

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



ITEM: 15.3 (ID # 19529) MEETING DATE: Tuesday, July 26, 2022

FROM : RUHS-MEDICAL CENTER:

SUBJECT: RIVERSIDE UNIVERSITY HEALTH SYSTEM-MEDICAL CENTER: Ratification and Approval of the First Amendment to the Professional Medical Services Agreement for Podiatric Medicine Services between the County of Riverside and Western University of Health Sciences to increase the Annual Compensation by \$501,316. All Districts [\$501,316, annually; up to \$50,132 in additional compensation]; 100% Hospital Enterprise Fund.

RECOMMENDED MOTION: That the Board of Supervisors:

- Ratify and approve the First Amendment to the Professional Medical Services Agreement for Podiatric Medicine Services to increase the yearly contract amount by \$501,316 from \$398,242 to \$899,558, through the current termination date of June 30, 2026 and authorize the Chairperson of the Board to sign the First Amendment on behalf of the County.
- 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 do not change the substantive terms of the agreement and to sign amendments to the compensation provisions that do not exceed ten (10) percent annually.

ACTION:Policy

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:	July 26, 2022
XC:	RUHS-Medical Center

Kecia R. Harper Clerk of the Board

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FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost	
COST	\$398,242	\$899,558	\$2,005,264	\$0	
NET COUNTY COST	\$0	\$0	\$0	\$0	
SOURCE OF FUNDS	6: 100% Hospital	Budget Adjus	Budget Adjustment: No		
		•	For Fiscal Ye	ar: 22/23-25/26	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

<u>Summary</u>

Currently, Riverside University Health System Medical Center (RUHS-MC) is experiencing an increase in demand for podiatry services which is attributed to the large number of diabetics within its patient population who have a high propensity to injuries, ulcers, or necrosis in their toes and feet. RUHS-MC's podiatry services play a major role not only in providing medical and surgical care to treat these conditions but also in caring for the feet of diabetic patients to prevent these type of problems.

In response to the increased need for podiatry services, RUHS-MC needs to amend its contract with Western University of Health Sciences (Western University) for podiatry services. The proposed First Amendment will serve to: increase the amount of physician services provided; increase the yearly maximum compensation of the Agreement; and, reassign professional fee collections to RUHS-MC.

Under the proposed First Amendment, effective July 1, 2022, services would be increased as follows:

- Podiatry Surgeon FTEs: increased by 1.8 from 1.2 to 3 FTEs
- Administrative FTEs: increased by 0.1 from 0.1 to 0.2 FTEs

Maximum yearly compensation will be increased by \$501,316 from \$398,242 to \$899,558 annually for the remaining four years of the contract term and professional fee collections will be returned to RUHS-MC which will be offset the cost of the increase.

Impact on Residents and Businesses

These services are a component of RUHS-MC's system of care aimed at improving the health and safety of its patients and the community.

Additional Fiscal Information

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There are sufficient appropriations in the Department's FY22/23 budget. No additional County funds are required.

Contract History and Price Reasonableness

On August 23, 2021, an Agreement for Professional Medical Services (Podiatric Medicine Services), effective July 1, 2021 through June 30, 2026, was executed under the Purchasing Agent's authority per Resolution 2021-116.

Additional FTEs for podiatric services will also create additional professional fee collections which will reduce the amount due to the contractor.

The proposed First Amendment requires Board approval as the compensation provision exceeds the Purchasing Agent's authority and \$750,000 threshold for contracting with a single vendor for physician services per Resolution 2021-116.

ATTACHMENTS: Attachment A:

FIRST AMENDMENT TO THE AGREEMENT FOR PROFESSIONAL MEDICAL SERVICES (Podiatric Medicine Services), WESTERN UNIVERSITY OF HEALTH SERVICES

7/14/2022

7/20/2022

FIRST AMENDMENT TO THE AGREEMENT FOR PROFESSIONAL MEDICAL SERVICES (Podiatric Medicine Services)

This First Amendment to the Agreement for Professional Medical Services (Podiatric Medicine Services) (First 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 (HOSPITAL) and **Western University of Health Sciences**, a California non-profit, public benefit corporation (CONTRACTOR), sometimes collectively referred to as the "Parties".

WHEREAS, COUNTY and CONTRACTOR have entered into that certain Agreement for Professional Medical Services (Podiatric Medicine Services), and effective July 1, 2021 (Agreement), whereby CONTRACTOR agreed to provide COUNTY with professional medical services in the specialty practice of Podiatric Medicine (SPECIALTY); and,

WHEREAS, COUNTY and CONTRACTOR desire to amend the Agreement to increase the amount of services provided and the maximum annual compensation amount set forth in the Agreement;

NOW THEREFORE, the Parties agree as follows:

1. Scope of Services. Exhibit A. Scope of Services is hereby amended as follows:

The tables in Section 1.1 are hereby deleted and replaced with the following:

Position	Total FTEs	Expected Work Effort	
 Podiatric Surgeon: 1.7 FTEs Podiatry Clinic 0.9 FTEs Surgeries 0.4 FTEs In-Patient Consults 	3.0	12,000 wRVUs per year (1,000 per month)	
Administrative coverage	0.2	8 hours per week	

Paragraphs 1.2 through 1.8 of this Exhibit shall remain unchanged. The second paragraph numbered "1.7", related to Timesheets, shall be renumbered "1.9" but otherwise remain unchanged.

2. Payment Provisions. Exhibit C. Payment Provisions is hereby amended as follows;

The table in Section 1.1 is hereby deleted and replaced with the following:

Position	FTEs	Compensation per FTE	Annual Maximum \$843,336	
Podiatry Surgeon	3.0	\$281,112 per FTE		
Physician Administrator	.2	\$281,112 per FTE	\$56,222	
Total Annual Amount			\$899,558	

Paragraph 1.3 COMMUNITY HEALTH CENTER Billing is hereby deleted.

3. Section 4.0 Maximum Annual Compensation is here by amended to read as follows:

"Maximum annual compensation payable under this Agreement shall not exceed the amount of eight hundred ninety-nine thousand five hundred fifty-eight dollars (\$899,558) annually.

- 4. Miscellaneous. All other terms and conditions of this Agreement remain unchanged.
- 5. Effective Date. This First Amendment to the Agreement shall become effective July 1, 2022,

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

COUNTY OF RIVERSIDE, a political	WESTERN UNIVERSITY OF HEALTH SCIENCES
subdivision of the State of California	
By: Jeff Jewill	By: Joh mile
Name. Jeff Hewitt	Name: Joshua McFarlen
Title: Chair, Board of Supervisors	Title: Interim CFO & Treasurer

Dated: 06/01/2022

ATTEST: Kecia R. Harper County Clerk of the Board

Dated:

By Deputy

JUL 2 6 2022

APPROVED TO FORM: County Counsel <u>Martha Ann Knutson</u> By: Martha Ann Knutson (Jun 2, 2022 13:11 PDT)

Name: Martha Knutson

Title: Deputy County Counsel

_{Date:} Jun 2, 2022

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FIRST AMENDMENT TO THE AGREEMENT FOR PROFESSIONAL MEDICAL SERVICES (Podiatric Medicine Services)

Final Audit Report

2022-06-02

Created:	2022-06-02
By:	Jose Curiel (jo.curiel@ruhealth.org)
Status:	Signed
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"FIRST AMENDMENT TO THE AGREEMENT FOR PROFESSI ONAL MEDICAL SERVICES (Podiatric Medicine Services)" His tory

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