



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



ITEM: 15.8
(ID # 22272)

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 Riverside Faculty Medical Group (RFMG), Inc., to provide CRNA Services effective July 1, 2023 through June 30, 2024, with the option to renew in one year increments through June 30, 2028, All Districts. [Cost per Fiscal Year \$974,140, Total Amendment Cost \$4,870,700, up to \$208,714 in Additional Cost per Fiscal Year, 100% Hospital Enterprise Fund]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the First Amendment to the Professional Medical Services Agreement with Riverside Faculty Medical Group, Inc., to provide CRNA Services to increase the annual contract amount by \$974,140 from \$1,113,000 to \$2,087,140 effective July 1, 2023, through June 30, 2024, with the option to renew in one year increments through June 30, 2028; 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 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 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.

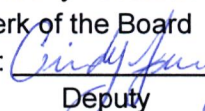
ACTION:Policy


Jennifer Cruikshank, Chief Executive Officer - Health System 6/13/2023

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

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FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$0	\$974,140	\$4,870,700	\$0
NET COUNTY COST	\$0	\$0	\$0	\$0
SOURCE OF FUNDS: 100% Hospital Enterprise Fund-40050			Budget Adjustment:	
			No	
			For Fiscal Year: 23/24 – 27/28	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

The Riverside University Health System - Medical Center (RUHS-MC) entered into a four-month Professional Medical Services Agreement with Riverside Faculty Medical Group (RFMG) to provide Certified Registered Nurse Anesthetists (CRNA) services on February 27, 2023. CRNA staffing improved due to the execution of the Agreement, therefore a new multiyear Agreement with RFMG to provide CRNA services was approved on May 2, 2023.

However, despite the existence of the current agreement, it has been a challenge to obtain the necessary number of employed Anesthesia providers required of RUHS-MC. In effort to continue staffing the RUHS-MC operating rooms and other areas where anesthetist services are required, it is important to have agreements in place that include not only anesthesiologists but CRNAs and GRNAs as well. GRNAs help serve as an alternative to having all anesthesia services provided by anesthesiologist and CRNAs.

In effort to address the continued demand in patient care for CRNA services, this Amendment will allow for the following additions:

- The addition of 2.0 Full Time Equivalent (FTE) of Graduate CRNA (GRNA) services totaling a cost of \$636,000
- The addition of Anesthesia Attending Physician call coverage support totaling a cost of \$338,140
- Total additional cost to Agreement is \$974,140.

With the decision to include GRNA's within this Amendment, RUHS-MC hopes that the GRNA's will stay with the organization after their certificate is received and become permanent CRNA's. This will help to ensure that RUHS-MC can accumulate the necessary permanent staffing, as well as creating the capacity for additional patient volume.

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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

The cost of CRNA services provided by the current Agreement and proposed First Amendment with RFMG, will be deducted from the money paid to Loma Linda Faculty Medical Group for CRNA services.

Contract History and Price Reasonableness

On February 27, 2023, a four-month Agreement between RUHS-MC and RFMG for Professional Medical Services was executed under the Purchasing Agent's authority, per Resolution 2021-116 for RFMG to provide CRNA services, effective March 1, 2023, through June 30, 2023, with an annual contract maximum of \$371,742.

On May 2, 2023, Agenda item 15.3, the Board approved a Professional Medical Services Agreement with RFMG to provide CRNA services, effective July 1, 2023, to June 30, 2024, with options to renew in one-year increments through June 30, 2028. This Agreement extended the period of performance for CRNA services provided by RFMG and increased the maximum annual compensation by \$741,258, from \$371,742 to \$1,113,000.

As a result of FTE increase and the addition of two new categories of service, this Amendment will increase the maximum annual compensation by \$974,140, from \$1,113,000 to \$2,087,140 per fiscal year.

The Current 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:

**FIRST AMENDMENT TO THE PROFESSIONAL MEDICAL
SERVICES AGREEMENT WITH RIVERSIDE FACULTY
MEDICAL GROUP (CRNA Services)**

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Meghan Hahn
Meghan Hahn, Deputy Director of Procurement 6/13/2023

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

Gregg Gu
Gregg Gu, Chief Deputy County Counsel 6/14/2023

**FIRST AMENDMENT TO THE
AGREEMENT FOR
PROFESSIONAL MEDICAL SERVICES
(Certified Registered Nurse Anesthetist Services)**

This First Amendment to the Agreement for Professional Medical Services (**Certified Registered Nurse Anesthetist 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 **Riverside Faculty Medical Group**, a California professional corporation (CONTRACTOR), sometimes collectively referred to as the “Parties”.

WHEREAS, COUNTY, and CONTRACTOR have entered into that certain Agreement for Profession Medical Services (Certified Registered Nurse Anesthetist Services), approved May 2, 2023, Agenda Item 15.3, and effective July 1, 2023 (Agreement), whereby CONTRACTOR agreed to provide COUNTY with professional medical services in the specialty practice of Certified Registered Nurse Anesthetist (SPECIALTY); and

WHEREAS, COUNTY and CONTRACTOR desire to amend the Agreement to expand the Scope of Services; and increase the annual compensation;

NOW THEREFORE, the Parties agree as follows:

1. **Contractor Staffing. Exhibit A. Scope of Services, Section 1.0 Contractor Staffing, Subsection 1.1** is hereby deleted in its entirety and replaced with the following:

1.1 CONTRACTOR shall provide adequate staffing to assume medical care responsibilities for SPECIALTY services under the direction of the HOSPITAL Medical Director. CONTRACTOR will retain Dr. Gary Steir, supervise, proctor and perform quality reviews related to the performance of the CRNAs, GRNAs and Anesthesia Attendings providing services under this Agreement. In addition to Dr. Steir, it is contemplated there shall be the following services provided:

Description	FTE	Hours
Certified Registered Nurse Anesthetist (CRNA)	3.0	50 hours per week per FTE average (2,000 hours per year per FTE)
Graduate CRNA (GRNA)	2.0	2,000 hours per year per FTE maximum
Anesthesia Attendings call coverage		1,160 hours per year maximum

2. **Compensation. Exhibit C Payment Provisions Section 1.0 Compensation, Subsection 1.1** is hereby deleted in its entirety 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 for services actually performed:

Description	FTE	Hours per Fiscal year	Hourly Rate	Maximum Amount
CRNA	3.0	6,000	\$175.00	\$1,113,000
Graduate CRNA (GRNA)	2.0	4,000	\$150.00	\$636,000
Anesthesia Attendings Call Coverage		1,160	\$275.00	\$338,140

3. **Maximum Compensation. Exhibit C Payment Provisions Section 3.0 Maximum Compensation** is hereby deleted in its entirety and replaced with the following:

3.1 Maximum Compensation payable under this Agreement per County fiscal year shall not exceed the amount of two million eighty-seven thousand one hundred forty dollars (\$2,087,140).


4. **Miscellaneous.** All other terms and conditions of this Agreement remain unchanged.
5. **Effective Date.** This First Amendment to the Agreement shall become effective July 1, 2023, upon signature of both Parties.

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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

Riverside Faculty Medical Group, Inc.

By: 
Kevin Jeffries
Chair, Board of Supervisors

By: Daniel I. Kim, MD
Name: Daniel I. Kim, MD
Title: President, RFMG, Inc
Date: Jun 6, 2023

Date: 6/27/23

ATTEST: 
Name: Kimberly A. Rector
Clerk of the Board

By: _____
Deputy

APPROVED AS TO FORM:

Minh C. Tran
County Counsel

By: Gregg Gu
Name: Gregg Gu

Title: Deputy County Counsel

Date: Jun 6, 2023

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