



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



**ITEM: 15.6**  
(ID # 22258)

**MEETING DATE:**

Tuesday, June 27, 2023

**FROM :** RUHS-MEDICAL CENTER:

**SUBJECT:** RIVERSIDE UNIVERSITY HEALTH SYSTEM – MEDICAL CENTER: Approve the First Amendment to the Professional Medical Services Agreement with Faculty Physicians and Surgeons of Loma Linda University School of Medicine to provide Rheumatology Services effective July 1, 2023 through June 30, 2026, All Districts. [Total Amendment Cost \$876,121, up to \$107,079 in Additional Compensation Annually, 44% - Hospital Enterprise Fund 40050, 56% - Health Center Care Clinics Fund - 40090]

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

1. Approve the First Amendment to the Professional Medical Services Agreement with Faculty Physicians and Surgeons of Loma Linda University School of Medicine to provide Rheumatology Services effective July 1, 2023 through June 30, 2026 and to increase the annual maximum contract amount by \$292,371 from \$778,410 to \$1,070,781 and authorize the Chair 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 upon the availability of funding and as approved as to form 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 total sum of ten percent (10%) of the total annual cost of the Agreement.

**ACTION:**Policy

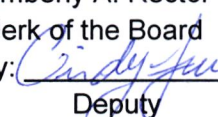
  
 Jennifer Cruikshank, Chief Executive Officer – Health System 6/9/2023

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**MINUTES OF THE GOVERNING BOARD**

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

Ayes: Jeffries, Spiegel, Washington, Perez and Gutierrez  
 Nays: None  
 Absent: None  
 Date: June 27, 2023  
 xc: RUHS-Medical Center

Kimberly A. Rector  
 Clerk of the Board  
 By:   
 Deputy

**SUBMITTAL TO THE RIVERSIDE UNIVERSITY HEALTH  
SYSTEM MEDICAL CENTER GOVERNING BOARD OF DIRECTORS  
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<b>FINANCIAL DATA</b>	<b>Current Fiscal Year:</b>	<b>Next Fiscal Year:</b>	<b>Total Cost:</b>	<b>Ongoing Cost</b>
<b>COST</b>	\$0	\$292,371	\$877,113	\$0
<b>NET COUNTY COST</b>	\$0	\$0	\$0	\$0
<b>SOURCE OF FUNDS:</b> 44% - Hospital Enterprise Fund - 40050, 56% - Health Center Care Clinics Fund - 40090			<b>Budget Adjustment:</b> No	
			<b>For Fiscal Year:</b> 23/24-25/26	

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

**BACKGROUND:**

**Summary**

The requested Board action will approve a First Amendment between Riverside University Health System – Medical Center (RUHS-MC) and Faculty Physicians and Surgeons of Loma Linda University School of Medicine (FPS LLUSM) for Rheumatology physician services effective July 1, 2023, through June 30, 2026.

RUHS – MC Rheumatology access needs are significant and have increased throughout the years. Despite the no-show rate averaging at 15% or less; Rheumatology physicians are only able to book new appointments and return visit appointment in an average of 3 months [90 days] or more, this is significantly greater than the 30-day goal RUHS-MC strives to achieve. Adding another FTE will help capture Rheumatology patient pharmacy visits that are not currently being able to bill due to the constrained ability to partner a visit with a pharmacist. increasing FTE Rheumatology physicians has the potential to capture up to 100 visits more a month.

The proposed First Amendment will increase the Full-Time Equivalent (FTE) from one point nine (1.9) FTE to two point five (2.5) FTE physicians to be shared between RUHS-MC for coverage of inpatient and inmate services at the Main Campus and RUHS Community Health Center (RUHS-CHC) for outpatient services.

**Impact on Residents and Businesses**

The services described above are a component of RUHS’s system of care aimed at improving the health and safety of its patients and the community.

**Contract History and Price Reasonableness**

RUHS engaged experts in the healthcare field to assist with a competitive market analysis to ensure its physician agreements meet price reasonableness and the rates paid are within industry standards.

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On August 29, 2017, Agenda Item 3.93, the Board approved a Professional Medical Services Agreement with Faculty Physicians and Surgeons of Loma Linda University, School of Medicine for rheumatology services effective January 1, 2017 with four (4) additional one-year renewals not to exceed \$459,086 per year. The Agreement terminated on June 30, 2021, with no additional renewal options.

On June 29, 2021, Agenda Item 15.8, the Board approved a Professional Medical Services Agreement with Faculty Physicians and Surgeons of Loma Linda University, School of Medicine for rheumatology services effective July 1, 2021, through June 30, 2026, not to exceed \$778,410 per year.

This proposed 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: FACULTY PHYSICIANS AND SURGEONS OF LOMA LINDA UNIVERSITY, SCHOOL OF MEDICINE (RHEUMATOLOGY SERVICE)**

  
Suzanna Hackley, Assistant Director of Purchasing and Fleet Service 6/9/2023

  
Jeff Van Wagenen, County Executive Officer 6/20/2023

  
Jacqueline Ruiz, Sr. Management Analyst 6/20/2023

  
Gregg Gu, Chief Deputy County Counsel 6/10/2023

**FIRST AMENDMENT TO THE  
AGREEMENT FOR  
PROFESSIONAL MEDICAL SERVICES  
(Rheumatology Services)**

This First Amendment to the Agreement for Professional Medical Services (Rheumatology 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 **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” or individually referred to as a “Party.”

WHEREAS, COUNTY and CONTRACTOR have entered into that certain Agreement for Professional Medical Services (Rheumatology Services), approved June 29, 2021, Agenda Item Number 15.8, and effective July 1, 2021 (Agreement), whereby CONTRACTOR agreed to provide COUNTY with professional medical services in the specialty practice of Rheumatology (SPECIALTY); and,

WHEREAS, COUNTY and CONTRACTOR desire to modify the scope of services and increase the maximum annual compensation;

NOW THEREFORE, the Parties agree as follows:

1. Contractor Staffing. Section 1.A of Exhibit A is hereby deleted in its entirety and replaced with the following:

“CONTRACTOR shall provide all SPECIALTY outpatient/clinical services, administrative duties, diagnostic procedures, consultations, supervisory duties, teaching services, inpatient care, development of treatment protocols, telehealth and supervision of SPECIALTY services provided at HOSPITAL. Without limiting the foregoing, CONTRACTOR shall staff and provide SPECIALTY services at the RUHS Community Health Center clinics and for the RUHS Medical Center Department of Rheumatology. CONTRACTOR shall provide adequate staffing to assume medical care responsibilities for SPECIALTY services under the direction of the Chief the DEPARTMENT and the HOSPITAL Chief Medical Officer. All administrative issues shall be directed to the HOSPITAL Chief Medical Officer for handling, It is contemplated there shall be the following positions staffed:

Description	HOSPITAL BASED	CHC	Total	Expected Work Effort
Rheumatologist	.7 FTE	1.2 FTE	1.9 FTE	4,0927 RVUs (per patient working FTE) 7 half days per week / 8 Patients per half day (CHCs)
Vacation Coverage 9.6 Weeks x 2 days= 19.2 Days	0.12 FTE	0.28 FTE	.40 FTE	1,967 RVUs/ 8 patients per half day

Administrative Time/ Residency Program Education Time	0.1 FTE	0.1 FTE	0.2 FTE	
Director Non- Malignancy Infusion Center	0.05 FTE	N/A	0.05	3.5 hours per week
Call Coverage	24 hours per day, 7 days per week			

2. Contractor Compensation. Section I.C through E of Exhibit C is hereby deleted in its entirety and replaced with the following:

“C. **HOSPITAL Based Services:** CONTRACTOR physicians will provide and bill patients and third parties under this Agreement for the professional component of Hospital Based Services representing at least the following expected work RVUs broken down as follows:

FTE	Monthly RVU Goal	Yearly RVUs
0.7	286.5	3438

RVUs will be reported by CONTRACTOR to HOSPITAL monthly and if less than the expected work RVUs are provided and billed within a six-month period, HOSPITAL may withhold from the sixth (6<sup>th</sup>) and twelfth (12<sup>th</sup>) monthly payments an amount equal the percentage of RVUs not billed.

A. **D: FQHC (CHC) Based Services:** CONTRACTOR physicians will provide under this FQHC Services representing at least the following expected work effort.

B. **PAYMENT PROVISIONS**

FTE	Half Days Per Month	Expected Patient Visits Per Half Day	Expected Patient Visits Per Month
1.2	12	8	208

CONTRACTOR will not bill patients or third-party payors for FQHC based services. CHC will pay CONTRACTOR eighty hundred ninety-six dollars and eighty-nine cents (\$896.89) per half day of services provided at the Main Campus CHC. In addition, the number of patient visits will be record and reported by CHC to CONTRACTOR monthly and, if less than the expected number of patients visits is completed within a six-month period, CHC may withhold from the sixth (6<sup>th</sup>) and twelfth (12<sup>th</sup>) monthly payments an amount equal the percentage of patient visits not completed.

C. E: Total expected staffing and compensation for Hospital and CHC:

<b>Description</b>	<b>Total FTE</b>	<b>Annual Amount</b>
<b>Rheumatologist</b>	<b>1.9 FTE</b>	<b>\$722,537.69</b>
<b>Vacation Coverage 9.6 Weeks x 2 days = 19.2 Days</b>	<b>0.4 FTE</b>	<b>\$152,113.20</b>
<b>Administrative Time / Residency Program Education Time</b>	<b>0.2 FTE</b>	<b>\$75,065</b>
<b>Director – Non-Malignancy Infusion Center</b>	<b>TBD</b>	<b>\$69,810</b>
<b>Call Coverage - \$692.31 per week</b>	<b>N/A</b>	<b>\$50,263.20</b>
<b>Total</b>	<b>2.5</b>	<b>\$1,070,780.69</b>

Any change to the staffing level must be mutually agreed upon by the Parties and evidence 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 and CHC shall pay CONTRACTOR payments by the invoice method specified in this Exhibit.

3. Maximum Annual Compensation: Section 4.0 of Exhibit C is hereby deleted in its entirety and replaced with the following:

“4.0 Maximum annual compensation payable under this Agreement shall not exceed the amount of one million seventy thousand seven hundred eighty-one dollars (\$1,070,781) annually.”

4. Miscellaneous. All other terms and conditions of this Agreement are to remain unchanged.
5. Effective Date. This First Amendment to the Agreement shall become effective on July 1, 2023, whichever should come first.

[Signature Page to Follow]

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

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


By:  \_\_\_\_\_

Kevin Jeffries, Chairman

Board of Supervisors

Date: 6/27/23 \_\_\_\_\_

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

By:  \_\_\_\_\_

Name: Ricardo Peverini, M.D.

Title: President

Date: May 26, 2023 \_\_\_\_\_

ATTEST:

Kimberly Rector  
Clerk of the Board

By:  \_\_\_\_\_  
Deputy

APPROVED AS TO FORM:  
Minh T. Tran County Counsel

By: Gregg Gu \_\_\_\_\_

Deputy County Counsel






# FPS LLUSM\_Rheumatology\_1st Amd 052623

Final Audit Report

2023-05-26

Created:	2023-05-26
By:	Lynnette Lopez (lslopez@llu.edu)
Status:	Signed
Transaction ID:	CBJCHBCAABAATa8O0-UkmR2MoJ1doRjmoOpOcyC6O64

## "FPS LLUSM\_Rheumatology\_1st Amd 052623" History

-  Document created by Lynnette Lopez (lslopez@llu.edu)  
2023-05-26 - 4:49:02 PM GMT- IP address: 151.112.26.72
-  Document emailed to Ricardo Peverini (rpeverini@llu.edu) for signature  
2023-05-26 - 4:49:35 PM GMT
-  Email viewed by Ricardo Peverini (rpeverini@llu.edu)  
2023-05-26 - 6:32:08 PM GMT- IP address: 143.197.222.231
-  Document e-signed by Ricardo Peverini (rpeverini@llu.edu)  
Signature Date: 2023-05-26 - 6:32:14 PM GMT - Time Source: server- IP address: 143.197.222.231
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