



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



ITEM: 15.2  
(ID # 18627)

**MEETING DATE:**

Tuesday, April 05, 2022

**FROM :** RUHS-MEDICAL CENTER:

**SUBJECT:** RIVERSIDE UNIVERSITY HEALTH SYSTEM-MEDICAL CENTER: Ratification and Approval of the Sixth Amendment to the Agreement for Professional Medical Services (General Surgery Services) with Faculty Physicians and Surgeons of Loma Linda University School of Medicine to Provide General Surgery Physician Services Effective March 1, 2022 through June 30, 2022; All Districts. [Total Amendment Cost \$3,689,924; up to \$368,992 in Additional Compensation] 100% Hospital Enterprise Fund

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Ratify and approve the Sixth Amendment to the Agreement for Professional Medical Services (General Surgery Services) with Faculty Physicians and Surgeons of Loma Linda University School of Medicine to provide addition general surgery physician services by increasing the annual contract amount by \$3,689,924 from \$6,471,788 to \$10,161,712 annually effective March 1, 2022 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 and based on the availability of 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 the sum total of ten percent (10%) annually.

**ACTION:Policy**

  
 Jennifer Cruikshank, Chief Executive Officer - Health System 3/21/2022

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**MINUTES OF THE GOVERNING BOARD**

On motion of Supervisor Perez, seconded by Supervisor Washington 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: April 5, 2022  
 xc: RUHS-MC

Kecia R. Harper  
Clerk of the Board

By:   
Deputy

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<b>FINANCIAL DATA</b>	<b>Current Year</b>	<b>Next FY</b>	<b>Total Cost for FY21/22:</b>	<b>Ongoing Cost</b>
<b>COST</b>	\$3,689,924	\$0	\$3,689,924	\$0
<b>NET COUNTY COST</b>	\$0	\$0	\$0	\$0
<b>SOURCE OF FUNDS: 100% Hospital Enterprise Fund</b>			<b>Budget Adjustment: No</b>	
			For Fiscal Year: 21/22	

**C.E.O. RECOMMENDATION:** Approve

**BACKGROUND:**

**Summary**

The Riverside University Health System Medical Center (RUHS-MC) has experienced a significant increase in volume for trauma and emergency surgery. Since 2017, trauma and emergency surgery cases that require multi-physician response teams to provide critical care (Trauma Activations), have consistently increased at RUHS-MC.

In 2021, RUHS-MC received designation as a Level 1 Trauma Center. This designation requires responding physicians to be on site 24 hours per day and immediate availability of all resources required to provide critically injured patients with the highest level of healthcare services.

Due to this designation, patient volumes for trauma and emergency surgery have more than doubled since 2017 and Level A trauma activation cases—reserved for the most serious surgery cases—now account for the vast majority of the trauma and emergency surgery cases.

In order to meet this increase in cases and the level of care needed, the Agreement with Faculty Physicians and Surgeons of Loma Linda University School of Medicine (LLUSM) must be amended to provide RUHS-MC with additional support while RUHS-MC negotiates a renewal of this contract with LLUSM that will start in the beginning of FY 22/23.

The requested Board action will approve a Sixth Amendment, effective March 1, 2022, through June 30, 2022, and will increase the total maximum annual compensation of the Agreement by \$3,689,924 from \$6,471,788 for a total of \$10,161,712 and will increase the amount of general surgery physician services being provided. This expansion in services includes increases in staffing for the following positions:

- Trauma/Critical Care Fellowship-Trained Surgeons
- Advanced Care Practitioners for the Surgical Intensive Care Unit

**Impact on Residents and Businesses**

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

**Additional Fiscal Information**

There are sufficient appropriations in the Department's FY21/22 budget. No additional County funds are required.

**Contract History and Price Reasonableness**

On January 23, 2018, the Board approved the initial Agreement for Professional Medical Services (Agenda Item #3.25) with LLUSM for general surgery services, effective January 1, 2018, for five years. Total maximum annual compensation for FY17/18 – FY18/19 in the initial Agreement was structured as follows:

- FY17/18 (January 1, 2018 – June 30, 2018); Compensation: \$2,712,244
- FY18/19 (July 1, 2018 – June 30, 2019); Compensation: \$5,633,681.

On September 21, 2018, a First Amendment to the Agreement for Professional Medical Services (General Surgery Services) was executed under the Purchasing Agent's authority to exercise the first renewal option, extending the agreement through June 30, 2019, and including new performance requirements in the Agreement. Maximum annual compensation remained unchanged at \$5,633,681.

On September 10, 2019, the Board executed a Second Amendment to the Agreement for Professional Medical Services (General Surgery Services), continuing services through June 30, 2020, with the option to renew for two (2) additional one-year periods. This Second Amendment served to add staffing for general surgery to cover trauma services and restructured the handling of the billing receipts. Additionally, this Second Amendment increased the Agreement's maximum annual compensation from \$5,633,681 to \$5,827,082.

On April 30, 2020, under the Purchasing Agent's authority, a Third Amendment was executed to exercise a renewal option, extending the agreement through June 30, 2021.

On December 8, 2020, the Board executed a Fourth Amendment to the Agreement for Professional Medical Services (General Surgery Services) through June 30, 2021. This Fourth Amendment served to amend the scope of services and increased the maximum annual amount from \$5,827,082 to \$6,471,788.

On July 12, 2021, under the Purchasing Agent's authority, RUHS-MC exercised its final renewal option of a Fifth Amendment to the Agreement for Professional Medical Services (General

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Surgery Services), extending the agreement through June 30, 2022, and added electronic signature provisions to the Agreement.

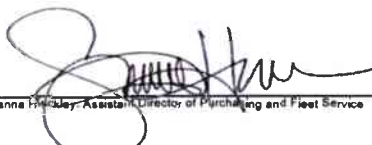
The current proposed Sixth Amendment—effective March 1, 2022, through June 30, 2022—would increase the maximum annual amount from \$6,471,788 to \$10,161,712 and would expand the general surgery services being provided to RUHS-MC.

While the annual contract amount will increase to allow additional surgery services to be provided for RUHS-MC, this Amendment will continue to use the same Fair Market Value (FMV) table used to establish the original contract Agreement rates.

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

**ATTACHMENTS:**

**Attachment A: SIXTH AMENDMENT TO THE AGREEMENT FOR PROFESSIONAL  
MEDICAL SERVICES (GENERAL SURGERY SERVICES)**

  
Suzanne H. Wiley, Assistant Director of Purchasing and Fleet Service

3/23/2022

  
Jacqueline Ruiz, Sr. Management Analyst 3/30/2022

**SIXTH AMENDMENT TO THE  
AGREEMENT FOR  
PROFESSIONAL MEDICAL SERVICES  
(General Surgery Services)**

This Sixth Amendment to the Agreement for Professional Medical Services (General Surgery Services) (Sixth 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 (General Surgery Services), approved January 23, 2018, Agenda Item Number 3.25, and effective January 1, 2018 (Agreement), whereby CONTRACTOR agreed to provide COUNTY with professional medical services in the specialty practice of General Surgery (SPECIALTY); and

**WHEREAS**, COUNTY and CONTRACTOR have entered into that certain First Amendment to the Agreement, approved September 21, 2018, to extend the term by exercising its renewal options and to add quality metric requirements (First Amendment); and

**WHEREAS**, COUNTY and CONTRACTOR have entered into that certain Second Amendment to the Agreement, approved September 10, 2019; Agenda Item #15.2 to amend the scope of services and increase the maximum annual amount (Second Amendment); and

**WHEREAS**, COUNTY and CONTRACTOR have entered into that certain Third Amendment to the Agreement, approved April 30, 2020 to extend the term by exercising its renewal option commencing on July 1, 2020 through June 30, 2021 (Third Amendment); and

**WHEREAS**, COUNTY and CONTRACTOR have entered into that certain Fourth Amendment to the Agreement, approved December 8, 2020; Agenda Item Number 15.2, and effective November 1, 2020 to amend the scope of services and increase the maximum annual amount (Fourth Amendment); and

**WHEREAS**, COUNTY and CONTRACTOR have entered into that certain Fifth Amendment to the Agreement, approved July 12, 2021 to extend the term by exercising its renewal option commencing on July 1, 2021 through June 30, 2022 (Fifth Amendment); and

**WHEREAS**, COUNTY and CONTRACTOR desire to amend the scope of services and increase the maximum annual amount;

**NOW THEREFORE**, the Parties agree as follows:

1. Exhibit A. Exhibit A, Section 1.0 is hereby amended to read as follows:

"1.0 CONTRACTOR STAFFING



- 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.
- B. It is contemplated there shall be the following positions staffed:

Position	Effective March 1, 2022	
	Total FTEs / Units	Total wRVU
Trauma/Critical Care Fellowship Trained Surgeons	11 FTEs	84,678
General Surgery/Surgical Oncology/Colorectal/Minimally-Invasive Surgery	1.5 FTEs	9,606
Vascular Surgeon	1 FTE	6,694
Administrative Time Department Chair	0.2 FTE	N/A
Administrative Time Program Director	0.2 FTE	N/A
Administrative Time Trauma Director	0.2 FTE	N/A
Administrative Time for Emergency General Surgery Director	0.2 FTE	N/A
Surgeon in Chief/National Renowned Trauma Leader Business Development	1 FTE	N/A
Advanced Care Practitioner For SICU	10 FTEs	3,333
Research Analyst	1 FTE	N/A
In-House Call Coverage Week Nights (7pm-7am)	249 nights	N/A
In-House Call Weekend And Holidays (Per 24 Hrs, Starting Saturday At 7am And Ending Monday At 7am)	116 days and nights	N/A
Rounding ICU Weekends/Holidays	116 rounds	N/A
Second Attending to Round on Non-ICU Patients Weekends/Holidays	116 rounds	N/A
Back-Up Surgeon to Be On Second Call	481 nights	N/A
Back-Up Surgeon Comes in For Cases Within 30 Min.	Up to 36 cases	N/A
<b>TOTAL</b>		<b>104,311 wRVUs</b>

CONTRACTOR shall provide all SPECIALITY outpatient/clinical services, administrative duties, diagnostic procedures, consultations, supervisory duties, teaching services, inpatient care, development of treatment protocols, telehealth and supervision of SPECIALITY services provided at HOSPITAL. Without limiting the foregoing, CONTRACTOR shall staff and provide SPECIALITY services at HOSPITAL's SPECIALITY clinics and for the Department of General Surgery. CONTRACTOR shall furnish medical professional staff to adequately provide for staffing of clinics, on-call availability as well as other services as specified in this Exhibit. All administrative issues shall be directed to the HOSPITAL Chief of Medical Staff for handling.

- C. Provide or recruit physicians who have been approved by the HOSPITAL's Credentialing Committee.

- D. Provide suitable staff replacement coverage for any Physician or ACP absent due to extended illness, vacation, seminar attendance, or termination of employment with CONTRACTOR, who was assigned at HOSPITAL under the terms of this Agreement.
- E. Ensure that CONTRACTOR Physicians and ACPs have verifiable SPECIALTY experience and training and must obtain and remain credentialed at all times under the term of this Agreement. Such providers also shall be required by CONTRACTOR to meet HOSPITAL teaching faculty credentialing requirements established in conjunction with HOSPITAL teaching programs and affiliation agreements with teaching institutions.”

2. Exhibit C. Exhibit C Section 1.0 Compensation is hereby deleted and replaced with the following section:

“1.0 Compensation

Subject to the conditions set forth below 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 all other services contemplated by this Agreement, HOSPITAL and CONTRACTOR have agreed on the following fair market value estimate and total contract payment specified in the table below:

**A. Effective March 1, 2022 (Additional FTEs Added)**

POSITION	Payment Per Unit	Units	Total
Trauma/Critical Care Fellowship Trained Surgeons	\$632,583.30	11.0 FTEs	\$6,958,416.30
General Surgery/Surgical Oncology/Colorectal/Minimally Invasive	\$620,100	1.5 FTEs	\$930,150
Vascular Surgeon	\$673,842	1.0 FTE	\$673,842
Administrative Time Department Chair 0.2 FTE	\$673,842	0.2 FTE	\$134,768.40
Administrative Time Program Director 0.2 FTE	\$632,583.30	0.2 FTE	\$126,516.66
Administrative Time Trauma Director 0.2 FTE	\$632,583.30	0.2 FTE	\$126,516.66
Administrative Time for Emergency General Surgery Director 0.2 FTE	\$632,583.30	0.2 FTE	\$126,516.66
Surgeon in Chief/National Renowned Trauma Leader Business Development	\$1,033,500	1.0 FTE	\$1,033,500
Advanced Care Practitioner For SICU	\$220,480.00	10.0 FTEs	\$2,204,800
Research Analyst	\$110,240.00	1.0 FTE	\$110,240
In-House Call Coverage Week Nights (7pm-7am)	\$689 per night	249 nights	\$171,561
In-House Call Weekend And Holidays	\$1,653.60 per 24 hours	116 days and nights	\$191,817.60
Rounding ICU Weekends/Holidays	\$744.12 per rounds	116 rounds	\$86,317.92
Second Attending to Round on Non-Icu Patients Weekend/Holidays	\$744.12 per rounds	116 rounds	\$86,317.92

Back-Up Surgeon to Be On Second Call Holidays & Weekends	\$344.50 per night	481 nights	\$165,704.50
Back-Up Surgeon to Come For Cases Within 30 Min.	\$964.6 Per Case	Up to 36 cases	\$34,725.60
<b>Value</b>			<b>\$13,161,711.24</b>
<b>Anticipated Collections for Professional Services</b>			<b>\$3,000,000</b>
<b>Total Contract Maximum</b>			<b>\$10,161,711.24</b>

If the Parties mutually agree to change the staffing levels as contemplated above and such change is not effectuated on the first day of a month, then COUNTY shall pay CONTRACTOR a pro rata amount for each of the staffing levels used during such month. 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 shall pay CONTRACTOR payments by the invoice method specified below.”

3. **Maximum Annual Compensation.** Exhibit C. Section 4.0 Maximum Annual Compensation is hereby amended to read as follows:

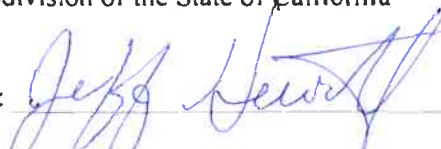
“Maximum annual compensation payable under this Agreement shall not exceed the amount of ten million one hundred sixty-one thousand seven hundred eleven dollars and twenty-four cents (\$10,161,711.24).”

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

5. **Effective Date.** This Sixth Amendment to the Agreement shall become effective March 1, 2022.

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


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

By:   
Name: Jeff Hewitt

Title: Chair, Board of Supervisors

Date: APR 05 2022

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

By:   
Name: Ricardo Peverini, M.D.

Title: President

Date: Jan 26, 2022

**ATTEST:**  
Kecia R. Harper



Clerk of the Board

By: Yvonne Rasso  
Deputy

**APPROVED TO FORM:**

Gregory P. Priamos

County Counsel

By: Martha Ann Knutson  
Martha Ann Knutson (Jan 27, 2022 11:30 PST)

Name: Martha Ann Knutson

Title: Deputy County Counsel

Date: Jan 27, 2022






# FPS LLUSM\_General Surgery\_6th Amd 011322

Final Audit Report

2022-01-26

Created:	2022-01-26
By:	Lynnette Lopez (lslopez@llu.edu)
Status:	Signed
Transaction ID:	CBJCHBCAABAA00mNSIWJ0q2eGsYhfUU7oDD-XsKE1wg

## "FPS LLUSM\_General Surgery\_6th Amd 011322" History

-  Document created by Lynnette Lopez (lslopez@llu.edu)  
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-  Document e-signed by Ricardo Peverini (rpeverini@llu.edu)  
Signature Date: 2022-01-26 - 6:05:16 PM GMT - Time Source: server - IP address: 143.197.222.216
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