



San Bernardino County

Legislation Text

File #: 2428, Agenda Item #: 13

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

June 23, 2020

FROM

WILLIAM L. GILBERT, Director, Arrowhead Regional Medical Center

SUBJECT

Physician Service Agreements for Medical and Radiation Oncology Services

RECOMMENDATION(S)

1. Approve Physician Service Agreement with City of Hope Medical Foundation, Inc. to provide medical oncology services at Arrowhead Regional Medical Center, in the amount of \$4,013,400 (\$1,337,800 annually), for the period of July 1, 2020, through June 30, 2023.
 2. Approve Physician Service Agreement with Mojave Radiation Oncology Medical Group, Inc. to provide radiation oncology services at Arrowhead Regional Medical Center, in the amount of \$2,460,000 (\$820,000 annually), for the period of July 1, 2020, through 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 the recommended agreements will not result in the use of Discretionary General Funding (Net County Cost). Actual costs for services are funded by State Medi-Cal, Federal Medicare, 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. Sufficient appropriation and revenue are included in Arrowhead Regional Medical Center's (ARMC) 2020-21 recommended budget and will be included in future recommended budgets.

BACKGROUND INFORMATION

Approval of the recommended agreements will provide for the safety, health and social services needs of County residents by allowing ARMC to continue to provide patient care at ARMC and associated Family Health and Specialty clinics through the provision of medical and radiation oncology services.

ARMC provides medical care and education programs for the hospital and the Family Health Clinics (FHCs) through physician service agreements with various medical corporations. These medical corporations provide highly and technically skilled, licensed physicians, nurse practitioners and allied health staff to provide health care services to ARMC patients, including county inmates and juveniles.

Physicians at ARMC provide special services in the medical profession that are not available from other public sources or any public agency.

All physicians provided by the corporations are granted clinical privileges, which allow the physician to practice medicine at ARMC and are approved to serve in administrative roles in the same manner. Clinical department appointments are made in accordance with the bylaws of the medical staff and with the approval of the Board of Supervisors. This is also in accordance with Title 22 of the State of California, ARMC's accrediting bodies and the academic affiliation agreements established between ARMC and various medical schools.

The physician service agreements will allow for the continued provision of patient care at ARMC and associated FHCs through the provision of medical and radiation oncology services.

An agreement with ECG Management Consultants, Inc. (ECG) was approved by the Board of Supervisors (Board) on June 11, 2019 (Item No. 12), to evaluate and provide recommendations on revising ARMC's current physician corporation agreements. This process included creating compensation terms of each agreement based on independent third party evaluation.

The County's existing physician services agreements with City of Hope Medical Foundation, Inc. and Mojave Radiation Oncology Medical Group, Inc. are due to expire on June 30, 2020. ARMC is presenting the following new physician services agreements, which have been evaluated by ECG, for approval by the Board effective July 1, 2020.

Corporations	Services Provided	Expiration Date	Total Estimated Annual Cost
City of Hope Medical Foundation, Inc.	Medical Oncology Services	June 30, 2023	\$1,337,800
Mojave Radiation Oncology Medical Group, Inc.	Radiation Oncology Services	June 30, 2023	\$820,000

New agreements are recommended at this time in order to update language and provisions to clarify terms, ensure compliance with State Medi-Cal and Federal Medicare, and to address recommendations received from The Joint Commission.

All active and provisional physicians provided by corporations must complete an annual Statement of Economic Interests, as required by the County. The individuals are required to disclose any ownership, investment or interest which may present any conflict with performance of duties under the agreement.

PROCUREMENT

California Government Code section 31000 provides the legislative body of any municipal corporation with the authority to contract with and employ any persons for the furnishing of "special services."

The recommended physician services agreements were the result of a non-competitive procurement. 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 (Scott Runyan, County Counsel, 387-5445) on May 29, 2020; Purchasing Department (Jacqueline Ambrose, Lead Buyer, 777-0722) on June 1, 2020; ARMC Finance (Chen

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Wu, Budget and Finance Officer, 909-580-3165) on June 01, 2020; Finance (Yael Verduzco, Administrative Analyst, 387-5285) on June 5, 2020; and County Finance and Administration (Matthew Erickson, County Chief Financial Officer, 387-5423) on June 7, 2020.