

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



ITEM: 15.1 (ID # 22524) MEETING DATE: Tuesday, August 01, 2023

FROM : RUHS-MEDICAL CENTER:

SUBJECT: RIVERSIDE UNIVERSITY HEALTH SYSTEM – MEDICAL CENTER: Ratify and Approve a Second Amendment to the Agreement for Professional Medical Services with the Regents of the University of California on behalf of the University of California, Riverside, UCR Health for Family Medicine Services effective March 2, 2023 through June 30, 2026, All Districts. [Total Amendment Cost \$305,501, up to \$193,267 in additional annual compensation, 18% Hospital Enterprise Fund 40050 and 82% Community Health Care Fund 4009018]

RECOMMENDED MOTION: That the Board of Supervisors:

Continued page 2

ACTION:Policy

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MINUTES OF THE GOVERNING BOARD

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

Ayes:Jeffries, Spiegel, Washington, Perez and GutierrezNays:NoneAbsent:NoneDate:August 1, 2023xc:RUHS-Medical Center

Kimberly A. Rector Clerk of the Board All By:/ 111

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

RECOMMENDED MOTION: That the Board of Supervisors:

- Ratify and Approve a Second Amendment to the Agreement for Professional Medical Services with the Regents of the University of California on behalf of the University of California Riverside's UCR Health for Family Medicine Services to increase the annual contract amount by \$131,474 from \$1,874,665 to \$2,006,139 effective March 2, 2023 through June 30, 2023 and approve a decrease in the annual contract amount from \$2,006,139 to \$1,932,674 effective July 1, 2023 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 on the availability of fiscal funding and in a form approved by County Counsel: to sign amendments 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.

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$131,474	\$58,009	\$305,501	\$0
NET COUNTY COST	\$0	\$0	\$0	\$0
SOURCE OF FUNDS 40050 and 82% - Co		stment: No		
			For Fiscal Y	ear: 22/23 – 25/26



BACKGROUND:

<u>Summary</u>

Riverside University Health System Medical Center (RUHS MC) and the RUHS Community Health Centers have a residency program for Family Medicine. The Regents of the University of California on behalf of the University of California Riverside's (UCR) have supplied some of the faculty physicians for this teaching program. Under the current Agreement, UCR partners with both RUHS MC and the RUHS Community Health Centers to help maintain an environment which is conducive to quality medical care and training in family practice medicine by providing qualified faculty.

Recently UCR Family Medicine residents began to rotate at the Jurupa CHC. In effort to provide adequate supervision of these residents, it was necessary to increase the amount of services provided. This Amendment will allow for a properly supervised continuation of care by increasing the staff at the Jurupa Clinic by .2 FTE from March 2, 2023, through June 30, 2023.

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In addition, the compensation paid under this agreement did not meet current fair market standards. An increase of 1.2% is included to make that amount comparable to County employed family medicine physicians providing similar services.

Impact on Residents and Businesses

These family medicine services and related residency program 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

On June 29, 2021 (Agenda Item 15.3) this Board approved a Professional Medical Services Agreement with the Regents of the University of California on behalf of the University of California Riverside's UCR Health for Family Medicine services effective July 1, 2021, through June 30, 2022 with renewal options for four additional one-year terms, not to exceed \$1,813,172 annually.

On June 21, 2022, a First Amendment was executed under the Purchasing Agent's authority to exercise a renewal option to extend the term of the agreement and increase the maximum annual compensation of the agreement effective July 1, 2022, through June 30, 2023. This Amendment added Obstetrical Care Call as a service provided and thus increased the compensation by \$61,493 to \$1,874,665 annually for the Agreement.

Due to an increase in both the amount of services and compensation, this Second Amendment will increase the annual compensation amount through June 30, 2023, by \$131,474 over the prior Amendment cost of \$1,874,665, to a maximum compensation of \$2,006,139. Beginning July 1, 2023, the .2 FTE increase required of the Jurupa Clinic will be reduced to a .03 FTE increase in faculty supervising resident physicians as they care for patients. As a result, the maximum annual compensation per fiscal year beginning July 1, 2023, will reduce to \$1,932,674.

The proposed Second 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:

SECOND AMENDMENT TO THE AGREEMENT FOR PROFESSIONAL MEDICAL SERVICES (FAMILY MEDICINE SERVICES)

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Jeghan Hahn Halve Deputy Director of Procurement

7/14/2023 Jacqueline Ruiz, Sr. Management Analy

7/25/2023

7/17/2023

SECOND AMENDMENT TO THE AGREEMENT FOR PROFESSIONAL MEDICAL SERVICES (Family Medicine)

This Second Amendment to the Agreement for Professional Medical Services (Family Medicine Services) (Second 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 and Community Health Centers** and **THE REGENTS OF THE UNIVERSITY OF CALIFORNIA AT RIVERSIDE**, on behalf of **THE UNIVERSITY OF CALIFORNIA, RIVERSIDE** (CONTRACTOR), sometimes collectively referred to as the "Parties".

WHEREAS, COUNTY and CONTRACTOR have entered into that certain Agreement for Professional Medical Services (Family Medicine Services), approved June 29, 2021, Agenda Item Number 15.3, and effective July 1, 2021 (Agreement), whereby CONTRACTOR agreed to provide COUNTY with professional medical services in the specialty practice of Family Medicine (SPECIALTY); and,

WHEREAS, COUNTY and CONTRACTOR have entered into that certain First Amendment to the Agreement, effective July 1, 2022, to extend the period of performance by exercising a renewal option and amend the compensation terms; and

WHEREAS, COUNTY and CONTRACTOR desire to amend the Agreement to extend the Term by exercising the second of four one-year renewal options set forth in the Agreement, amend the scope of services and to increase the maximum annual compensation payable under this Agreement;

NOW THEREFORE, the Parties agree as follows:

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

"This Agreement shall be effective as of July 1, 2021 through June 30, 2024, unless terminated earlier. This Agreement includes two (2) options to renew for one-year renewal terms upon the execution of an amendment signed by both parties extending the term."

- 2. Scope of Services. Exhibit A Scope of Services, Section 1.0 <u>CONTRACTOR STAFFING</u>, Subsection 1.A, is hereby deleted in its entirety and replaced with the following:
 - A. CONTRACTOR shall provide physicians to perform SPECIALTY outpatient/clinical services, diagnostic procedures, consultations, supervisory duties, teaching services, inpatient care, development of treatment protocols, and telehealth SPECIALTY services provided at RUHS. Without limiting the foregoing, CONTRACTOR shall staff and provide outpatient SPECIALTY services at RUHS Community Health Centers and inpatient SPECIALTY services at the RUHS Medical Center as part of its Department of Family Medicine. CONTRACTOR shall provide adequate staffing to deliver medical care responsibilities for SPECIALTY services under the direction of the Chief of the DEPARTMENT and the RUHS Chief of the Medical Staff. All administrative issues shall be directed to the RUHS Chief Medical Officer for handling.
 - B. It is agreed there shall be four point five (4.5) Full-Time Equivalent (FTE) positions staffed from March 2, 2023 through June 30, 2023 and four point three three (4.33) FTE positions staffed beginning July 1, 2023. Furthermore the parties agree that an FTE of physician



services is forty-five (45) weeks of work effort averaging forty (40) hours per week. It is further agreed that the 4.5 FTEs and 4.33 FTEs will be divided according to a pre-agreed schedule so that eighty-two percent (82%) of the work effort will be provided at the RUHS Community Health Centers and the remaining eighteen percent (18%) will be dedicated to providing inpatient services at RUHS Medical Center."

3. Compensation. Exhibit C Payment Provisions, Section 1.0 Compensation, Subsection 1.A is hereby deleted in its entirety and replaced with the following:

"1. A. 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, on-call coverage, supervision of SPECIALTY services provided at RUHS, and all other services contemplated by this Agreement, RUHS shall pay CONTRACTOR as follows:

Services provided March 2, 2023 through June 30, 2023						
Description	Combined FTEs	Expected Minimum Weekly Physician Work Effort	Maximum Monthly Payment	Maximum Annual Payments		
Family Medicine Services	4.2	145 hours	\$162,054	\$1,944,646		
Access Clinic Services	.3	3 half clinics per week				

Services provided as of July 1, 2023						
Description	Combined FTEs	Expected Minimum Weekly Physician Work Effort	Maximum Monthly Payment	Maximum Annual Payments		
Family Medicine Services	4.03	139 hours	\$155,932	\$1,871,181		
Access Clinic Services	.3	3 half clinics per week				

C. Maximum Annual Compensation. **Exhibit C Payment Provisions, Section 4.0** is hereby deleted in its entirety and replaced with the following:

"Maximum compensation payable under this Agreement per County fiscal year through June 30, 2023 shall not exceed the amount of two million six thousand one hundred thirty-nine dollars (\$2,006,139). Beginning July 1, 2023, maximum compensation payable under this Agreement per County fiscal year shall not exceed the amount of one million nine hundred thirty-two thousand six hundred seventy-four dollars (\$1,932,674)."

- D. Miscellaneous. All other terms and conditions of this Agreement are to remain unchanged.
- E. Effective Date. This Second Amendment to the Agreement shall become effective upon March 2, 2023.

[Signature Page Follows]

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

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

By:

Name: Kevin Jeffries

Title: Chair, Board of Supervisors

Date:

ATTEST: KIMBERLY A. RECTOR Clerk of the Board By: By: Deputy The Regents of the University of California, a public corporation on behalf of the University of California, Riverside UCR Health

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Deborah Deas, MD, MPH Vice Chancellor of Health Sciences Dean, School of Medicine

Date: 6/16/2023 | 12:16 PM PDT

APPROVED TO FORM: County Counsel

By: Gregg Ju

Name: Gregg Gu

Title: Chief Deputy County Counsel

Date: Jul 5, 2023