBA LOMA LINDA UNIVERSITY FACULTY MEDICAL GROUP (General Pediatric, Neonatology, Pediatric Specialty and Pediatric Intensive Care Professional Services)


Teresa Summers, Director of Purchasing 9/3/2019


Gregory V. Priamos, Director County Counsel 9/3/2019

**THIRD AMENDMENT TO THE PROFESSIONAL SERVICE AGREEMENT FOR
GENERAL PEDIATRIC, NEONATOLOGY, PEDIATRIC SPECIALTY AND
PEDIATRIC INTENSIVE CARE SERVICES
BETWEEN COUNTY OF RIVERSIDE
AND
FACULTY PHYSICIANS AND SURGEONS OF LOMA LINDA SCHOOL OF
MEDICINE**

This Third Amendment to the Professional Services Agreement for General Pediatric, Neonatology, Pediatric Specialty and Pediatric Intensive Care Services (herein referred to as "Third Amendment") is made and entered into by and between the **County of Riverside** ("COUNTY"), a political subdivision of the State of California, on behalf of the Riverside University Health System ("HOSPITAL") and **Faculty Physicians and Surgeons of LLUSM**, a California non-profit corporation, **dba Loma Linda University Faculty Medical Group** ("CONTRACTOR"), each a "Party," and collectively the "Parties."

WHEREAS, COUNTY and CONTRACTOR entered into that certain Professional Service Agreement for General Pediatric, Neonatology, Pediatric Specialty and Pediatric Intensive Care Services, executed May 24, 2010; Agenda Item #3.46 and effective October 1, 2010 (herein referred to as "Agreement"), first amended November 6, 2012; Agenda Item #3.56 and effective August 1, 2012, ("First Amendment"), and second amendment approved July 29, 2014; Agenda Item #3-46 and effective July 1, 2014, ("Second Amendment"); and

WHEREAS, the Parties now desire to amend the Agreement to remove all responsibilities related to general pediatrics, pediatric intensive / critical care, neonatology and neonatal intensive care and transfer services which have been separately contracted for under other agreements and to therefore reduce the total not to exceed amount;

NOW THEREFORE, for good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the Parties agree as follows:

1. **Term / Termination.** The first sentence of Subsection 6.1 of Section 6. Term/Termination is hereby amended to extend the period of performance through December 31, 2019 as follows:

"This Agreement shall be effective for an "Initial Term" from October 1, 2010, through December 31, 2019, unless terminated earlier."

2. **Payment Provisions.** The first sentence of Exhibit A Payment Provisions, Section 1.0 is hereby amended to decrease the total not to exceed amount, as follows:

"Subject to the conditions set forth below, HOSPITAL shall pay CONTRACTOR a monthly amount not to exceed twenty-nine thousand three hundred thirty-three dollars (\$29,333) for a total of three hundred fifty-one thousand nine hundred ninety-six dollars (\$351,996) through December 31, 2019 for pediatric specialty care physician services provided at HOSPITAL."

3. **Payment Provisions.** Exhibit A Payment Provisions, Section 3.0 Maximum Annual Compensation, is hereby amended to decrease the total not to exceed amount, as follows:

“Maximum compensation payable under this Agreement shall not exceed three hundred fifty-one thousand nine hundred ninety-six dollars (\$351,996) through December 31, 2019.”

4. **Deletions.** Delete all references and related provisions relating to Pediatric, Pediatric Intensive and Neonatal Intensive Care, Neonatal Intensive Care Unit (NICU), Pediatric Intensive Care Unit (PICU), Neonatology, pediatric critical care, CCS-paneled neonatal physicians, neonatal nurse practitioners, pediatric intensive care nurse practitioners, Neonatal High Risk Development Outpatient Clinic and Pediatric Intensivist services in the Agreement, including but not limited to those in:

- a. Paragraph 2.1
- b. Paragraph s 2.2 A, B, C, and D
- c. Paragraph 2.5.1
- d. Paragraph 2.6
- e. Paragraphs 3.2.4 A, B, C and E
- f. Para graph 3.2.5.1
- g. Paragraph 3.2.5.2
- h. Paragraph 3.2.9.2
- i. Paragraph 3.2.11

5. **References.** Delete all references to “Riverside County Regional Medical Center” and replace them with “Riverside University Health System-Medical Center”.

6. **Miscellaneous.** All other terms and conditions of the Agreement not modified herein shall remain unchanged and in full force and effect.


7. **Effective Date.** This Third Amendment to the Agreement shall become effective upon signature of both Parties, or July 1, 2018, whichever should come first.

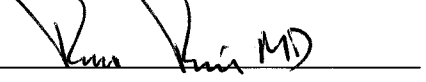
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IN WITNESS WHEREOF, the Parties hereto have caused their duly authorized representatives to execute this Third Amendment.

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

Faculty Physicians and Surgeons of LLUSM, dba Loma Linda University Faculty Medical Group

By: 

By: 

Name: KEVIN JEFFRIES

Name: Ricardo Peverini, MD

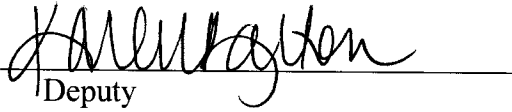
Title: CHAIRMAN, BOARD OF SUPERVISORS

Title: President

Date: SEP 10 2019

Date: 08/21/2019

ATTEST:
Kecia R. Harper
Clerk of the Board

By: 
Deputy

APPROVED TO FORM:
Gregory P. Priamos
County Counsel

By: 

Name: Martha Knutson

Title: Deputy County Counsel

Date: 8/26/19