



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



ITEM: 15.1
(ID # 13828)

MEETING DATE:

Tuesday, December 08, 2020

FROM: RUHS-MEDICAL CENTER:

SUBJECT: RIVERSIDE UNIVERSITY HEALTH SYSTEM-MEDICAL CENTER: Ratification and Approval of the Fourth Amendment to the Agreement with Faculty Physicians and Surgeons of Loma Linda University School of Medicine for Rheumatology Services Effective August 1, 2020 through June 30, 2021; All Districts. [Total Cost Increase \$93,473; up to \$9,347 in additional compensation – 100% Hospital Enterprise Fund 40050]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Ratify and Approve the Fourth Amendment to the Agreement with Faculty Physicians and Surgeons of Loma Linda University School of Medicine for Rheumatology Services effective August 1, 2020 through June 30, 2021 to increase the annual maximum contract amount by \$93,473 from \$459,086 to \$552,559 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 make modifications to the scope of services that stay within the intent of the agreement, and sign amendments to the compensation provisions that do not exceed the total sum of ten percent (10%) of the total annual cost of the agreement.


ACTION: Policy


 Jennifer Cruikshank | Chief Executive Officer - Health System | 11/16/2020

MINUTES OF THE GOVERNING BOARD

On motion of Supervisor Spiegel, seconded by Supervisor Perez 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 8, 2020
 xc: RUHS-MC

Kecia R. Harper
 Clerk of the Board
 By: 
 Deputy

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FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 93,473	\$ 0	\$ 93,473	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: 100% Hospital Enterprise Fund 40050			Budget Adjustment: No	
			For Fiscal Year: 20/21	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

The requested Board action will approve a Fourth Amendment to an existing Agreement with Faculty Physicians and Surgeons of Loma Linda University School of Medicine (FPS LLUSM). As the number of Full Time Equivalent (FTE) physician services will increase 0.3 FTE under this Amendment, it will also increase the annual maximum contract amount by \$93,473 through June 30, 2021. The Amendment also accounts for the shift of the outpatient component of this service to the new Main Campus, Community Health Clinic (CHC) from the previous hospital-based clinic and the change for compensation in that setting. The Amendment also sets specific work effort expectations in both the inpatient and outpatient areas of service by which physician productivity and the need for the increased staffing can be measured.

The increased staffing is primarily needed due to recent demand for rheumatology cases which has created a backlog at Riverside University Health System (RUHS) Medical Center. Due to the COVID-19 pandemic, RUHS Medical Center was unexpectedly hit with an increase of three to four times the number of inpatients needing follow up care by rheumatologists. Since patients who are positive with COVID-19 present a cytokine storm that needs to be assessed and addressed by the rheumatologist, this has created an even larger backlog in ambulatory care of patients. RUHS Medical Center therefore revised the contract by adding 0.3 FTE of services to help resolve the issue.

Impact on Citizens and Businesses

This amendment allows RUHS-Medical Center to continue to provide essential services to the community. By increasing the number of Physicians and Advance Care Practitioners (ACPs) staffing the service, new and returning outpatients should be seen with less wait time for these specialized services.

Contract History and Price Reasonableness

RUHS has engaged experts in the healthcare field to assist with a competitive market analysis to ensure this Agreement meets price reasonableness and rates are within industry standards. On August 29, 2017, Agenda Item #3.93, the Board approved the original Professional Medical

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Services Agreement with FPS LLUSM to provide rheumatology services, with options to renew for four (4) additional years through June 30, 2021 not to exceed \$459,086 per year. Under Purchasing Agent Authority, a First Amendment was executed on December 6, 2018, which exercised a renewal option. The Second Amendment was executed on November 22, 2019, under Purchasing Agent authority which exercised a second renewal option. On August 27, 2020, a Third Amendment was executed to allow a temporary amendment to reflect changes on the monthly compensation formula caused by the COVID-19 pandemic for the months of April 2020 through September 2020.

This Fourth Amendment will amend the contract amount by adding an additional \$93,473 from \$459,086 to \$552,559 annually. While the total contract amount will increase, the rate will remain at the same fair market value rate established in the original Agreement.

ATTACHMENTS:

**Attachment A: FOURTH AMENDMENT TO THE AGREEMENT WITH FACULTY
PHYSICIANS AND SURGEON OF LOMA LINDA UNIVERSITY
SCHOOL OF MEDICINE FOR RHEUMATOLOGY SERVICES**


Suzanna Hirsckley, Assistant Director of Purchasing and Fleet Service 11/17/2020


Brianna Lentajo, Management Analyst 12/1/2020


Gregory F. Priamos, Director County Counsel 11/17/2020

**FOURTH AMENDMENT TO THE
AGREEMENT FOR
PROFESSIONAL MEDICAL SERVICES
(Rheumatology Services)**

This Fourth Amendment to the Agreement for Professional Medical Services (Rheumatology Services) (Fourth 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".

WHEREAS, COUNTY and CONTRACTOR have entered into that certain Agreement for Professional Medical Services (Services), approved August 29, 2017, Agenda Item Number 3.93 (Agreement);

WHEREAS, COUNTY and CONTRACTOR desire to extend the Term of that Agreement by exercising its final renewal option, amend the scope of work and increase the annual maximum amount of the Agreement;

NOW THEREFORE, the Parties agree as follows:

1. Definition. Section 1.13 shall be included in Section 1.0 of the Agreement as follows:

"1.13 "Riverside University Health System-Community Health Centers (CHC)" shall mean primary and specialty care at the CHC's Federally Qualified Health Centers (FQHC) throughout Riverside County. The FQHCs provide comprehensive outpatient primary care services. CHC and FQHC is used interchangeably."

2. Term. Section 5.1 Term is hereby amended to read as follows:

"The Term of this Agreement shall be effective January 1, 2017 through June 30, 2021."

3. Exhibit A. Section 1.0, subsection A of Exhibit A Scope of Services, is amended as follows:

"A. Provide adequate staffing to assume medical care responsibilities for SPECIALITY services under the direction of the Chief of the DEPARTMENT and the HOSPITAL Medical Director. It is contemplated there shall be the following positions staffed:

From August 1, 2020 to September 30, 2020:

POSITION	HOSPITAL Based activities including Prison Clinic	FQHC / CHC Based activities	TOTAL FTE
Rheumatologist	50%	50%	1.2

Vacation Coverage 9.6 weeks x 2 days = 19.2 days	0.1	0.1	0.2
Call Coverage	24 / 7 / 365	-	-
Administrative Time	0.05	0.05	0.1
TOTAL FTEs:			1.5

From: October 1, 2020 to June 30, 2021:

POSITION	HOSPITAL Based activities	FQHC / CHC Based activities	TOTAL FTE
Rheumatologist	48.33%	51.66%	1.2
Vacation Coverage 9.6 weeks x 2 days = 19.2 days	0.1	0.1	0.2
Call Coverage	24 / 7 / 365	-	-
Administrative Time	0.05	0.05	0.1
Total FTEs:			1.5

4. Exhibit A. The following language will be added following paragraph "1.0 subsection A":

"The Parties agree that for **Hospital based activities** a full time equivalent (FTE) is agreed to be coverage at the hospital for forty-two point four (42.4) weeks per year, five days per week, averaging eight to ten (8-10) hours per day. It is agreed that a staffing level of one point five (1.5) FTEs CONTRACTOR is responsible for staffing the HOSPITAL's SPECIALTY services fifty-two (52) weeks per year. The Parties further agree that for **FQHC based activities** a full time equivalent (FTE) is agreed to be coverage at the FQHC in the Medical Surgical Center on the Moreno Valley medical campus for forty-two point four (42.4) weeks per year, ten half days per week, averaging four to five (4-5) hours per half day."

5. Section 1.0 of Exhibit C Payment Provision is hereby deleted and replaced with the following language:

"1.0 Compensation

- A. 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 the CHCS, and all other services contemplated by this Agreement, HOSPITAL shall pay CONTRACTOR as outlined in this exhibit.
- B. **Work Effort Measures:** The Parties acknowledge that all amounts paid under this Agreement have been determined to be fair market value and commercially reasonable and an essential part of that determination is the minimum amount of effort that will be made by CONTRACTOR Physicians under this Agreement. The Parties have agreed that such effort

for hospital-based activities shall be measured by relative value units (RVUs) associated with the professional services billed by CONTRACTOR physicians. The Parties have further agreed that such effort for FQHC based activities shall be measured by the expected number of patient visits to be completed by CONTRACTOR physicians during each half day worked and billed for.

- C. **Hospital Based Services:** CONTRACTOR physicians will provide and bill patients and third parties under this Agreement for the professional component of Hospital Based Services representing at least the following expected work RVUs broken down as follows:

Expected Effort - Hospital Based Services			
Projected Months	FTE	Monthly RVU goal	Yearly RVUs
August 2020 to September 2020	.6	205	2460
October 2020 to June 2021	.58	198.16	2378

RVUs will be reported by CONTRACTOR to HOSPITAL monthly and if less than the expected work RVUs are provided within a sixth-month period HOSPITAL may withhold from the sixth and twelfth monthly payments an amount equal the percentage of RVUs not billed.

- D. **FQHC Based Services:** CONTRACTOR physicians will provide and bill CHC under this Agreement for FQHC Services representing at least the following expected work effort:

Expected Effort – FQHC Based Services				
Position	FTE	Half days per month	Expected Patient Visits Per Half Day	Expected Patient Visits Per Month
August 2020 to September 2020	.6	24	7-8	200
October 2020 to June 2021	.62	25	8	208

CONTRACTOR will not bill patients or third-party payors for FQHC based services. CHC will pay CONTRACTOR \$790.80 per half day of services provided at the Main Campus CHC. In addition, the number of patients visits will be recorded and reported by CHC to CONTRACTOR monthly and, if less than the expected number of patient visits is completed within a sixth-month period, CHC may withhold from the sixth (6th) and twelfth (12th) monthly payments an amount equal the percentage of patient visits not completed.

E. Total Expected Staffing and Compensation (Hospital/Prison Clinic and CHC):

POSITIONS	FTE	Budgeted Amount
Rheumatologist	1.2	\$402,361
Vacation Coverage 9.6 weeks (2 days) = 19.2 days	0.2	\$67,060
Call Coverage	24 / 7 / 365	\$49,608
Administrative Time	0.1	\$33,530
TOTAL		\$552,559

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 and CHC shall pay CONTRACTOR payments by the invoice method specified in this Exhibit

F. The Parties agree and acknowledge that these compensation provisions cannot be amended prior to June 30, 2021."

6. Maximum Annual Compensation. Section 4.0 of Exhibit C. Payment Provision is hereby amended as follows:

"Maximum annual compensation payable under this Agreement shall not exceed the amount of five hundred fifty-two thousand five hundred fifty-nine dollars (\$552,559)."

7. Miscellaneous. All other terms and conditions of this Agreement are to remain unchanged.

8. Effective Dates and Automatic termination of this Amendment. This Fourth Amendment to the Agreement shall become effective upon signature of both Parties, or August 1, 2020, whichever should come first.

[Signature Page Follows]

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

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

By: 

Name: V. Manuel Perez

Title: Chairman, Board of Supervisors

Date: DEC 08 2020

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

By: 

Name: Ricardo Peverini, M.D.

Title: President

Date: 10/13/2020

ATTEST

Kecia R. Harper
Clerk of the Board

By: 
Deputy

APPROVED TO FORM:

Gregory P. Priamos
County Counsel

By: 

Name: Martha Ann Knutson

Title: Deputy County Counsel

Date: 10/16/2020