

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



ITEM: 15.6 (ID # 19535) MEETING DATE:

Tuesday, July 26, 2022

FROM: RUHS-MEDICAL CENTER:

SUBJECT: RIVERSIDE UNIVERSITY HEALTH SYSTEM-MEDICAL CENTER: Ratify and Approve a Fifth Amendment to the Professional Services Agreement with ProLink Healthcare, LLC for Nursing Services Effective July 1, 2022, through December 31, 2022, All Districts. [Total Cost \$56,372,470; \$11,274,494 Contingency] 100% Hospital Enterprise Fund 40050

RECOMMENDED MOTION: That the Board of Supervisors:

- Ratify and approve the Fifth Amendment to the Professional Services Agreement with ProLink Healthcare, LLC for nursing services for a total aggregate amount of \$56,372,470 for six months, effective July 1, 2022 through December 31, 2022 and authorize the Chairperson 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 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 sum total of \$11,274,494 of the total contract amount.

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.

Aves:

Jeffries, Spiegel, Washington, Perez and Hewitt

Nays:

None

Absent:

None

Date:

July 26, 2022

XC:

RUHS-Medical Center

15.6

Kecia R. Harper

Clerk of the Bo

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FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$33,750,000	\$56,372,470	\$56,372,470	\$0
NET COUNTY COST	\$0	\$0	\$0	\$0
			Rudget Adius	tment: No

SOURCE OF FUNDS: 100% - Hospital Enterprise Fund 40050

Budget Adjustment: No

For Fiscal Year: 22/23

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

In the current state, California is experiencing a critical shortage of nursing staff. This major shortage is attributed to many external factors including recent nursing retirees, vacated positions from those who have left the healthcare industry altogether, and the supply interruption posed by ongoing recruitment efforts from organizations who are willing to pay premium rates for nursing services. This statewide shortage—which is projected to continue into the immediate future—poses a significant threat to Riverside University Health System-Medical Center's (RUHS-MC) ability to meet patient care demands.

RUHS-MC, which has consistently experienced a shortage of qualified nursing staff since the beginning of the COVID-19 pandemic, has leveraged ProLink Healthcare, LLC (ProLink) as a reliable source of temporary nursing staff to meet its shortage.

RUHS-MC currently has an RFP (MCARC-0329) in process for nursing-personnel providers, however, this RFP will not be completed until late 2022 and the current contract with ProLink terminates on June 30, 2022. Currently, rates for qualified nursing staff continue to increase due to market demand and RUHS-MC—which has experienced a recent loss of County-employed personnel—is in need of qualified nursing staff.

In order for RUHS-MC to maintain a high level of patient care and ensure enough nursing personnel is available, the Professional Service Agreement with Prolink will require a Fifth Amendment to be approved. The proposed Fifth Amendment will: (a) modify staffing rates to align with the current labor market; (b) extend the contract term to December 31, 2022; and (c) increase the annual contract maximum by \$56,372,470 as this amount has been calculated to be sufficient to pay current outstanding invoices and provide enough funding until December 31, 2022.

Impact on Citizens and Businesses

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

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Additional Fiscal Information

This Amendment No. 5 will allow RUHS-MC to meet the present increased demand for qualified nurses through December 31, 2022. A contingency amount of \$11,274,494 has been included to address the potential demand increases for services related to patient volume increases. There are sufficient appropriations in the Department's FY22/23 budget and no additional County funds are required.

Contract History and Price Reasonableness

RUHS-MC's partnership with ProLink began with the U.S. Department of Defense (DoD) to supply additional nursing personnel to aid in the County's COVID-19 pandemic response. Through the DOD's contract agreement, ProLink supplied RUHS-MC with qualified nurses to cover staffing needs to meet the increase in patient volumes during the early 2021 COVID-19 surge.

RUHS-MC reached out to its current vendor, RightSourcing Inc. (RightSourcing), to secure Traveler and ICU Nurses in anticipation of a potential COVID-19 surge in the Fall of 2021: however, RightSourcing was unable to supply sufficient qualified nurses to meet current and anticipated staffing needs. Upon contact, ProLink indicated they would be able to meet RUHS-MC's staffing needs and on August 5, 2021, under the authority of Resolution 2021-116, Agenda Item #3.22 dated 06/15/21, the Purchasing Agent executed a Professional Services Agreement with ProLink to provide nursing services effective August 5, 2021 through June 30, 2022 for a not to exceed amount of \$750,000.

Due to increases in both the demand for nursing services and the rising cost for nursing personnel, a First Amendment was approved by the Board to increase the FY20/21 annual contract amount from \$750,000 to \$10,750,000, Agenda Item 15.2, November 9, 2021.

On February 3, 2022, a Second Amendment was executed under the Purchasing Agent's authority to expand the scope of services of the Agreement and modify staffing hourly rates.

On March 7, 2022, a Third Amendment was executed under the Purchasing Agent's authority to again expand the scope of services of the Agreement and add Computed Tomography (C.T.) Technologists to the Agreement.

On March 29, 2022, due to increases in both the demand for nursing services and the rising cost for nursing personnel, a Fourth Amendment was approved by the Board to increase the FY20/21 annual contract amount from \$10,750,000 to \$33,750,000, Agenda Item 15.2.

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A Request for Proposal (RFP #MCARC-0329), was issued on October 19, 2021 on behalf of RUHS-MC for vendor registry management services and is currently pending award. In order for RUHS-MC to maintain staffing, retain existing healthcare workers presently under contract, and respond to further patient census surges while this competitive bid process is completed, the current contract maximum with ProLink needs to be increased.

This Fifth Amendment requires Board approval as the increase in the compensation provision exceeds the Purchasing Agent's delegated authority and the \$750,000 threshold for contracting with a single vendor for nursing services per Resolution 2021-116.

ATTACHMENTS:

Attachment A:

FIFTH AMENDMENT TO THE PROFESSIONAL SERVICE

AGREEMENT FOR NURSING SERVICES BETWEEN COUNTY OF

RIVERSIDE AND PRO

7/18/20

7/19/2022

FIFTH AMENDMENT TO THE PROFESSIONAL SERVICE AGREEMENT

for NURSING SERVICES between COUNTY OF RIVERSIDE and PROLINK HEALTHCARE, LLC

This Fifth Amendment to the Professional Service Agreement for Nursing Services (herein referred to as "Fifth 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-Medical Center, and **Prolink Healthcare, LLC**, a Ohio limited liability company, (herein referred to as "CONTRACTOR"), sometimes collectively herein referred to as the "Parties".

WHEREAS, COUNTY and CONTRACTOR entered into that certain Professional Service Agreement for Nursing Services, effective August 5, 2021 (herein referred to as "Agreement"); and

WHEREAS, COUNTY and CONTRACTOR entered into that certain First Amendment of the Agreement, executed November 9, 2021; and that certain Second Amendment of the Agreement executed February 3, 2022; and that certain Third Amendment of the Agreement executed March 7, 2022; and that certain Fourth Amendment of the Agreement executed march 29, 2022; and;

WHEREAS, the Parties now desire to increase the contract maximum amount of the Agreement and extend the period of performance of the Agreement;

NOW THEREFORE, the Parties agree as follows:

- 1. **Period of Performance.** The first sentence of Subsection 2.1 of Section 1. <u>Period of Performance</u>, is hereby amended to extend the period of performance of the Agreement as follows:
 - "This Agreement shall be effective August 5, 2021 and continues in effect through December 31, 2022, unless terminated earlier."
- 2. **Maximum Contract Amount.** The second sentence of Subsection 3.1 of Section 3. Compensation, is hereby amended to increase the contract maximum amount, as follows:
 - "Maximum payments by COUNTY to CONTRACTOR shall not exceed fifty-six million three hundred seventy-two thousand four hundred seventy dollars (\$56,372,470) during the period from July 1, 2022 through December 31, 2022, including all expenses."
- 3. **Miscellaneous**. All other terms and conditions of the Agreement not modified herein shall remain unchanged and in full force and effect.

4. **Effective Date.** This Fifth Amendment to the Agreement shall be effective as of July 1, 2022.

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

COUNTY OF RIVERSIDE, a political subdivision of the State of California. By: Name: Jeff Hewitt Title: Chair, Board of Supervisors Date: JUL 2 6 2022	PROLINK HEALTHCARE, LLC., an Ohio limited liability company By: Name: Mark Arnett Title: Chief Financial Officer Date: Jun 14, 2022
ATTEST: Kecia R. Harper Clerk of the Board By: Deputy	
APPROVED AS TO FORM: County Counsel Martha Ann Knutson By: Martha Ann Knutson (Jun 15, 2022 13:02 PDT) Martha Ann Knutson Deputy County Counsel Date: Jun 15, 2022	

ProLink Healthcare LLC_Nursing Services_5th Amd_061322

Final Audit Report

2022-06-14

Created:

2022-06-14

Ву:

Taylor Stott (tstott@prolinkstaff.com)

Status:

Signed

Transaction ID:

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"ProLink Healthcare LLC_Nursing Services_5th Amd_061322" History

- Document created by Taylor Stott (tstott@prolinkstaff.com)
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- Document e-signed by Mark Arnett (marnett@prolinkstaff.com)
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ProLink Healthcare LLC 5th Amendment

Final Audit Report

2022-06-15

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2022-06-15

By:

Jose Curiel (jo.curiel@ruhealth.org)

Status:

Signed

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"ProLink Healthcare LLC 5th Amendment" History

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