

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



ITEM: 3.22
(ID # 15350)

MEETING DATE:

Tuesday, June 15, 2021

FROM: PURCHASING AND FLEET SERVICES:

SUBJECT: PURCHASING AND FLEET SERVICES: Adoption of Resolution 2021-116, Authorizing the Purchasing Agent to Initialize and Implement Public Contract Code Section 20131, subsection (c), for Procurements not to Exceed \$750,000 per Vendor per Year through June 20, 2024; and Direct Riverside University Health System-Medical Center to Report Quarterly to the Board of Supervisors Regarding all Purchases Conducted Under Resolution 2021-116, All Districts. [Total Cost \$0, 100% Hospital Enterprise Fund, Community Health Center Enterprise Fund, Behavioral Health Funds, Correctional Health Funds and Public Health Funds]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Adopt Resolution No. 2021-116, Authorize the Purchasing Agent to Make Procurements Not to Exceed \$750,000 Per Vendor Pursuant to Public Contract Code Section 20131, Subsection (c), and Implement Such Authority Into County Procurement Policies and Procedures Relating to County Hospital Procurement Procedures and Activities until June 30, 2024; and
2. Direct Riverside University Health System-Medical Center, Community Health Centers Behavioral Health, Correctional Health and Public Health to report quarterly to the Board of Supervisors on all procurements conducted under Resolution No. 2021-116.

ACTION:


Tina Grande, Director of Purchasing and Fleet Services 5/28/2021


Tina Grande, Director of Purchasing and Fleet Services 6/2/2021


Kim Saruwatari, Director of Public Health 6/2/2021



Matthew Chang, Director 6/3/2021

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Washington, seconded by Supervisor Jeffries 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: June 15, 2021
xc: Purchasing, 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	\$ N/A	\$ N/A	\$ N/A	\$ N/A
NET COUNTY COST	\$ N/A	\$ N/A	\$ N/A	\$ N/A
SOURCE OF FUNDS: Hospital Enterprise Fund – 40050; Community Health Centers Fund 40090; Behavioral Health Fund 10000; Correctional Health 10000; Public Health Fund 10000			Budget Adjustment: No	
			For Fiscal Year: 20/21-23/24	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

This Board Action is requested to approve Resolution 2021-116 for Hospital Procurement Procedures and Activities on behalf of Riverside University Health System (RUHS), Community Health Centers, Behavioral Health, Correctional Health and Public Health, for a three-year period through June 30, 2024. Collectively, these departments represent an integrated health system for the delivery of patient care for inpatient and outpatient communities.

Since its inception, the Patient Care Resolution has allowed for the Purchasing Agent to meet urgent supply chain requests for goods and services for direct patient care use. The resolution affords the hospital with a compliant procurement tool to respond to voluminous procurement needs that often are critical to hospital operations and direct patient care.

The resolution impacts many critical care areas in the delivery of care including physician provider contracts, laboratory equipment, pharmaceuticals, dialysis and language translation services. As a result of the resolution’s implementation, many procurement efficiencies have resulted including improved cycle time for processing provider contracts, increased vendor discounts for good and services and most importantly, the overall contribution to improving the quality of healthcare delivery at RUHS Enterprise.

Renewal of the authorization continues the Purchasing Agent’s authority, on behalf of the hospital, to procure medical equipment and supplies and professional services relating to treatment of patients under the care of a physician or surgeon without obtaining competitive bids up to \$750,000 annually, per vendor, per twelve-month period. Purchases above \$750,000 will continue to require approval by Board of Supervisors.

The resolution includes updates and additions to types of services in the patient care services listed in Schedule A to be procured without seeking competitive bids. These include:

- Medically qualified interpreters and translator services
- Dialysis services

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- Peer Review Consultant Services (limited to \$100,000 per vendor per fiscal year)
- Psychological assessment, testing and/or training materials for use in therapy (limited to \$300,000 per vendor per year)

The ability to provide medically qualified interpreters and translator services is fundamental and necessary element in the care of patients with limited English proficiency (LEP) and hard of hearing/deaf. The United States Department of Health and Human Services and National Council on Interpreting in Health Care have established national standards for medical qualified interpreters and translators in the provision of patient care in the United States.

With the addition of dialysis services to the resolution, the Purchasing Agent is able to execute agreements to support RUHS's delivery of renal care to the community and to individuals who would be forced to travel elsewhere to seek this critical service.

Peer review is unforeseeable as far as frequency and specialty. Results may determine different courses of action necessary. A limit of \$100,000 per vendor per year is sufficient in most circumstances.

Psychological assessment, testing and/training materials for therapy are needed to provide comprehensive treatment to the patient.

Additionally, the resolution includes Behavioral Health, Correctional Health, and Public Health as many of these patients are overlapping and seek treatment form multiple departments. There is a necessary integration of these patients reflected in this resolution.

The Board of Supervisors delegates its authority to the Purchasing Agent (the Purchasing Director), which is set forth in Government Code Sections 25500 and Ordinance No. 459 which is approved by the Board and sets forth policy and guidelines. Delegation to the Purchasing Agent is very specific in order to preserve a level of review that ensures policy decisions are carried out consistently and the County secures the most cost-effective competitive price. There are very few exceptions to this delegation through other Board actions, such as delegation to the Building Official, General Manager of the Flood Control District, etc., for specific circumstances. Generally, all County departments follow County purchasing policies and procedures, including Riverside University Health System-Medical Center. Most purchases require a competitive bid process, either informally or formally.

Additional purchasing authority is also provided for in the Public Contract Code section 20131, subsection (c), which exempts certain procurements for county hospitals from the competitive bid process. The section reads as follows:

"Counties which employ purchasing agent may:

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(c) Authorize the agent to purchase or contract for medical or surgical equipment or supplies, or for professional services, for a county hospital without competitive bidding, so long as an appropriation for the costs of those purchases or contracts is included in the county budget.

As used in this subdivision, 'medical or surgical equipment or supplies' means only equipment or supplies commonly, necessarily, and directly used by or under the direction of a physician and surgeon in caring for or treating a patient in a hospital."

The approval of this authority has streamlined procurement processes and allowed RUHS to efficiently conduct patient care in today's competitive health care environment. The types of services that can be procured without obtaining competitive bids are listed within Schedule A of Resolution 2021-116. Anything not described or listed within the resolution must follow standard county purchasing policies and procedures.

Upon approval by the Board, this action is immediate and will go into full force and effect for the period of thirty-six (36) months through June 30, 2024. During this time period, RUHS-Medical Center, the CHCs, Behavioral Health, Correctional Health and Public Health will report quarterly to the Board on procurements performed under the resolution. This resolution may be rescinded at any time through Board action.

Purchasing, RUHS and County Counsel worked collaboratively on the updates to this resolution. County Counsel has approved the resolution as to form.

Impact on Residents and Businesses

The goods and professional services procured under Resolution 2021-116 support the delivery of care and treatment for citizens throughout the County, fulfilling our commitment to serving all patient communities.

Additional Fiscal Information

As determined within Ordinance 459, the Purchasing Agent does not ascertain if adequate budgeting is available for procurement of any item or service; this is the responsibility of the department head to ensure there are sufficient funds in the budget. RUHS-Medical Center, Community Health Centers Behavioral Health, Correctional Health and Public Health will continue to report quarterly all purchasing activity conducted under this resolution to the Board of Supervisors.

Contract History and Price Reasonableness

On July 21, 2015, Agenda Item 3-62, the Board of Supervisors approved Resolution 2015-171 to authorize the Purchasing Agent to initialize and implement Public Contract Code Section 20131, subsection (c) for the Riverside County Regional Medical Center (now Riverside University Health System-Medical Center) for procurements not to exceed \$750,000 per vendor per twelve month period.

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Resolution 2016-157 was approved by the Board of Supervisors on July 12, 2016, Agenda Item 3-29 for one (1) fiscal year period through June 30, 2017. On July 11, 2017, Agenda Item 3.42, the Board approved Resolution 2017-128 for a two-year period ending June 30, 2019, to authorize the Purchasing Agent to implement Public Contract Code Section 20131, subsection (c) for procurements not to exceed \$750,000 per vendor per fiscal year, defined as July 1 through June 30 of the respective calendar year(s).

On June 18, 2019, Agenda Item 3.20, the Board approved Resolution 2019-147 for a two-year period ending June 30, 2021. The requested Board action seeks approval of resolution 2021-116 for a three-year period through June 30, 2024.

ATTACHMENTS: RESOLUTION 2021-116 AND SCHEDULE A



Meghan Hahn, Administrative Analyst

6/7/2021



Gregory V. Priamos, Director County Counsel

6/4/2021

3 RESOLUTION NO. 2021-116

4 RESOLUTION OF THE BOARD OF SUPERVISORS OF
5 THE COUNTY OF RIVERSIDE AUTHORIZING THE PURCHASING AGENT TO MAKE
6 PROCUREMENTS NOT TO EXCEED \$750,000 PER VENDOR PURSUANT TO PUBLIC
7 CONTRACT CODE SECTION 20131, SUBSECTION (C), AND IMPLEMENT SUCH AUTHORITY
8 INTO COUNTY PROCUREMENT POLICIES AND PROCEDURES RELATING TO COUNTY
9 HOSPITAL PROCUREMENT PROCEDURES AND ACTIVITIES

10 **WHEREAS**, the Board of Supervisors has delegated their purchasing authority to the
11 Purchasing Agent, also known as the Purchasing Director, as promulgated through Ordinance 459:

12 **WHEREAS**, the Public Contract Code, section 20131, subsection (c), makes certain
13 allowances for hospital purchases in recognition of the nature of such operations, and provides in pertinent
14 part, as follows:

15 "Counties which employ purchasing agents may:

16 (c) Authorize the agent to purchase or contract for medical or surgical equipment or supplies,
17 or for professional services, for a county hospital without competitive bidding, so long as an
18 appropriation for the costs of those purchases or contracts is included in the county budget.

19 As used in this subdivision, 'medical or surgical equipment or supplies' means only
20 equipment or supplies commonly, necessarily, and directly used by or under the direction of
21 a physician and surgeon in caring for or treating a patient in a hospital.";

22 **WHEREAS**, the Board of Supervisors acknowledges changes in the delivery of medical
23 care that support the definition of a "hospital" as an integrated system of inpatient and outpatient care that
24 provides care in appropriate settings that may be geographically separated but administratively coordinated;

25 **WHEREAS**, the Board of Supervisors defines Riverside's "county hospital" as an
26 integrated system of inpatient and outpatient locations known as the Riverside University Health System,
27 including but not limited to the County's federally qualified health centers, behavioral, correctional and
28 public health clinics, all providing medical, surgical, or psychiatric care for sick or injured;

FORM APPROVED COUNTY COUNSEL
BY:  SARAH ANN KNUTSON
DATE: 5/24/21

1 **WHEREAS**, the Board of Supervisors recognizes the need for the Riverside University
2 Health System to procure items expeditiously relating to care of its patients;

3 **WHEREAS**, the Board of Supervisors recognizes the Riverside University Health System
4 Medical Center as a designated teaching hospital with affiliated resident physicians and academic programs
5 supporting the training and education of physicians;

6 **WHEREAS**, the Board of Supervisors recognizes the implementation of the Affordable
7 Care Act requires the Riverside University Health System to compete with other providers of care in the
8 region;

9 **WHEREAS**, the Public Contract Code allows for procurement of medical or surgical
10 equipment or supplies, or for professional services, for the County's hospital without obtaining competitive
11 bids.

12 **NOW THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED** by the
13 Board of Supervisors of the County of Riverside, in regular session assembled on _____,
14 in the meeting room of the Board of Supervisors of the District located on the 1st floor of the County
15 Administrative Center, 4080 Lemon Street, Riverside, California, that this Board:

16 **Section 1. Recitals.** Finds that the Recitals set forth above are true and correct and are
17 incorporated in this Resolution by this reference.

18 **Section 2. Direction and Authority to Purchasing Agent.** Authorizes the Purchasing
19 Agent to purchase or contract for medical or surgical equipment or supplies, or for professional services,
20 for Riverside University Health System without competitive bidding, so long as appropriation for the costs
21 of those purchases or contracts is included in the county budget up to the limits specified herein this
22 Resolution under the Public Contract Code section 20131, subsection (c), and to implement this authority
23 into County purchasing policies and procedures pertaining to hospital procurement.

24 **Section 3. Determination of Amount.** Authorizes the Purchasing Agent to award items
25 without seeking competition to items and services listed within **Schedule A** of this Resolution up to
26 \$750,000, per vendor, per fiscal year occurring from July 1 through June 30 of the respective calendar
27 year(s).

1 **Section 4. Determination of Items and Services Authorized.** Determines that the items

2 covered under this Resolutions will be:

- 3 a) Equipment or supplies used for treating patients in the “county hospital”, as defined herein, whether
4 in regular medical care, surgery, diagnosis, treatment and related patient services used either by or
5 under the direction of a physician or surgeon.
- 6 b) Professional services directly related to services that require an expertise in the delivery of such
7 services, including but not listed to physicians, attorneys and other professions with a health care
8 specialty or expertise as listed in Schedule A of this Resolution.

9 **Section 5. Acknowledgement of Other Requirements for Procurement of certain items.**

10 Determines that the source of funding for certain parts of the county hospital’s operations such as grant
11 funding made available through the federal Health Resources and Services Administration contain separate
12 competition requirements in procurement that will not be eliminated by this Resolution.

13 **Section 6. Further Determination of Items and Services Not Authorized.** Further

14 determines that purchases and contracts for items, equipment and professional services outside this general
15 scope and the authority granted herein this Resolution will remain subject to standard purchasing
16 procedures.

17 **Section 7. Authorization for Riverside University Health System Only.** Authorizes this

18 Resolution for the Riverside University Health System and no other County department, agency, authority
19 or other public or non-profit entity under its authority.

20 **Section 8. Effective Date.** Orders, that upon approval by the Board of Supervisors, this

21 action is immediate and will go into full force and effect for a period of 36 months and expires on June 30,
22 2024.

23 **Section 9. Rescission.** This Resolution may be rescinded at any time prior to its expiration

24 date through Board action

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4 **RESOLUTION NO. 2021-116**

5 **SCHEDULE A**

6 The following list of items and services may be obtained without seeking competitive bids:

7 **Professional Services**

8 Physician Services (up to \$750,000 per physician/Locum tenens per fiscal year)

9 Nursing Services

10 Dialysis Services

11 Medical/Pharmacy Consultants

12 Medical Records Management Services

13 Case Management Services

14 Medical Product Distribution Services

15 Medical Advisory/Research

16 Patient Transport

17 Pharmaceuticals

18 Medical/Pharmaceutical Computer Systems

19 Laboratory Services

20 Attorney Services

21 Medical Equipment Rental

22 Healthcare Translation and Interpretation Services

23 Compliance Related Consulting Services

24 Organization-wide Memberships/Collaborative Agreements necessary for patient care delivery (up to
25 \$100,000 per membership per fiscal year)

26 Chaplain Services

27 Hearing Officer Services (Inpatient Treatment Facility)

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- 1 Maintenance and support services on medical equipment utilized for direct patient care
- 2 Peer Review Consultant Services (up to \$100,000 per vendor per fiscal year)
- 3 Psychological assessment, testing and/or training materials for use in therapy (up to \$300,000 per vendor
- 4 per fiscal year)

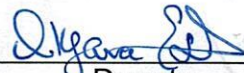
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Roll Call:

Ayes: Jeffries, Spiegel, Washington, Perez, and Hewitt
Nays: None
Absent: None

The foregoing is certified to be a true copy of a resolution duly adopted by said Board of Supervisors on the date therein set forth.

KECIA R. HARPER, Clerk of said Board

By: 
Deputy

