



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



ITEM: 15.3  
(ID # 23704)

**MEETING DATE:**  
Tuesday, December 12, 2023

**FROM :** RUHS-MEDICAL CENTER:

**SUBJECT:** RIVERSIDE UNIVERSITY HEALTH SYSTEM- MEDICAL CENTER: Approval of Amendment No. 2 to the Professional Medical Services Agreement with Riverside Faculty Medical Group (RFMG), Inc., to provide Certified Registered Nurse Anesthetists (CRNA) Services effective January 1, 2024 through June 30, 2024, with the option to renew in one-year increments through June 30, 2028, All Districts. [Total Amendment Cost \$1,669,500, up to \$245,814 in Additional Cost per Fiscal Year, 100% Hospital Enterprise Fund]

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

1. Approval of Amendment No. 2 to the Professional Medical Services Agreement with Riverside Faculty Medical Group, Inc., to provide CRNA Services to increase the annual contract amount by \$371,000 from \$2,087,140 to \$2,458,140 effective January 1, 2024, through June 30, 2024; 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**

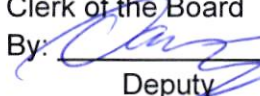
  
Jennifer Cruikshank Chief Executive Officer - Health System 11/30/2023

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**MINUTES OF THE GOVERNING BOARD**

On motion of Supervisor Gutierrez, 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 Gutierrez  
 Nays: None  
 Absent: None  
 Date: December 12, 2023  
 xc: RUHS-Medical Center

Kimberly A. Rector  
 Clerk of the Board  
 By:   
 Deputy

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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>	\$ 185,500	\$ 371,000	\$ 1,669,500	\$ 0
<b>NET COUNTY COST</b>	\$ 0	\$ 0	\$ 0	\$ 0
<b>SOURCE OF FUNDS: 100% Hospital Enterprise Fund-40050</b>			<b>Budget Adjustment: No</b>	
			<b>For Fiscal Year: 23/24-27/28</b>	

**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. With the success of the improved staffing, a multiyear CRNA agreement was approved on May 2, 2023, effective on July 1, 2023, with RFMG to provide CRNA services.

Despite the existence of the agreement, it was a challenge to obtain the necessary number of employed Anesthesia providers required of RUHS-MC. In an effort to continue staffing the RUHS-MC operating rooms and the other areas where anesthetist services are required, RUHS and RFMG entered into a First Amendment to the agreement that included not only anesthesiologists but also CRNAs and GRNAs as well.

In effort to address the continued demand in patient care for CRNA services, this Second Amendment will allow for the addition of 1.0 Full Time Equivalent (FTE) of CRNA services totaling a cost of \$371,000 annually.

**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 appropriations in the Department's FY23/24 budget. No additional County funds are required for this amendment.

**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.



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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.

On June 27, 2023, Agenda item 15.8 the Board approved the First Amendment to the Professional Medical Service Agreement with RFMG to increase FTE due to the addition of two new categories of service, and increase the maximum annual compensation by \$974,140, from \$1,113,000 to \$2,087,140 per fiscal year.

The 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 PROFESSIONAL MEDICAL SERVICES AGREEMENT WITH RIVERSIDE FACULTY MEDICAL GROUP (CRNA Services)

  
\_\_\_\_\_  
Meghan Hahn, Director of Procurement 12/1/2023

  
\_\_\_\_\_  
Jacqueline Ruiz, Sr. Management Analyst 12/4/2023

  
\_\_\_\_\_  
Gregg Gu, Chief Deputy County Counsel 12/1/2023

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

This Second Amendment to the Agreement for Professional Medical Services (**Certified Registered Nurse Anesthetist 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 (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 have entered into that certain First Amendment to the Agreement, approved June 27, 2023, Agenda Item 15.8 and effective July 1, 2023 to expand the scope of services and increase the annual compensation; 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:

<b>Description</b>	<b>FTE</b>	<b>Hours</b>
Certified Registered Nurse Anesthetist (CRNA)	4.0	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	4.0	8,000	\$185.50	\$1,484,000
Graduate CRNA (GRNA)	2.0	4,000	\$159	\$636,000
Anesthesia Attendings Call Coverage		1,160	\$291.50	\$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 four hundred fifty-eight thousand one hundred forty dollars (\$2,458,140).

4. **Miscellaneous.** All other terms and conditions of this Agreement remain unchanged.
5. **Effective Date.** This Second Amendment to the Agreement shall become effective January 1, 2024, upon signature of both Parties.

*[Intentionally Left Blank; 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

Riverside Faculty Medical Group, Inc.

By:   
Kevin Jeffries  
Chair, Board of Supervisors

By: Daniel I. Kim, MD

Name: Daniel I. Kim, MD

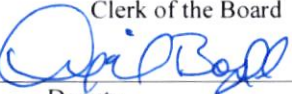
Title: CEO, RFMG, Inc

Date: 12/12/2023

Date: Nov 30, 2023

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: Nov 30, 2023