



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



ITEM: 15.2
(ID # 22079)

MEETING DATE:

FROM : RUHS-MEDICAL CENTER:

Tuesday, June 06, 2023

SUBJECT: RIVERSIDE UNIVERSITY HEALTH SYSTEM – MEDICAL CENTER: Ratify and Approve a Fifth Amendment to a Professional Medical Services Agreement with Faculty Physicians and Surgeons of Loma Linda University School of Medicine to provide Anesthesia Services Effective March 1, 2023, through February 28, 2025. All Districts; [Total Amendment Cost \$3,811,068; up to \$1,970,317 in Additional Annual Compensation] 100% - Hospital Enterprise Fund 40050

RECOMMENDED MOTION: That the Board of Supervisors:

1. Ratify and Approve a Fifth Amendment to a Professional Medical Services Agreement with Faculty Physicians and Surgeons of Loma Linda University School of Medicine to provide Anesthesia Services and to amend the scope of service and to increase the annual compensation by \$1,905,534 from \$17,797,641 to \$19,703,175 effective March 1, 2023 through February 28, 2025 and authorize the Chair of the Board to sign the Amendment on behalf of the County.
2. Authorize the Purchasing Agent, in accordance with Ordinance No. 459, based upon the availability of funding and as approved by County Counsel, to sign amendments that make modifications to the scope of services that stay within the intent of the agreement and to sign amendments to the compensation provisions that do not exceed the total sum of ten percent (10%) of the total annual cost of the agreement.

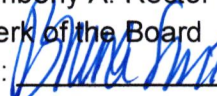
ACTION:Policy


Jennifer Cruikshank, Chief Executive Officer – Health System 5/24/2023

MINUTES OF THE GOVERNING BOARD

On motion of Supervisor Perez, seconded by Supervisor Gutierrez and duly carried, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Washington, Perez and Gutierrez
Nays: None
Absent: Spiegel
Date: June 6, 2023
xc: RUHS-Medical Center

Kimberly A. Rector
Clerk of the Board
By: 
Deputy

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FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$635,178	\$1,905,534	\$3,811,068	\$0
NET COUNTY COST	\$0	\$0	\$0	\$0
SOURCE OF FUNDS: 100% - Hospital Enterprise Fund - 40050			Budget Adjustment: No	
			For Fiscal Year: 22/23 – 24/25	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

The requested Board action will ratify and approve a Fifth Amendment to an Agreement for Professional Medical Services with Faculty Physicians and Surgeons of Loma Linda University School of Medicine (FPS LLUSM) for Anesthesia Services to establish a new category of service, increase the amounts paid for certain services, increase the staffing for certain services, and increase the maximum contract amount per twelve months by \$1,905,534 from \$17,797,641 to \$19,703,175. This Amendment will ensure that surgical service areas are appropriately staffed for anesthesia, the Medical Center’s Residency program for training Anesthesiologists continues to develop, and a new program for graduate nurse anesthetists provides opportunities for these providers.

RUHS-MC and FPS-LLUSM have coordinated and are working in concerted efforts to develop Graduate Registered Nurse Anesthetist (“GRNA”) in route to licensure.

Due to market changes RUHS-MC and FPS-LLUSM have researched Fair Market Value (FMV) for anesthesia services and that research suggests the current amounts paid are below FMV. For LLUH to be competitive in recruiting, this Fifth Amendment will increase the amounts paid for services by \$1,905,534 from \$17,797,641 to \$19,703,175 with an increase in FTEs of 1.11 from 36.39 to 37.5.

This Amendment will also ensure that adequate funding is in place to provide the necessary staffing, as specified in the Agreement, helping RUHS-MC to meet the healthcare needs of all patients requiring anesthesia.

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.

Additional Fiscal Information

There are sufficient funds in the Department’s budget for FY 22/23 to cover this proposed increase and no additional County funds are required.

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Contract History and Price Reasonableness

On April 7, 2020, the Board of Supervisors approved the initial Professional Services Agreement (Agenda Item #15.3) with FPS-LLUSM, effective March 1, 2020, through February 28, 2021, with the option to renew for four additional one year periods. The total maximum contract amount for twelve months was \$10,744,955.

On March 19, 2021, under the Purchasing Agent's authority, RUHS-MC exercised a First Amendment to the Professional Service Agreement utilizing a renewal option extending the agreement effective March 1, 2021, through February 28, 2022.

On September 15, 2021, under the Purchasing Agent's authority, RUHS-MC entered into a Second Amendment to the Professional Services Agreement, effective July 1, 2021, to amend the Agreement's scope of services, include electronic signature provisions, and increase the total maximum contract amount per twelve months to \$11,598,626.

On May 10, 2022, this Board of Supervisors approved a Third Amendment to the Professional Services Agreement (Agenda Item #15.2) with FPS-LLUSM effective March 1, 2022, to amend the scope of services and payment provisions to increase the maximum contract amount for twelve months to \$16,444,639.

On August 17, 2022, under the Purchasing Agent's authority, RUHS-MC executed a Fourth Amendment to the Professional Service Agreement with FPS-LLUSM effective July 1, 2022, to amend the payment provision to increase the maximum contract amount per twelve months to \$17,797,641.

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

ATTACHMENTS:

Attachment A: FIFTH AMENDMENT TO THE PROFESSIONAL SERVICE AGREEMENT WITH FACULTY PHYSICIANS AND SURGEONS OF LOMA LINDA UNIVERSITY SCHOOL OF MEDICINE (ANESTHESIA SERVICE).

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Meghan Hahn
Meghan Hahn, Deputy Director of Procurement 5/25/2023

Jacqueline Ruiz
Jacqueline Ruiz, Sr. Management Analyst 5/30/2023

Gregg Gu
Gregg Gu, Chief Deputy County Counsel 5/26/2023

**FIFTH AMENDMENT TO THE
AGREEMENT FOR
PROFESSIONAL MEDICAL SERVICES
(Anesthesia Services)**

This Fifth Amendment to the Agreement for Professional Medical Services (Anesthesia Services) (Fifth 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 (Anesthesia Services), approved April 7, 2020, Agenda Item #15.3, and (Agreement), whereby CONTRACTOR agreed to provide COUNTY with professional medical services in the specialty practice of Anesthesia (SPECIALTY); and,

WHEREAS, COUNTY and CONTRACTOR have entered into that certain First Amendment to the Agreement, approved March 19, 2021, to extend the period of performance; and,

WHEREAS, COUNTY and CONTRACTOR have entered into that certain Second Amendment to the Agreement, approved September 15, 2021, to amend the scope of services and increase the maximum amount; and,

WHEREAS, COUNTY and CONTRACTOR have entered into that certain Third Amendment to the Agreement, approved May 10, 2022, to amend the scope of services and increase the maximum amount of the Agreement; and,

WHEREAS, COUNTY and CONTRACTOR have entered into that certain Fourth Amendment to the Agreement, approved August 17, 2022, to amend the amount paid for one type of services and increase the maximum amount of the Agreement; and,

WHEREAS, COUNTY and CONTRACTOR now desire to amend the Agreement to add a graduate fellowship program for Nurse Anesthetists, add a new category of services. and adjust the maximum amount per fiscal year of the Agreement;

NOW THEREFORE, the Parties agree as follows:

. **“Definitions.** Section 1 Definitions is hereby amended to add a new Section 1.9 a “GRNAs” to read as follows:

“GRNAs’ shall mean a Graduate of an educational program in Nurse Anesthesia accredited by the Council on Accreditation of Nurse Anesthesia Educational Programs who has not yet been certified to practice in the State of California.”

1. **Term.** Section 5.1 Term is hereby amended to read as follows:

“The Term of this Agreement shall be effective March 1, 2020, and continues in effect through February 28, 2025, unless terminated earlier. CONTRACTOR shall commence performance upon signature of this Agreement by both parties and shall diligently and continuously perform thereafter.”

2. **Contractor Staffing.** Section 1.1 of Exhibit A. Scope of Services is hereby deleted and replaced with the following:

“1.1 CONTRACTOR shall provide adequate staffing to assume medical care responsibilities for the SPECIALTY services under the direction of the HOSPITAL Medical Director. It is contemplated there shall be the following positions staffed:

Services Description	FTE	Work Effort
Anesthesia Attending Physician Services	18.0	10,500 ASA Units per 1.0 FTE (189,000 Total Units)
Advanced Care Practitioner (ACP) Services	2.0	2 Patients Per Clinic Day, Per Provider
Certified Nurse Anesthetist (CRNA) Services	15.0	7,000 ASA Units per 1.0 FTE (105,000 Total Units)
Certified Nurse Anesthetist Lead (CRNA Lead) Services	1.0	N/A
Residency Program Director Services	0.5	20 hours per week
Department Chair Services	1.0	40 hours per week

3. **Compensation.** Section 1.1 of Exhibit C Payment Provisions is hereby deleted and replaced with the following:

“1.1 Subject to the conditions set forth below, as payment for CONTRACTOR’s provision of SPECIALTY outpatient/clinical services, administrative duties, supervisory duties, teaching services, inpatient care, development of treatment protocols, supervision of SPECIALTY services provided at HOSPITAL, and all other services contemplated by this Agreement, HOSPITAL shall pay CONTRACTOR in monthly increments of one million six hundred forty-one thousand nine hundred thirty-two dollars (\$1,641,932) per month as follows:

Services	Total FTE	Cost per FTE	Total Amount
Anesthesia Attending Physician Services	18.0	\$656,214	\$11,811,852.00
ACP Services	2.0	\$223,392	\$446,784.00
CRNA Services	15.0	\$390,936	\$5,864,040.00
CRNA Lead Services	1.0	\$425,841	\$425,841.00
Department Chair Services	1.0	\$826,551	\$826,551.00
Residency Program Director	0.5	\$656,214	\$328,107.00

Services			
TOTAL	37.5	N/A	\$19,703,175.00

4. **RUHS GRNA Fellowship program.** An additional Section 4.7 is hereby added to Exhibit A as follows:

“4.7 CONTRACTOR shall oversee all aspects of the RUHS GRNA Fellowship program, including curriculum development, practical and didactic training as well as provide supervision of all services provided by the GRNA fellow in strict Compliance with GME and CMS guidelines for services provided including physical presence within the operating area whenever a GRNA is providing services.

5. **Additional Position.** An additional Section 6.0 is hereby added to Exhibit A as follows:

“6. Nursing Anesthesia

CONTRACTOR shall provide an individual in the following role to develop and manage the delivery of anesthesia by CRNAs at HOSPITAL:

a) Chief CRNA:

The Chief (Lead) CRNA is responsible for the overall management, planning, direction, supervision, and coordination of the division of Nurse Anesthesia at RUHS. This involves clinical affairs; workforce recruitment, development, evaluation, and retention; student education; research/quality initiatives; and budget management.

Specific Duties

1. Provides personal clinical anesthesia services within RUHS Medical Center
2. Works with Anesthesia Director to ensure proper staffing and scheduling
3. Collaborates with leaders and members of the department to address organizational needs as pertaining to the CRNAs
4. Ensures regulatory compliance with hospital policies and procedures.
5. Represents CRNAs whenever indicated or requested by the RUHS/FMG.
6. Attends Clinical Staffing, Quality, Safety & Service, and other departmental and divisional meetings as CRNA representative.
7. Conducts *quarterly* CRNA meetings to exchange departmental information necessary for CRNA clinical practice, awareness, and wellness.
8. Oversees mentoring, supervising, orienting, and scheduling of student anesthetists.
9. Meets as necessary with other divisional chiefs, OR managers and physicians to facilitate communication and engagement in problem solving to actively address and resolve items.
10. Intervenes to facilitate any conflict resolution involving individual CRNAs and or multiple CRNAs.

6. **Maximum Compensation.** Section 4.0 of Exhibit C Payment Provisions is hereby deleted and replaced with the following:

“4.1 Maximum compensation payable per county fiscal year under this Agreement shall not exceed the amount of nineteen million seven hundred and three thousand one hundred seventy-five dollars (\$19,703,174.40).”

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

8. **Effective Date.** This Fifth Amendment to the Agreement shall become effective July 1, 2023. .

[Signature Page Follows]

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

COUNTY OF RIVERSIDE, a political subdivision of the State of California on behalf of Riverside University Health System – Medical Center

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

By: [Signature]

Name: LEVIN JEFFRIES

Title: CHAIR, BOARD OF SUPERVISORS

Date: 6/6/23

By: [Signature]

Name: Ricardo Peverini, MD

Title: President

Date: Apr 25, 2023

ATTEST:

KIMBERLY A. RECTOR
Clerk of the Board

By: [Signature]
Deputy

APPROVED AS TO FORM:

Minh C. Tran
County Counsel

By: Gregg Gu

Name: Gregg Gu

Title: Chief Dpty County Counsel

Date: May 19, 2023