



San Bernardino County

Legislation Text

File #: 2851, Agenda Item #: 11

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

September 15, 2020

FROM

WILLIAM L. GILBERT, Director, Arrowhead Regional Medical Center

SUBJECT

Physician Service Agreements for Ophthalmology and Otolaryngology

RECOMMENDATION(S)

1. Approve Physician Service Agreement with Jeffrey N. Roberts, M.D., Inc. to provide otolaryngology and oral maxillary facial surgery services at Arrowhead Regional Medical Center, in the amount of \$1,629,000 (\$543,000 annually), for the period of January 1, 2021 through December 31, 2023.
 2. Approve Physician Service Agreement with Kris J. Storkersen, M.D., Inc. to provide medical education and ophthalmology services at Arrowhead Regional Medical Center, in the amount of \$1,230,150 (\$410,050 annually), for the period 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 recommendations 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 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 education, ophthalmology, and otolaryngology 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.

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 physician service agreements will allow for the continued provision of patient care at ARMC and associated FHCs through the provision of ophthalmology and otolaryngology services. ARMC is presenting the following new physician services agreements, which have been evaluated by ECG, for approval by the Board effective January 1, 2021.

Corporations	Services Provided	Expiration Date	Total Estimated Annual Cost
Jeffery N. Roberts, M.D., Inc.	Otolaryngology Services	December 31, 2023	\$543,000
Kris J. Storkersen, M.D., Inc.	Ophthalmology Services	December 31, 2023	\$410,050

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 (Charles Phan, County Counsel, 387-5445) on August 12, 2020; Purchasing Department (Michelle Churchill, Lead Buyer, 777-0722) on August 19, 2020; ARMC Finance (Chen Wu, Budget and Finance Officer, 909-580-3165) on August 20, 2020; Finance (Yael Verduzco, Administrative Analyst, 387-5285) on August 24, 2020; and County Finance and Administration (Matthew Erickson, County Chief Financial Officer, 387-5423) on August 31, 2020.