



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



ITEM: 15.1
(ID # 25338)

MEETING DATE:
Tuesday, June 25, 2024

FROM : RUHS-MEDICAL CENTER

SUBJECT: RIVERSIDE UNIVERSITY HEALTH SYSTEM – MEDICAL CENTER: Approval of a First Amendment to the Professional Service Agreement with OptumInsight, Inc., for Case Management Services Without Seeking Competitive Bids, effective upon signatures through December 31, 2024, All Districts. [Total Cost \$360,000, up to \$36,000 in Additional Compensation Annually, 100% - Hospital Enterprise Fund 40050]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve a First Amendment to the Professional Service Agreement with OptumInsight, Inc., to provide case management services without seeking competitive bids, extend the period of performance, and increase the contract amount by \$360,000 from \$1,344,000 to \$1,704,000 effective upon signatures through December 31, 2024, 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 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; and
3. Authorize the Purchasing Agent, or designee, to issue Purchase Orders for goods and/or services that do not exceed the total contract amount.

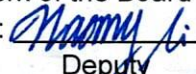
ACTION:Policy


Jennifer Cruikshank, Chief Executive Officer - Health System 6/13/2024

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 Gutierrez
Nays: None
Absent: None
Date: June 25, 2024
xc: RUHS-Medical Center

Kimberly A. Rector
Clerk of the Board
By: 
Deputy

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SYSTEM MEDICAL CENTER GOVERNING BOARD OF DIRECTORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$0	\$360,000	\$360,000	\$0
NET COUNTY COST	\$0	\$0	\$0	\$0
SOURCE OF FUNDS: 100% - Hospital Enterprise Fund - 40050			Budget Adjustment: No	
			For Fiscal Year: 23/24 – 24/25	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

Riverside University Health System – Medical Center (RUHS-MC), entered into a certain Professional Service Agreement with OptumInsight, Inc., for Quality Assessment Services, Inpatient Case Management Optimization Services, and Interim Care Management Leader Services (“Case Management Services”), is now seeking to increase the contract amount and extend the term of the agreement to continue the Interim Care Management Leader Services (ICLM) component through December 31, 2024.

RUHS-MC has an immediate need to continue and extend ICLM services to improve processes, performance, and care continuity. Approval of this Amendment will ensure that adequate funding is in place to continue ICLM services and ensures that RUHS-MC continues to meet the patient service needs of the surrounding community.

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.

Contract History and Price Reasonableness

On September 26, 2023, Agenda Item #15.3 the Board of Supervisors approved a Professional Service Agreement with OptumInsight, Inc for Case Management Services effective September 26, 2023, through September 25, 2024, not to exceed the contract maximum amount of \$1,344,000.

The current proposed Agreement requires Board approval as its compensation provisions exceed the Purchasing Agent’s authority and the \$50,000 delegation threshold for contracting with a single source vendor for professional services per Purchasing Policy Manual, Ordinance 459, and California Government Code S 25502.5.

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SYSTEM MEDICAL CENTER GOVERNING BOARD OF DIRECTORS
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ATTACHMENTS:

Attachment A: First Amendment to the Professional Service Agreement for Case Management Services between County of Riverside and OptumInsight, Inc.

Attachment B: Single Source Justification # 24-076

Melissa Curtis
Melissa Curtis, Deputy Director of Purchasing and Fleet 6/13/2024

Jacqueline Ruiz
Jacqueline Ruiz, Principal Analyst 6/19/2024

Gregg Gu
Gregg Gu, Chief of Deputy County Counsel 6/14/2024

**FIRST AMENDMENT TO THE PROFESSIONAL SERVICE AGREEMENT
FOR
CASE MANAGEMENT SERVICES
BETWEEN
COUNTY OF RIVERSIDE
AND
OPTUMINSIGHT, INC.**

This First Amendment to the PROFESSIONAL SERVICE AGREEMENT for CASE MANAGEMENT SERVICES (herein referred to as “First Amendment”) is made and entered into by and between the **County of Riverside**, a political subdivision of the State of California (herein referred to as “COUNTY”), on behalf of **Riverside University Health System** (herein referred to as “RUHS”), and **OptumInsight, Inc.**, a Delaware corporation (herein referred to as “CONTRACTOR”), sometimes collectively referred to as the “Parties” or individually referred to as a “Party.”

WHEREAS, COUNTY and CONTRACTOR entered into that certain PROFESSIONAL SERVICE AGREEMENT for CASE MANAGEMENT SERVICES, executed September 26, 2023 and dated September 1, 2023, (herein referred to as “Agreement”); and

WHEREAS, INTERIM CARE MANAGEMENT LEADER SERVICES, a certain service under the agreement, commenced on or about November 3, 2023, and were to be performed for an estimated period of six (6) months; and

WHEREAS, COUNTY and CONTRACTOR have endeavored to continue to perform their respective obligations for INTERIM CARE MANAGEMENT LEADER SERVICES under the Agreement; and

WHEREAS, COUNTY and CONTRACTOR now desire to amend the Agreement to extend the period of performance, increase the compensation paid to Contractor, extend the timeline in Exhibit A for INTERIM CARE MANAGEMENT LEADER SERVICES, and outline the increase in compensation in Exhibit B, as set forth below.

NOW THEREFORE, the Parties agree as follows:

1. **Period of Performance.** Section 2.1 of the Agreement is hereby deleted and replaced with the following.

“2.1 This Agreement shall be effective upon signature of this Agreement by both parties and continues in effect through December 31, 2024, unless terminated earlier. CONTRACTOR shall commence performance of the terms of this Agreement upon signature by both parties and shall diligently and continuously perform thereafter. The Riverside County Board of Supervisors is the only authority that may obligate the County for a non-cancelable multi-year agreement.”

2. **Compensation.** Section 3.1 of the Agreement is hereby deleted and replaced with the following.

“3.1 The COUNTY shall pay the CONTRACTOR for services performed, and expenses incurred in accordance with the terms of Exhibit B. Payment Provisions. Maximum Payments by COUNTY to CONTRACTOR shall not exceed one million seven hundred four thousand dollars (\$1,704,000) during the period of performance. The COUNTY is not responsible for any fees or costs incurred above or beyond the contracted amount and shall have no obligation to purchase any specified amount of services or products. Unless otherwise specifically stated in Exhibit B, COUNTY shall not be responsible for payment of any of CONTRACTOR’S expenses related to this Agreement.”

3. **Exhibit “A” Scope of Services.** Section II Timelines, Subsection B., Timeline for Interim Care Management Leader Services set forth in Exhibit A is hereby deleted and replaced with the following.

“B. Timeline for Interim Care Management Leader Services (Section I.C). The Services have been estimated to continue through to December 31, 2024. COUNTY understands that failure to meet its obligations, delays caused in scheduling meetings, changes in objectives or scope of the project and/or new information acquired during the course of the project, may impact Optum’s ability to deliver the Services within the estimated timeline.”

4. **Exhibit “B” Payment Provisions.** Fees and Payment Terms Section set forth in Exhibit B are hereby deleted and replaced with the following.

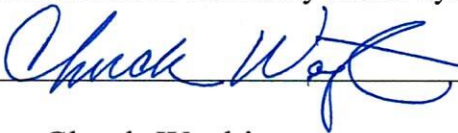
“Fees and Payment Terms.

This is a **fixed fee** project; accordingly, COUNTY shall pay Optum the fixed amount of **\$1,560,000** (US\$) for the Services (the “Service Fee”). COUNTY understands that delays caused in scheduling meetings, changes in the objectives or scope of the project and/or new information acquired during the course of the project, may impact Optum’s ability to deliver the Services within the Services Fees. Expenses to be incurred as part of the Services are estimated to be **\$144,000** and consist primarily of **travel** expenses. Expenses are not included in the Services Fee and will be invoiced by Optum as incurred on a monthly basis. The estimated expenses are reflected in US dollars and are provided solely for COUNTY’S budgeting and forecasting purposes. Travel shall not be initiated without prior COUNTY’S approval.”

5. **Miscellaneous.** All other terms and conditions of the Agreement not modified herein shall remain unchanged and in full force and effect.
6. **Effective Date.** This First Amendment to the Agreement shall be effective upon signature of this First Amendment by both parties.

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

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

By: 

Name: Chuck Washington

Title: Chairman, Board of Supervisors

Date: 6/25/2024

OPTUMINSIGHT, INC., a Delaware corporation.

By: 
Brian Holtze (May 31, 2024 15:45 CDT)

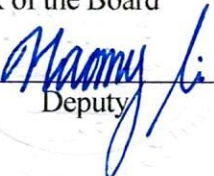
Name: Brian Holtze

Title: CFO Advisory Services

Date: 05/31/2024

Apttus: O503387, 01027159.1

ATTEST:
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: Chief Deputy County Counsel

Date: May 31, 2024



SSJ No.: 24-076

Amendment No.: 1

Date: Thursday, June 6, 2024

From: Jennifer Cruikshank, Chief Executive Officer – Medical Center

To: Board of Supervisors

Via: Anthony Hernandez, Administrative Service Analyst II - (951) 486-4984

Subject: Request for Case Management Services

Supporting Documents: indicate which are included in the request from the list below.

- Supplier Quote
 Supplier Sole Source Letter
 Final draft agreement
 Final draft Form 11
 H-11 approved by RCIT/TSOC
 Grant Agreement
 Other:

1. Supplier Name: OptumInsight, Inc. Supplier ID: 0000089811

2. Reason or Justification for the Amendment: RUHS is seeking to increase the contract amount and extend the agreement to continue the Interim Care Management Leader Services (ICLM). RUHS-MC has an immediate need to continue and extend ICML services to improve processes, performance, and care continuity. Continuing ICML services ensures RUHS-MC’s ability to provide adequate care to the patient community.

3. Please include the initial costs from the prior reviewed assigned SSJ in the table below:

Description:	FY 23/24	FY _____	FY _____	FY _____	FY _____	Total
One-time Costs:	\$1,344,000.00					\$1,344,000.00
Total Costs	\$1,344,000.00					\$1,344,000.00

Note: Insert additional rows as needed

a. Amended goods and/or services costs must be identified below (If applicable):

Description:	FY 23/24	FY 24/25	FY _____	FY _____	FY _____	Total
One-time Costs:		\$360,000.00				\$360,000.00
Total Costs		\$360,000.00				\$360,000.00

Note: Insert additional rows as needed



4. Period of Performance: Effective upon signature by both parties through December 31, 2024

Ratify Start Date (if applicable): N/A

Initial Term Start Date: September 26, 2023 End Date: September 25, 2024

Number of renewal options (please provide those options: (i.e., one year with an option to renew four additional one-year periods): N/A

Aggregate Term/ End Date: December 31. 2024

5. Projected Board of Supervisor Date (if applicable): June 25, 2024

By signing below, I certify that all contractual and legal requirements to do business with the selected supplier has been fully vetted and approved.

<u>Jennifer Cruikshank</u>	<u><i>Jennifer Cruikshank</i></u>	<u>Jun 7, 2024</u>
Print Name	Department Head Signature (Executive Level Designee)	Date



PCS Reviewed:

<u>Joel Ruvalcaba</u>	<u><i>Joel Ruvalcaba</i></u>	<u>06/06/2024</u>
Print Name	Signature	Date

Note: Once signed by the Department Head and PCS (signature lines above), the PCS will e-mail completed SSJ form with supporting documents to psolesource@rivco.org, and cc: Supervising PCS. Please reach out to your assigned PCS with any questions.



The section below is to be completed by the Purchasing Agent or designee.

Purchasing Department Review and Comments: Added funds and extended period of performance.

<u><i>Melissa Curtis</i></u>	<u>6/13/2024</u>	<u>24-076a</u>
Purchasing Agent Signature	Date	Tracking Number (Reference on Purchasing Documents)