



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



ITEM: 15.5
(ID # 19695)

MEETING DATE:
Tuesday, August 30, 2022

FROM : RUHS-MEDICAL CENTER:

SUBJECT: RIVERSIDE UNIVERSITY HEALTH SYSTEM-MEDICAL CENTER: Ratify and Approve the Thirty-Sixth Amendment to the Agreement with RightSourcing Inc. for Vendor Management Services, Effective July 1, 2022 through December 31, 2022, All Districts. [Total cost \$41,330,166; up to \$8,266,033 in additional compensation] 100% Hospital Enterprise Fund 40050)

RECOMMENDED MOTION: That the Board of Supervisors:

1. Ratify and approve the Thirty-Sixth Amendment to the Agreement with RightSourcing Inc. for vendor management services for a total aggregate amount of \$41,330,166 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 to the compensation and term provisions that do not exceed the sum total of ten percent (10%) of the total annual cost of the agreement.

ACTION:Policy


 Jennifer Cruikshank Chief Executive Officer - Health System 8/5/2022

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: August 30, 2022
 xc: RUHS

Kecia R. Harper
 Clerk of the Board
 By: 
 Deputy

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FINANCIAL DATA	Current Year	Next Fiscal Year	Total Cost:	Ongoing Cost
COST	\$34,250,000	\$41,330,166	\$41,330,166	\$0
NET COUNTY COST	\$0	\$0	\$0	\$0
SOURCE OF FUNDS: 100% - Hospital Enterprise Fund 40050			Budget Adjustment: No	
			For Fiscal Year: 22/23	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

The requested Board action will approve a Thirty-Sixth Amendment to the existing Professional Service Agreement with RightSourcing, Inc. (RightSourcing) while RFP (MCARC-0329) for Comprehensive Registry Staffing Management Services for Riverside University Health System (RUHS) completes the current sourcing process. The current Agreement expired on June 30, 2022, and expenditures for this Agreement—which have been impacted by nursing staff wage increases, County personnel shortages, and staff volume required for anticipated census surges—have exceeded the amended contract maximum of \$34,250,000.

The proposed Thirty-Sixth Amendment will extend the contract term for six (6) months to December 31, 2022, to allow time for the current sourcing event (RFP MCARC-0329) to fully complete the award process. The amendment will increase the maximum annual contract amount by \$41,330,166 to allow for the continuation of critical nursing staffing without disruption to patient care.

Currently, California is experiencing a major shortage of nurses. The shortage has been caused by an increasing number of nursing retirees and vacancies from those who have left the healthcare industry altogether. In addition, there is a service interruption that has been created by ongoing recruitment from organizations who are willing to pay premium rates for nurses. RUHS has been directly impacted by this shortage which is projected to continue into the immediate future and poses a significant threat to RUHS's ability to meet patient care demands during census surges. RUHS anticipates hourly rates for contracted nursing staff, as well as other critical care staff, to continue increasing in response to demands for available healthcare workers.

Impact on Residents and Businesses

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

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Additional Fiscal Information

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

Contract History and Price Reasonableness

The Medical Center has a long-standing partnership with RightSourcing, Inc. for healthcare workforce solutions. The Board approved the initial five-year Professional Services Agreement on December 13, 2011; Agenda Item #3.29. An Eleventh Amendment was presented to the Board and approved on December 13, 2016; Agenda Item #3.52 which extended the contract term through December 31, 2021 for an amount of \$9,000,000 per year. Due to an immediate need for nurse staffing, a Twelfth Amendment was approved by the Board on March 14, 2017; Agenda Item #3.19 to increase the annual amount to \$16,100,000 to cover services for fiscal year 2016/2017. On April 10, 2018; Agenda Item #3.28, the Board approved a Thirteenth Amendment which set the total annual contract amount at \$10,000,000 per year. Subsequently, a Fourteenth Amendment was executed June 26, 2018 and a Fifteenth Amendment was executed January 17, 2019 under the Purchasing Agent's authority. On February 11, 2020 the Board approved a Sixteenth Amendment which set the yearly contract amount at \$10,250,000 per year.

On August 4, 2020, an Eighteenth Amendment, Agenda Item 15.3, was approved by the Board to increase the FY2020/2021 contract amount to \$18,811,386.

Between July 13, 2020, and August 30, 2021, Amendments Nineteen through Twenty-Nine were executed under the Purchasing Agent's authority to: amend the client classification table; provide assignment completion bonuses for traveler staffing; expand the scope of services of the Agreement; include additional staff classifications; and, modify staffing hourly rates.

In order to meet increasing market rates for staff, a Thirtieth Amendment was executed on October 20, 2021 under the Purchasing Agent's authority to raise wages for RightSourcing staff. On November 9, 2021, a Thirty-First Amendment was executed to modify wages for RightSourcing staff, followed by a Thirty-Second Amendment, executed on November 24, 2021, to expand the client classification table.

On December 14, 2021, the Board approved a Thirty-Third Amendment to the Agreement, Agenda Item 15.7, to increase the maximum compensation from \$10,250,000 to \$34,250,000 and extend the term of the Agreement to June 30, 2022, to allow time for an RFP (MCARC-0329) to be completed. This RFP was anticipated to have been completed by July 1, 2022, but currently has an estimated completion date of December 2022.

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On January 3, 2022, and April 13, 2022, Amendments Thirty-Four and Thirty-Five were executed under the Purchasing Agent's authority to amend the client classification table and include additional facilities to be serviced by RightSourcing.

This Thirty-Sixth Amendment will increase the contract amount by \$41,330,166 from \$34,250,000 to \$75,580,166 to cover services needed through December 31, 2022, and to account for the market-rate increases of healthcare worker wages being experienced by RUHS.

ATTACHMENTS:

Attachment A: **THIRTY-SIXTH AMENDMENT TO THE AGREEMENT WITH
RIGHTSOURCING, INC. (VENDOR MANAGEMENT SERVICES)**


Suzanna Hockley, Assistant Director of Purchasing and Fleet Service

8/8/2022


Jacqueline Ruiz, Sr. Management Analyst 8/23/2022

**THIRTY-SIXTH AMENDMENT TO THE AGREEMENT
WITH
RIGHTSOURCING, INC.
(Vendor Management Services)**

This Thirty-Sixth Amendment to the Agreement for Vendor Management Services (herein referred to as "Thirty-Sixth 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 "Client" or "COUNTY"), on behalf of Riverside University Health System, and **RightSourcing, Inc.**, a New York corporation (herein referred to as "RightSourcing"), sometimes collectively referred to as the "Parties".

WHEREAS, COUNTY and RightSourcing entered into that certain Agreement for Vendor Management Services approved December 13, 2011; Agenda Item 3.29 (herein referred to as "Agreement"); and

WHEREAS, COUNTY and RightSourcing entered into that certain First Amendment executed April 12, 2012, that certain Second Amendment executed June 8, 2012, that certain Third Amendment executed November 1, 2012, that certain Fourth Amendment executed May 30, 2013, that certain Fifth Amendment executed October 16, 2013, that certain Sixth Amendment executed July 11, 2014, that certain Seventh Amendment executed February 27, 2015, that certain Eighth Amendment executed July 10, 2015, that certain Ninth Amendment executed July 17, 2015, that certain Tenth Amendment executed May 24, 2016, that certain Eleventh Amendment approved December 13, 2016; Agenda Item 3.52, that certain Twelfth Amendment approved March 14, 2017; Agenda Item 3.19, that certain Thirteenth Amendment approved April 10, 2018; Agenda Item 3.28, that certain Fourteenth Amendment executed June 26, 2018, that certain Fifteenth Amendment executed January 17, 2019, that certain Sixteenth Amendment executed February 11, 2020; Agenda Item 15.1, that certain Seventeenth Amendment executed March 19, 2020; that certain Eighteenth Amendment executed August 4, 2020; Agenda Item 15.3, that certain Nineteenth Amendment executed July 13, 2020, that certain Twentieth Amendment executed July 23, 2020, that certain Twenty-First Amendment executed September 2, 2020, that certain Twenty-Second Amendment executed November 6, 2020, that certain Twenty-Third Amendment executed December 18, 2020; that certain Twenty-Fourth Amendment executed December 31, 2020; that certain Twenty-Fifth Amendment executed March 9, 2021; and that certain Twenty-Sixth Amendment executed May 4, 2021; and that certain Twenty-Seventh Amendment executed August 11, 2021; and that certain Twenty-Eighth Amendment executed August 24, 2021; and that certain Twenty-Ninth Amendment executed August 27, 2021; and that certain Thirtieth Amendment executed October 20, 2021; and that certain Thirty-First Amendment executed November 9, 2021; and that certain Thirty-Second Amendment executed November 24, 2021; and that certain Thirty-Third Amendment executed December 14, 2021; and that certain Thirty-Fourth Amendment executed January 3, 2022; and that certain Thirty-Fifth Amendment executed April 13, 2022; and;

WHEREAS, the Parties now desire to amend the Agreement to increase the maximum contract amount and extend the contract term;

NOW THEREFORE, the Parties agree to amend the Agreement as follows:

1. **Billing.** The first sentence of the last paragraph of **Section 3. BILLING**, is hereby amended to read as follows:

“Maximum payment by Client to RightSourcing shall not exceed forty-one million three hundred thirty thousand one hundred sixty-six dollars (\$41,330,166) between July 1, 2022 and December 31, 2022, including all expenses.”
2. Section 8 (a), **TERM AND TERMINATION** is deleted in its entirety and replaced with the following:

(a) This Agreement shall continue in effect through December 31, 2022, unless terminated earlier.
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 Thirty-Sixth Amendment to the Agreement shall be effective July 1, 2022.

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

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

By: Jeff Hewitt

Name: Jeff Hewitt

Title: Chair, Board of Supervisors

Date: AUG 30 2022

RIGHTSOURCING, INC.,

a New York corporation

By: Maria Luoni

Name: Maria Luoni

Title: President

Date: 6/14/2022

ATTEST:

Kecia R. Harper
County Clerk of the Board

By: [Signature]
Deputy

APPROVED AS TO FORM:

County Counsel

By: Martha Ann Knutson
Martha Ann Knutson (Jun 22, 2022 10:56 PDT)

Martha Ann Knutson
Deputy County Counsel

Date: Jun 22, 2022

AUG 30 2022 15.5




Amendment No. 36 to the Agreement with RightSourcing

Final Audit Report

2022-06-22

Created:	2022-06-22
By:	Jose Curiel (jo.curiel@ruhealth.org)
Status:	Signed
Transaction ID:	CBJCHBCAABAA7LnoYGOHhkuexOfjjVkl_hSCrnjkzU2Z

"Amendment No. 36 to the Agreement with RightSourcing" History

-  Document created by Jose Curiel (jo.curiel@ruhealth.org)
2022-06-22 - 4:07:18 PM GMT
-  Document emailed to mknutson@rivco.org for signature
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-  Email viewed by mknutson@rivco.org
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-  Document e-signed by Martha Ann Knutson (mknutson@rivco.org)
Signature Date: 2022-06-22 - 5:56:08 PM GMT - Time Source: server
-  Agreement completed.
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