

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF SAN BERNARDINO COUNTY
AND RECORD OF ACTION**

November 16, 2021

FROM

**WILLIAM L. GILBERT, Director, Arrowhead Regional Medical Center
VERONICA KELLEY, Director, Department of Behavioral Health**

SUBJECT

Amendment to Physician Service Agreement with CEP America – California

RECOMMENDATION(S)

Approve **Amendment No. 1**, effective November 16, 2021, to Physician Service **Agreement No. 20-1199** with CEP America – California, to update the existing duties and responsibilities and provide increases for psychiatrists associated with the San Bernardino County Department of Behavioral Health - Alcohol and Drug Services, with no overall increase of the total contract amount of \$49,680,510 plus variables, with no change to the contract term of January 1, 2021 through December 31, 2023.

(Presenter: William L. Gilbert, Director, 580-6150)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Provide for the Safety, Health and Social Service Needs of County Residents.

FINANCIAL IMPACT

Approval of the recommended amendment to the physician service agreement will not result in the use of additional Discretionary General Funding (Net County Cost). The San Bernardino County Department of Behavioral Health (Behavioral Health) is the only department affected by this amendment. The agreement includes fixed costs, as well as variable costs that are dependent on patient volume. Actual costs for services are funded by State Medi-Cal, Federal Medicare, and private insurances, and, in some cases, reimbursed by County departments. Funding sources may change in the future pending any legislative activity related to the repeal and/or replacement of the Affordable Care Act. Sufficient appropriation and revenue are included in Arrowhead Regional Medical Center's (ARMC) 2021-22 budget and will be included in future recommended budgets.

BACKGROUND INFORMATION

On December 15, 2020 (Item No. 18), the Board of Supervisors approved Physician Service Agreement No. 20-1199 with CEP America - California (CEP) to provide administrative, educational, and emergency medical services at ARMC and its affiliated Family Health Clinics, Sheriff/Coroner/Public Administrator Detention Facilities, San Bernardino Probation Department, Behavioral Health (DBH), and San Bernardino County Fire Protection District. This agreement contains language for multiple County departments requiring services from CEP, throughout San Bernardino County and its multiple facilities.

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Approval of this amendment will replace the existing duties and responsibilities of CEP regarding services performed for Behavioral Health - Alcohol and Drug Services performed at Behavioral Health clinics. The duties and hours required by each of the psychiatrists covered by this contract are more clearly defined in this amendment. The new language defines the obligations of CEP and allows for incremental increases to be paid to those psychiatrists performing the required duties. This increase will be offset by a reduction in work schedule, thus having no impact on the overall contract amount. The recommended hourly rate increase is comparable to locally prevailing wages and will support DBH to maintain Department of Health Care Services Network Adequacy requirements, which include a minimum number of psychiatrists for provision of services. There is currently a severe shortage nationwide of physicians, during which CEP has been very successful in hiring, specifically psychiatrists.

PROCUREMENT

The recommended amendment is a continuation of a non-competitive procurement based on the specialized medical skills of the healthcare providers at CEP. Although the Government Code (GC) does not make a specific exception to competitive bidding for professional medical services, GC section 31000 provides public entities the authority to contract for “special services”. Courts have interpreted GC 31000 as providing a public entity with the authority to contract with and employ any person who is highly and technically skilled in medicine without competitive bidding. County Purchasing recognizes the specialized credentials and supports the non-competitive procurement for these services.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Charles Phan, Deputy County Counsel, 387-5455) on October 19, 2021; Purchasing Department (Ariel Gill, Buyer, 777-0722) on October 21, 2021; ARMC Finance (Chen Wu, Finance and Budget Officer, 580-3165) on October 20, 2021; Finance (Yael Verduzco, Administrative Analyst, 387-5285 and Christopher Lange, Administrative Analyst, 386-8393) on October 28, 2021; and County Finance and Administration (Diana Atkeson, Deputy Executive Officer, 387-5423) October 28, 2021.

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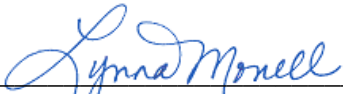
Record of Action of the Board of Supervisors
San Bernardino County

APPROVED (CONSENT CALENDAR)

Moved: Joe Baca, Jr. Seconded: Dawn Rowe

Ayes: Col. Paul Cook (Ret.), Janice Rutherford, Dawn Rowe, Curt Hagman, Joe Baca, Jr.

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: November 16, 2021



cc: ARMC- Gilbert w/agree
Contractor- C/O ARMC w/agree
File- w/agree
LA 11/19/2021