

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



ITEM: 15.2 (ID # 11393)

MEETING DATE:

Tuesday, December 17, 2019

FROM: RUHS-MEDICAL CENTER:

SUBJECT: RIVERSIDE UNIVERSITY HEALTH SYSTEM - MEDICAL CENTER: Ratification and Approval of the Third Amendment to the Professional Service Agreement with Faculty Physicians and Surgeons of Loma Linda University School of Medicine to Provide Urology Physician Services Effective October 1, 2019 through December 31, 2021; All Districts. [Total Cost \$1,678,286; Annual Cost \$839,143; up to \$83,914 in additional compensation – 100% Hospital Enterprise Fund 40050]

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 (LLUSM) to provide Urology Physician Services effective October 1, 2019 through December 31, 2021, and increase the annual contract by \$839,143 from \$1,047,749 to \$1,886,892 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

MINUTES OF THE GOVERNING BOARD

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

Ayes:

Jeffries, Spiegel, Washington, Perez and Hewitt

Nays:

None

Absent:

None

Date:

December 17, 2019

WWStante

XC:

RUHS

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Kecia R. Harper

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

FINANCIAL DATA	Curr	ent Fiscal Year:	Nex	t Fiscal Year:		Total Cost:	Ongoing Cost	
COST	\$	839,143	\$	839,143	\$	1,678,286	\$	0
NET COUNTY COST	\$	0	\$	0	\$	0	\$	0
SOURCE OF FUNDS: 100% - Hospital Enterprise Fund 40050						Budget Adjustment: No		
					For Fiscal Y	' ear: 19/	20-20/21	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

<u>Summary</u>

This action will approve a Third Amendment which expands the scope of work by adding Attending Urologists and Advanced Care Providers (ACPs) to cover services for adult and pediatric patients. By adding additional full-time equivalents (FTE) into the contract, the annual contract amount will increase. The Agreement continues to maintain administrative obligations for the specialty service and proctoring and review on a regular basis for the clinical education of residents and all health care professionals working in general surgery services.

The Urology service at Riverside University Health System - Medical Center (RUHS-MC) provides outpatient clinic services, outpatient and inpatient surgical procedures and consultations. Since the current Agreement began in January 2017, this service has made substantial improvements in the speed with which patients are able to schedule appointments and the total amount of appointments and surgical procedures completed. Specifically, the time for scheduling an appointment on average is now less than thirty (30) days. During the past year, the service has also improved volumes – seeing thirty (30) more patients per month than last year and doing thirty-eight (38) more surgeries per month on average. However, there still remains patients with authorized referrals from their insurance carriers waiting to be scheduled. The proposed staffing increases in this Amendment are calculated to meet this still unmet need for adult and pediatric Urology services.

Impact on Citizens and Businesses

Through this Amendment, patient care will be improved by increasing the number of service providers and providing consultation and services in this specialty more quickly to those in need of them.

Additional Fiscal Information

The table below illustrates the budgeted amount per fiscal year since commencement of the Contract Agreement.

Fiscal Year	FY2016/2017	FY2017/2018	FY2018/2019	FY2019/2020	FY2020/2021	TOTAL
	(effective					

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	January 1, 2017)					
Amount Approved by the Board	\$827,737	\$1,047,749	\$1,047,749	\$1,047,749	\$1,047,749	\$5,018,733
Requested Increase Amount	N/A	N/A	WA	\$839,143	\$839,143	\$1,678,286
Totals	\$827,737	\$1,047,749	\$1,047,749	\$1,886,892	\$1,886,892	\$6,697,019

Contract History and Price Reasonableness

On February 7, 2017, Agenda Item #3.27, the Board approved a Professional Services Agreement with Faculty Physicians and Surgeons of LLUSM dba Loma Linda University Faculty Medical Group effective January 1, 2017 for five years not to exceed the annual amount of \$1,047,749.

On July 8, 2019, the Purchasing Agent executed a First Amendment which RUHS-Medical Center exercised the option to renew the Agreement effective January 1, 2018 through December 31, 2018 and added patient care performance requirements to the contract.

On October 4, 2019, the Purchasing Agent executed a Second Amendment which RUHS-Medical Center exercised the option to renew the Agreement effective January 1, 2019 through December 31, 2019.

This Third Amendment to the Professional Services Agreement will supplement staffing to allow for the urology department to cover services for both adult and pediatric patients. This Amendment will increase the total estimated value from \$1,047,749 to \$1,886,892 annually. An increase in the amount of services provided will also bring with it, increased proceeds from the related professional billing — which will offset the increased cost. All professional billing proceeds under this agreement belong to RUHS.

ATTACHMENTS:

Attachment A:

THIRD AMENDMENT TO THE PROFESSIONAL SERVICE AGREEMENT WITH FACULTY PHYSICIAN AND SURGEONS OF LUSM DBA LOMA LINDA UNIVERSITY FACULTY MEDICAL GROUP (UROLOGY SERVICES)

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

Teresa Summers, Director of Purchasing 12/4/2019 Brianna Lentajo, Management

12/10/2019

Gregory V. Priantos, Director County Counsel

12/4/2019

THIRD AMENDMENT TO THE AGREEMENT FOR PROFESSIONAL MEDICAL SERVICES

(Urology Services)

This Third Amendment to the Agreement for Professional Medical Services (Urology Services) (Third Amendment), is 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 Medical Center (HOSPITAL) and Faculty Physicians and Surgeons of LLUSM, a California non-profit corporation, dba Loma Linda University Faculty Medical Group (CONTRACTOR), sometimes collectively referred to as the "Parties" or individually referred to as a "Party."

WHEREAS, COUNTY and CONTRACTOR have entered into that certain Agreement for Professional Medical Services (Urology Services), approved February 7, 2017, Agenda Item Number 3.27, and effective January 1, 2017 (Agreement), whereby CONTRACTOR agreed to provide COUNTY with professional medical services in the specialty practice of Urology (SPECIALTY);

WHERAS, COUNTY and CONTRACTOR entered into that certain First Amendment to the Agreement, approved July 8, 2019 and effective January 1, 2018, to extend the period of performance commencing January 1, 2018 through December 31, 2018 and include performance requirements (First Amendment);

WHERAS, COUNTY and CONTRACTOR entered into that certain Second Amendment to the Agreement, approved October 4, 2019 and effective January 1, 2019, to extend the period of performance commencing January 1, 2019 through December 31, 2019 (Second Amendment); and

WHEREAS, COUNTY and CONTRACTOR desire to amend the scope of work and increase the annual maximum amount of the Agreement;

NOW THEREFORE, the Parties agree as follows:

- 1. Exhibit A. Exhibit A is hereby deleted in its entirety and replaced with Exhibit A.1, attached hereto and incorporated herein.
- 2. Exhibit C. Exhibit C is hereby deleted in its entirety and replaced with Exhibit C.1, attached hereto and incorporated herein.
- 3. Miscellaneous. All other terms and conditions of this Agreement are to remain unchanged.
- 4. Effective Date. This Third Amendment to the Agreement shall become effective upon signature of both Parties, or October 1, 2019, whichever should come first.

[Signature Page Follows]

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

COUNTY OF RIVERSIDE, a political subdivision of the State of California By:	Faculty Physicians and Surgeons of LLUSM dba Loma Linda University Faculty Medical Group By:
Name: Kevin Jeffries	Name: Ricardo Peverini, MD
Title: Chairman, Board of Supervisors Date: DEC 1 7 2019	Title: <u>President</u> Date: 1 25 20 19
ATTEST: Kecia R. Harper Clerk of the Board By: Deputy	
APPROVED TO FORM: Gregory P. Priamos County Counsel By: Martha Ann Knutson	

Deputy County Counsel

Date: ______ 12/3/2019

1.0 <u>CONTRACTOR STAFFING</u>

A. CONTRACTOR shall provide adequate staffing to assume medical care responsibilities for SPECIALTY services under the direction of the Chief of the HOSPITAL Department of Urology (DEPARTMENT) and the HOSPITAL Medical Director. It is contemplated that there shall be the following positions staffed:

Position	Full-Time Equivalent (FTE)	Annual RVUs	
Urologist Attending (Adults)	1.8	12,514	
Urology ACP (Adults)	1.0	1,765	
Urology Attending (Pediatrics)	0.2	1,529	
Urology ACP (Pediatrics)	0.2	353	
Administrative Time	0.1		
Night Call	365 nights		
Weekend Day & 12 Holidays Coverage	116 days		

CONTRACTOR shall provide all SPECIALTY outpatient/clinical services, administrative duties, diagnostic procedures, consultations, supervisory duties, teaching services, inpatient care, development of treatment protocols, telehealth and supervision of SPECIALTY services provided at HOSPITAL. Without limiting the foregoing, CONTRACTOR shall staff and provide SPECIALTY services at HOSPITAL's SPECIALTY clinic. CONTRACTOR shall furnish medical professional staff to adequately provide for staffing of clinics, on-call availability as well as other services as specified in this Exhibit. All administrative issues shall be directed to the HOSPITAL Chief of Medical Staff for handling.

B. Provide or recruit physicians who have been approved by the HOSPITAL's Credentialing Committee.

SCOPE OF WORK

- C. Provide suitable staff replacement coverage for any Physician or ACP absent due to extended illness, vacation, seminar attendance, or termination of employment with CONTRACTOR, who was assigned at HOSPITAL under the terms of this Agreement.
- D. Ensure that CONTRACTOR Physicians and ACPs have verifiable SPECIALTY experience and training and must obtain and remain credentialed at all times under the term of this Agreement. Such providers also shall be required by CONTRACTOR to meet HOSPITAL teaching faculty credentialing requirements established in conjunction with HOSPITAL teaching programs and affiliation agreements with teaching institutions.

1.1 <u>CONTRACT COORDINATOR</u>

CONTRACTOR agrees to provide the services of a physician who is acceptable to HOSPITAL to serve as the CONTRACTOR contract coordinator (COORDINATOR) for purposes of negotiation, implementation, and coordination of the fulfillment of responsibilities under this Agreement. CONTRACTOR shall not replace the approved CONTRACTOR physician Coordinator without the prior approval of the HOSPITAL. Herbert Ruckle, M.D., shall serve as Coordinator for SPECIALTY services in this capacity until such time as mutually agreeable.

1.2 STAFF REMOVAL

- 1.2.1 COUNTY shall reserve the right, exercisable in its discretion after consultation with CONTRACTOR, to exclude any Physician or ACP from HOSPITAL's premises in the event such person's conduct or state of health is deemed objectionable or detrimental, having in mind the proper administration of COUNTY facilities and according to Medical Staff Bylaws, Rules, and Regulations as may be amended from time to time.
- 1.2.2 Notwithstanding any other provision of the Agreement, CONTRACTOR will ensure that any physician or ACP assigned to COUNTY, if charged with a felony, will be removed from COUNTY premises until said matter is fully resolved to the satisfaction of COUNTY.

SCOPE OF WORK

1.2.3 The Professional Services of CONTRACTOR shall be subject to the Medical Staff Appeals Provision of the Medical Staff Bylaws, Rules, and Regulations, or other appropriate rule or regulation of HOSPITAL as may be amended from time to time.

1.3 **PROFESSIONAL SERVICES**

- 1.3.1 Professional Services to be provided will include, but not be limited to, urology services, ambulatory clinical services, development of treatment protocols, supervision of chemotherapy administration by all techniques, ordering of chemotherapy agents, inpatient and outpatient consultations, and diagnostic testing (as applicable).
- 1.3.2 CONTRACTOR will provide inpatient and outpatients consultation in the SPECIALTY on a routine and emergency basis.
- 1.3.3 CONTRACTOR will provide at least 208 hours of administrative and teaching services per year.
- 1.3.4 CONTRACTOR will provide Professional Services in SPECIALTY clinic(s) as required under this Agreement.

1.3.5 CONTRACTOR shall be obligated to:

- A. Respond by phone consultation or on-site at HOSPITAL for SPECIALTY services in accordance with Medical Staff Bylaws, Rules, and Regulations, and related HOSPITAL policies and procedures.
- B. Assume responsibility for the professional operation and professional services of the Division of SPECIALTY. Any esoteric, unusual, or other patient care procedures that cannot be reasonably performed through the DIVISION or DEPARTMENT will be sent to an outside provider mutually agreeable to the patient and parties hereto.
- C. Include charting the progress of patients and updating the care plan as needed in a timely fashion.
- D. Provide complete medical records for all patients cared for no later than fourteen (14) days after patient discharge in compliance with Medical Staff Bylaws, Rules and

SCOPE OF WORK

Regulations. CONTRACTOR agrees to dictate reports immediately after completion of procedures. Said medical records shall, at all times, be the property of HOSPITAL, but CONTRACTOR shall have reasonable access to such medical records and shall have the right to make copies thereof, at CONTRACTOR's sole cost and expense, upon reasonable notice to HOSPITAL to do so.

1.3.6 CONTRACTOR will provide on-call coverage consisting of daily after-hours coverage (5 P.M. to 9 A.M.) and weekend coverage (24 hours/day), fifty-two (52) weeks per year, as coordinated by the Chief of the DEPARTMENT.

PAYMENT PROVISIONS

In consideration of services provided by CONTRACTOR pursuant to this Agreement, CONTRACTOR shall be entitled to receive payment by HOSPITAL in accordance with HOSPITAL policy and procedures as follows:

1.0 Compensation

Subject to the conditions set forth below, as payment for CONTRACTOR's provision of SPECIALTY outpatient/clinical services, administrative duties, supervisory duties, teaching services, inpatient care, development of treatment protocols, on-call coverage, supervision of SPECIALTY services provided at HOSPITAL, and all other services contemplated by this Agreement, HOSPITAL shall pay CONTRACTOR as follows:

POSITIONS	Total Full-time equivalent (FTE)	VALUE
Urologist Attending (Adults)	1.8	\$1,110,919
Urology ACP (Adults)	1.0	\$199,810
Urology Attending (Pediatrics)	0.2	\$143,075
Urology ACP (Pediatrics)	0.2	\$39,962
Administrative Time	0.1	\$61,718
Night Call	365 nights	\$251,485
Weekend Days & 12 Holidays	116 days	\$79,924
Annual Maximum Amount		\$1,886,892

If the parties mutually agree to change the staffing levels as contemplated above and such change is not effectuated on the first day of a month, then COUNTY shall pay CONTRACTOR a pro rata amount for each of the staffing levels used during such month. Any change to the staffing level must be mutually agreed upon by the Parties and evidenced by a written amendment to this Agreement. The parties acknowledge that all amounts paid under this Agreement have been determined to be fair market value and commercially reasonable. Payments to CONTRACTOR shall be made on a monthly basis during the term of this Agreement. HOSPITAL shall pay CONTRACTOR payments by the invoice method specified below.

PAYMENT PROVISIONS

2.0 Professional Fees

The Parties agree that CONTRACTOR shall continue to bill and collect professional fees for its professional services under CONTRACTOR's Tax Identification Number and Provider Numbers. CONTRACTOR agrees to extend to HOSPITAL's patients the same financial assistance policies as HOSPITAL. HOSPITAL will share with CONTRACTOR its determinations relating to the qualifications of individuals for financial assistance and underlying submission relating thereto.

Right to audit - COUNTY shall have the right to audit CONTRACTOR's billings and collections during normal business hours upon reasonable request.

3.0 Maximum Annual Compensation

Maximum annual compensation payable under this Agreement per County fiscal year shall not exceed the amount of one million eight hundred eighty-six thousand eight hundred ninety-two dollars (\$1,886,892).