



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



ITEM: 15.2
(ID # 12640)

MEETING DATE:
Tuesday, July 14, 2020

FROM: RUHS-MEDICAL CENTER:

SUBJECT: RIVERSIDE UNIVERSITY HEALTH SYSTEM-MEDICAL CENTER: Ratification and Approval of the Second Amendment to the Professional Service Agreement with Essential Consulting, LLC for Budget and Reimbursement Consulting Services without seeking competitive bids effective June 1, 2020 through June 30, 2021 with a one-year renewal option; All Districts. [Total Increase \$210,000; up to \$19,000 in additional compensation – 100% Hospital Enterprise Fund 40050]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Ratify and approve the Second Amendment to the Professional Service Agreement with Essential Consulting, LLC for Budget and Reimbursement Consulting Services without seeking competitive bids to increase the annual not to exceed amount by \$70,000, effective June 1, 2020, from \$120,000 annually to \$190,000 annually, extend the period of performance for one additional year through June 30, 2021 with a one-year renewal option through June 30, 2022, 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, based on the availability of fiscal funding and as approved by County Counsel to sign amendments that exercise the options of the agreement including modifications of the statement of work that stay within the intent of the Agreement; and sign amendments to the compensation provisions that do not exceed the sum total of ten percent (10%) annually.

ACTION: Policy


Jennifer Crankshaw, Chief Executive Officer - Health System 6/10/2020

MINUTES OF THE GOVERNING BOARD

On motion of Supervisor Jeffries, seconded by Supervisor Spiegel 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: July 14, 2020
xc: RUHS-MC, Purchasing

Kecia R. Harper
Clerk of the Board

By: 
Deputy

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FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Increase:	Ongoing Cost
COST	\$ 70,000	\$ 70,000	\$ 210,000	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: 100% Hospital Enterprise Fund 40050			Budget Adjustment: No	
			For Fiscal Year: 19/20-21/22	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

The requested Board action will extend the term of the existing Professional Service Agreement while adding additional funds to cover key service requirements. While Essential Consulting, LLC works very timely and efficiently, Riverside University Health System (RUHS) - Medical Center needs additional service hours for Essential to review and complete certain reporting requirements due by year-end which includes analysis to maximize reimbursements, complete reports related to rural designation applications, and ensure significant data being requested from California Association of Public Hospitals (CAPH) and all COVID related data are included in those reports.

Essential Consulting, LLC is a healthcare consulting and information technology solutions company. They have over 20 years of experience in reimbursement services guiding private and public hospitals. There are very few consultants that have specific experience in public hospital reporting and subsequent cost reimbursements where Essential Consulting is able to offer a full range of reimbursement services. They have the tools designed to assist their clients manage reimbursement issues such as Medicare Disproportionate Share Payments (DSH), Medicare Indirect Medical Education (IME) / Graduate Medical Education (GME), and Cost Report preparation. Essential Consulting also provides consulting services on various reports which includes, but is not limited to, the following:

- Office of Statewide Health Planning and Development (OSHPD) Quarterly Reports;
- Case Mix Index;
- Senate Bill (SB) and Assembly Bill (AB) Claim Reports;
- TRICARE Capital and Graduate Medical Education (GME) Cost Reimbursement Cost Report;
- Medicare Disproportionate Share Payments (DSH);
- Wage Index and Occupational Mix Reviews;
- Medi-Cal Supplemental Fund Reports, including Waiver Reports (P14);
- Medicare and Medi-Cal Audit Support;
- Various surveys requested or required due to other organizations and agencies;
- COVID-19 related data; and

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- Any other projects as identified by RUHS-Medical Center

Impact on Citizens and Businesses

The proper function of the fiscal services supporting the hospital and clinics are essential to its operations.

Additional Fiscal Information

	FY2018/2019	FY2019/2020	FY2020/2021	FY2021/2022	Total
Purchasing Agent Authority	\$50,000	\$50,000	\$50,000	\$50,000	\$200,000
Board Approved 07/23/19; 15.2	N/A	\$70,000	\$70,000	\$70,000	\$210,000
Second Amendment Request Amount	N/A	\$70,000	\$70,000	\$70,000	\$210,000
TOTAL	\$50,000	\$190,000	\$190,000	\$190,000	\$620,000

Contract History and Price Reasonableness

On March 27, 2019, the Purchasing Agent executed the Professional Service Agreement with Essential Consulting, LLC to provide budget and reimbursement consulting services not to exceed \$50,000, approved via single source by Central Purchasing, SSJ approval #19-123. On July 23, 2019, Agenda Item 15.2, the Board approved a First Amendment to the Agreement increasing the contract amount from \$50,000 annually to \$120,000 annually. The cost for Essential Consulting, LLC remained at the same rate of \$150.00 per hour, and below market standards as it relates to consulting services. This hourly rate is within the range of expert-level consultant work by others with similar background, license and experience.

This Second Amendment will increase the annual contract amount by \$70,000 from \$120,000 to \$190,000 to ensure RUHS-Medical Center completes and submits in a timely manner, the year-end report(s) to various state programs.

ATTACHMENTS:

Attachment A: **SECOND AMENDMENT TO THE PROFESSIONAL SERVICE AGREEMENT FOR BUDGET REIMBURSEMENT CONSULTING SERVICES BETWEEN COUNTY OF RIVERSIDE AND ESSENTIAL CONSULTING, LLC**

Attachment B: **SSJ #21-021 FOR ESSENTIAL CONSULTING 2ND AMENDMENT**

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Teresa Summers, Director of Purchasing 7/2/2020


Brianna Lantajo, Management Analyst 7/7/2020


Gregory V. Priamos, Director County Counsel 7/3/2020

**THIRD AMENDMENT TO THE PROFESSIONAL SERVICE AGREEMENT FOR
FEDERALLY QUALIFIED HEALTH CENTER (FQHC) CONSULTING SERVICES
BETWEEN COUNTY OF RIVERSIDE AND WIPFLi, LLP**

This Third Amendment to the Professional Service Agreement for Federally Qualified Health Center (FQHC) Consulting Services (herein referred to as "Third Amendment") is made and entered into by and between the COUNTY OF RIVERSIDE, a political subdivision of the State of California (herein referred to as "COUNTY"), on behalf of Riverside University Health System (herein referred to as "RUHS"), and WIPFLi, LLP, a Wisconsin limited liability partnership (herein referred to as "CONTRACTOR"), sometimes collectively referred to as the "Parties" or individually referred to as a "Party."

WHEREAS, COUNTY and CONTRACTOR entered into that certain Professional Service Agreement for Federally Qualified Health Center (FQHC) Consulting Services, executed December 26, 2018 and effective November 1, 2018, (herein referred to as "Agreement"); and

WHEREAS, COUNTY and CONTRACTOR entered into that certain First Amendment to the Agreement, executed March 18, 2019 and effective March 1, 2019, to increase the maximum compensation amount by forty-two thousand five hundred dollars (\$42,500), from seven thousand five hundred dollars (\$7,500) to fifty thousand dollars (\$50,000), add Exhibit A-1, Scope of Services, and amend Exhibit B, Payment Provisions (herein referred to as "First Amendment"); and

WHEREAS, COUNTY and CONTRACTOR entered into that certain Second Amendment to the Agreement, approved by the Board of Supervisors on June 25, 2019, Agenda Item 15.2, and effective July 1, 2019, to extend the period of performance for twelve (12) months, commencing on July 1, 2019 and continuing through June 30, 2020, increase the maximum compensation amount by one hundred thousand dollars (\$100,000), from fifty thousand dollars (\$50,000) to one hundred fifty thousand dollars (\$150,000), amend Exhibit A-1, Scope of Services, and amend Exhibit B, Payment Provisions (herein referred to as "Second Amendment"); and

WHEREAS, COUNTY and CONTRACTOR now desire to amend the Agreement to extend the period of performance, increase the maximum compensation amount, amend Exhibit A-1, Scope of Services, and amend Exhibit B, Payment Provisions;

NOW THEREFORE, the Parties agree as follows:

1. **Period of Performance.** The first sentence of Subsection 2.1 of Section 2. Period of Performance is hereby amended to extend the period of performance for twelve (12) months commencing on July 1, 2020 and continuing in effect through June 30, 2021, as follows:

“This Agreement shall be effective November 1, 2018 (“Effective Date”) and continues in effect through June 30, 2021, unless terminated earlier.”

2. **Compensation.** The second sentence of Subsection 3.1 of Section 3. Compensation is hereby amended to increase the maximum compensation amount by one hundred thousand dollars (\$100,000), from one hundred fifty thousand dollars (\$150,000) to two hundred fifty thousand dollars (\$250,000), as follows:

“Maximum payments by COUNTY to CONTRACTOR shall not exceed two hundred fifty thousand dollars (\$250,000), including all expenses.”


3. **Exhibit A-1.** EXHIBIT A-1, SCOPE OF SERVICE, is hereby deleted in its entirety and replaced with EXHIBIT A-1, SCOPE OF SERVICE, attached hereto and incorporated herein.
4. **Exhibit B.** EXHIBIT B, PAYMENT PROVISIONS, is hereby deleted in its entirety and replaced with EXHIBIT B, PAYMENT PROVISIONS, attached hereto and incorporated herein.
5. **Miscellaneous.** All other terms and conditions of the Agreement not modified herein shall remain unchanged and in full force and effect.
6. **Effective Date.** This Third Amendment to the Agreement shall become effective upon signature of both Parties or July 1, 2020, whichever should come first.


[Signature Page Follows]

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

WIPFLI, LLP, a Wisconsin limited liability partnership

By: 
V. Manuel Perez
Chairman, Board of Supervisors


By: 
Steve Rousso,
Partner

Date: JUL 14 2020

Date: 5/18/2020

APPROVED AS TO FORM:

Gregory P. Priamos
County Counsel

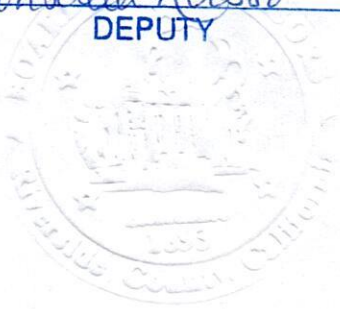
By: 
Danielle Maland
Deputy County Counsel

Date: 6/25/20

ATTEST:

KECIA R. HARPER, Clerk

By: 
DEPUTY




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

WIPFLi, LLP, a Wisconsin limited liability partnership

By: _____
V. Manuel Perez
Chairman, Board of Supervisors

By:  _____
Steve Rousso,
Partner

Date: _____

Date: 5/20/2020

APPROVED AS TO FORM:

Gregory P. Priamos
County Counsel

By: _____
Danielle Maland
Deputy County Counsel

Date: _____

SCOPE OF SERVICE
WIPFLi, LLP

1.1 Through the direction of the Executive Director of the Riverside University Health System, Community Health Center (“CHC”), CONTRACTOR shall be responsible for performing the following tasks in full compliance with all regulations applicable to a Federally Qualified Health Center (“FQHC”):

- a. Review costs and cost allocations in preparation for Corona Medi-Cal PPS rate setting cost report;
- b. Evaluate options for fiscal year ending 6/30/19 and 6/30/20 Medi-Cal change of scope rate rebase;
- c. Follow up on enrollment and initiate rate setting for Moreno Valley clinic;
- d. Review Medicare enrollment and Medi-Cal notification for mobile clinic for completion and accuracy;
- e. Initiate Medi-Cal enrollment and initial rate setting and Medicare enrollment for Perris and Jurupa clinics as well as for new clinics;
- f. Support Rubidoux Medi-Cal PPS rate setting by providing guidance on the audit formal appeal process;
- g. Attend and/or participate in onsite or conference call meetings with RUHS regarding FQHC matters as needed;
- h. Assess and assist RUHS with clinic strategies as it pertains to the opening of a clinic, moving or site expansions, and the impact of PPS rates as well as any subsequent issues;
- i. Assess and assist RUHS in identifying opportunities to increase the clinics PPS rate through a scope of service rate request change and estimate financial impact;
- j. Brief management on current FQHC rules and regulations; address and answer questions;
- k. Assist with billing licensing, HRSA, CDPH, and Medicare issues;
- l. Assess and assist reviewing prior PPS reconciliations;
- m. Review costs and cost allocations in preparation for new clinics’ Medi-Cal PPS rate setting cost report; and
- n. Other consulting services as requested and agreed to between the parties.

PAYMENT PROVISIONS
WIPFLi, LLP

- 1.0** This Exhibit B outlines the fees for the services, as outlined in the foregoing Agreement.
- 2.0** CONTRACTOR shall submit an invoice in arrears for services rendered. Such invoice shall be submitted within fifteen (15) days from the last day of the calendar month in which services were rendered. COUNTY shall pay for such services billed no later than thirty (30) working days from the date of receipt of the invoice.
- 3.0** CONTRACTOR shall be paid a one-time fee of \$7,500 for the one-day on-site visit as described in Exhibit A, Scope of Service.
- 4.0** CONTRACTOR shall be paid three hundred dollars (\$300) per hour for consulting services rendered as described in Exhibit A-1, Scope of Services, not to exceed one hundred forty-one (141) hours for the period of March 1, 2019 through June 30, 2019, three hundred thirty-three (333) hours for the period of July 1, 2019 through June 30, 2020, and three hundred thirty-three (333) hours for the period of July 1, 2020 through June 30, 2021.
- 5.0** Maximum payments by COUNTY to CONTRACTOR shall not exceed two hundred fifty thousand dollars (\$250,000) for the duration of the Agreement, including all expenses.