



San Bernardino County

Legislation Text

File #: 3083, Agenda Item #: 9

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

October 27, 2020

FROM

WILLIAM L. GILBERT, Director, Arrowhead Regional Medical Center

SUBJECT

Amendment to agreement with ECG Management Consultants for Evaluation and Review of Contracted Physician Agreements

RECOMMENDATION(S)

Approve Amendment No. 1 to Consultant Services Agreement No. 19-383 with ECG Management Consultants to expand the scope of work to include additional Arrowhead Regional Medical Center contracted physician services agreements, fair market valuations and performance services and increase the contract amount by \$737,566, from \$637,434 to a not to exceed amount of \$1,375,000, and to extend the contract for an additional year for a total contract term of July 1, 2019 to June 30, 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 this item will not result in the use of Discretionary General Funding (Net County Cost). The additional costs are funded by State Medi-Cal, Federal Medicare, and private insurances, and other departmental revenue. Funding sources may change in the future pending any legislative activity related to the repeal and/or replacement of the Affordable Care Act. Adequate appropriation and revenue have been included in the Arrowhead Regional Medical Center (ARMC) 2020-21 budget.

BACKGROUND INFORMATION

Approval of the recommendation will allow ARMC to continue to work with ECG Management Consultants (ECG) on managing physician service agreements making sure they are within fair market value (FMV) for the area, as well as ensuring compliance with approved agreements and required local, state, and federal guidelines. In addition to the original scope of work, changes in healthcare and additional needs and services, ARMC has required ECG to perform multiple FMV and contract reviews on adding services, changes in services, and additional documents and opinions necessary to comply with regulations in order to maintain the clinical needs of the community.

On June 11, 2019 (Item No. 12), the Board of Supervisors approved Agreement No. 19-383 with ECG for evaluation and review of contracted physician agreements in the amount not to exceed \$637,434 for the period of July 1, 2019 to June 30, 2022.

ECG has completed seventeen reviews and FMVs. ARMC has determined that there is a need for an additional twenty-eight reviews over the next three years for existing services, expansion of services and new services. These reviews are necessary in order for ARMC to maintain and expand the medical options available to the community. As requested by ARMC Administration, ECG has provided an additional scope of work to include the expected needs over the next few years and increase the contract amount to allow for proper review and options of all new and existing services being provided at ARMC.

Approval of the recommendation will also extend the expiration date of the contract by an additional year to allow ECG to provide the necessary FMV for those contracts expiring prior to the contract termination date of June 30, 2023.

Approval of the recommendation will ensure the resources included in the newly negotiated agreements are appropriately funded, consistent with FMV for such services; provide ARMC with options, tools and cost effective provisions to evaluate contracted physicians and/or physician group performance, and will support the County goal of operating in a fiscally-responsible and business-like manner by ensuring physician services are adequately resourced and reimbursed consistent with the FMV.

PROCUREMENT

This is a competitive procurement based on request for proposal (RFP) No. ARMC119-ARMC-3209 that was released through the County of San Bernardino Electronic Procurement (ePro) network on January 4, 2019. Seven proposals were received in response to the RFP, and ECG was awarded the contract based on qualifications and experience, financial, technical, cost and references.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Charles Phan, Deputy County Counsel, 387-5455) on September 23, 2020; Purchasing Department (Michelle Churchill, Supervising Buyer, 387-2070) on September 29, 2020; ARMC Finance (Chen Wu, Finance and Budget Officer, 580-3165) on September 30, 2020; Finance (Amanda Trussell, Principal Administrative Analyst, 387-5423) on October 2, 2020; and County Finance and Administration (Matthew Erickson, County Chief Financial Officer, 387-5423) on October 9, 2020.