

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

527



FROM: Riverside County Regional Medical Center

SUBMITTAL DATE:
February 27, 2014

SUBJECT: Professional Service Agreement with The Greeley Company [All District; \$115,000]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve and authorize the Chairman to execute the Professional Services Agreement with The Greeley Company, without securing competitive bids, in accordance with Ordinance 459.4, effective March 11, 2014, for an aggregate maximum amount not to exceed \$115,000 including out-of-pocket expenses; and
2. Authorize the Purchasing Agent, in accordance with Ordinance No. 459, to sign amendments that do not change the substantive terms of the agreement, and to allow the Purchasing Agent to increase the maximum contract amount not more than ten percent.

BACKGROUND:

Summary

Participation in the Medicare and Medicaid programs requires "certification" that the provider meets certain "Conditions of Participation." By achieving accreditation, a provider is entitled to what is customarily referred to as "deemed status"—whereby an accredited hospital is deemed to meet the requirements for Medicare participation.

Lowell Johnson

Lowell Johnson
Interim Hospital CEO

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 115,000	\$ 0	\$ 115,000	\$ 0	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0	

SOURCE OF FUNDS: Hospital Enterprise Fund 100%	Budget Adjustment: No
	For Fiscal Year: FY2013/2014

C.E.O. RECOMMENDATION:

APPROVE

BY *Debra Cournoyer*
Debra Cournoyer

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

FORM APPROVED COUNTY COUNSEL
BY: NEAL R. KIPNIS
DATE: 2/27/14
Departmental Concurrence

Purchasing: *Mark Seifer*
Mark Seifer, Assistant Director

- A-30
- Positions Added
- 4/5 Vote
- Change Order

Prev. Agn. Ref.: | **District:** ALL | **Agenda Number:**

3-24

SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

FORM 11: Professional Service Agreement with The Greeley Company [All District; \$115,000]

DATE: February 27, 2014

PAGE: Page 2 of 2

BACKGROUND:

Summary (continued)

Healthcare organizations and hospitals alike that have relied on Joint Commission accreditation are also required to comply with the Medicare Conditions of Participation. Every healthcare organization and hospital must be prepared for a validation survey.

Riverside County Regional Medical Center (RCRMC) has previously participated in several CMS surveys and continues to not fully meet the Conditions of Participation. This service is greatly needed to ensure the hospital sustains its Medicare and Medicaid programs and overall, maintain its competency. In accordance with the standards of Joint Commission, RCRMC requires a contractor to provide a comprehensive assessment and gap analysis resulting in action necessary to successfully pass a Center for Medicare and Medicaid (CMS) survey.

Should RCRMC require further assistance in implementing the corrective action plan in preparation for resurveys, an Amendment to the Agreement would be negotiated and returned for Board of Supervisors for consideration.

Impact on Citizens and Businesses

This service impacts the patients residing in Riverside County receiving care from Riverside County Regional Medical Center.

Contract History and Price Reasonableness

CMS is satisfied with The Greeley Company and is the preferred and suggested vendor to provide a fully comprehensive assessment service to ensure the hospital meets the necessary requirements in fulfilling the CMS survey.

Six highly qualified consultants will be devoted to the project. CMS Assessment and Gap Analysis will be a flat blended rate of \$4,000 per consultant/per day for professional fees plus 15% for out-of-pocket expenses. The project shall not exceed \$115,000. The cost per consultant is roughly equal to The Joint Commission fee for surveyor per day. These rates are the lowest rates offered to any other governmental agency.

Date: February 27, 2014

From: Lowell Johnson
(Director or designee)

Department/Agency: RCRMC

To: Board of Supervisors/Purchasing Agent

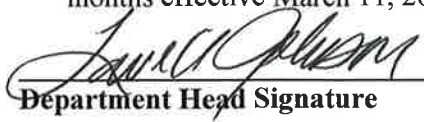
Via: Purchasing Agent

Subject: Sole Source Procurement; Request for Consulting Services

The below information is provided in support of my Department requesting approval for a sole source. Outside of a duly declared emergency, the time to develop a statement of work or specifications is not in itself justification for sole source.

1. **Supply/Service being requested:** A comprehensive assessment and GAP Analysis resulting in action necessary to successfully pass a Center for Medicare and Medicaid (CMS) Survey.
2. **Supplier being requested:** Greeley Company
3. **Alternative suppliers that can or might be able to provide supply/service:** There are seven (7) prospective organizations / individuals who were considered and are qualified to undertake comprehensive assessment services. However, Greeley Company is the preferred recommended vendor from the CMS.
4. **Extent of market search conducted:** All possible vendors were considered. Recommendation received from CMS that has experience working with this specific vendor.
5. **Unique features of the supply/service being requested from this supplier, which no alternative supplier can provide:** CMS is satisfied with Greeley Company and is the preferred and suggested vendor to provide a fully comprehensive assessment service to ensure the hospital successfully pass CMS surveys. Greeley supports various hospitals through the CMS survey assessment process by identifying deficiencies requiring remediation to achieve ongoing compliance as well as improved quality, safety, and efficiency.
6. **Reasons why my department requires these unique features and what benefit will accrue to the county:** RCRMC has previously participated in several CMS surveys and continue to not fully meet the Conditions of Participation. This service is greatly needed to ensure the hospital sustains its Medicare and Medicaid programs and overall, maintain its competency.
7. **Price Reasonableness including purchase price and any ongoing maintenance or ancillary costs from the supplier:** Six (6) highly qualified surveyors will be devoted to the project. CMS Assessment and Gap Analysis will be a flat blended rate of \$4,000 per consultant/per day for professional fees plus fifteen percent (15%) for out-of-pocket expenses. The project shall not exceed \$115,000. The cost per surveyor is roughly equal to The Joint Commission fee for surveyor per day.
8. **Does moving forward on this product or service further obligate the county to future similar contractual arrangements or any ongoing costs affiliated with this sole source? (Maintenance, support, or upgrades, if so, please explain).** No.

9. **Period of Performance:** The period of performance for this project is anticipated to run for six (6) months effective March 11, 2014 to September 30, 2014.


Department Head Signature

27 Feb 2014
Date

Purchasing Department Comments:

Approve

Approve with Condition/s

Disapprove

Not to exceed: \$ 115,000

One time

Annual Amount through _____


Purchasing Agent

2-27-14
Date

14-377
Approval Number
(Reference on Purchasing Documents)

Greeley

The Greeley Company Consulting Services Agreement

This agreement (the "Agreement"), is made on this 11th day of March, 2014 (the "Effective Date"), by and between The Greeley Company, Inc., a Delaware corporation, with a principal address at 75 Sylvan St., Suite A-101, Danvers, Massachusetts 01923 ("Greeley"), and the County of Riverside on behalf of Riverside County Regional Medical Center, a corporation with a principal address at 26520 Cactus Avenue, Moreno Valley, CA 92555, ("Client").

WHEREAS, Client desires to have certain services performed by Greeley in accordance with the terms and provisions of this agreement; and,

WHEREAS, Greeley agrees to perform these services for Client under the terms and conditions set forth in this Agreement.

NOW THEREFORE, in consideration of the mutual promises set forth herein, and intending to be legally bound, Client and Greeley agree as follows:

- 1. Services:** The Services to be performed by Greeley under this Agreement include all services generally performed by Greeley in its usual line of business, described with particularity in "Attachment A", which is attached hereto and incorporated herein.
- 2. Payment/Fees:** The total fees for the services performed under Phase 1 of this Agreement are outlined in "Attachment A", which is attached hereto and incorporated herein. Upon execution of this Agreement, Client shall pay to Greeley a non-refundable deposit equal to \$10,000. Invoices will be sent on an interim basis for professional fees, expenses, applicable sales or like-kind taxes and any associated fees. Expenses may be invoiced separately. All invoices are due upon receipt. Balances outstanding in excess of 30 days are subject to a late payment charge of 1.5% per month. Such interest shall accrue from the dates on which such amounts were due. In addition, Client shall reimburse Greeley for all costs incurred by Greeley (including, but not limited to, reasonable attorneys' fees) in collecting such overdue amounts from Client.
- 3. Term and Termination**
 - a. The term of this Agreement will be for six (6) months commencing on the Effective Date.
 - b. If either party shall fail to perform any of the terms, conditions, provisions or covenants in this Agreement and such default shall continue uncured for a period of ten (10) business days after the non-defaulting party provides the defaulting party with written notice thereof, the non-defaulting party may terminate this Agreement.

- c. Upon the termination of this Agreement as hereinabove provided, neither party shall have any further obligation hereunder except for (i) obligations accruing prior to the date of termination; and (ii) obligations, promises, and/or covenants contained herein, which are expressly made to extend beyond the term, including without limitation, indemnities and confidentiality provisions.

4. Confidential Information: Information supplied by each party in the course of performing the services under this Agreement shall constitute Confidential Information. Confidential Information which is disclosed by either party to the other for the purpose of performing under this Agreement shall be protected by the receiving party and shall not be disseminated, disclosed or used for any purpose except in connection with the performance of this Agreement. However, neither party shall be required to keep confidential any information which: (a) is or becomes publicly available, (b) is already in that party's possession at the time of disclosure by the other party, (c) is independently developed by that party outside of the term or scope of this Agreement, (d) is rightfully obtained from third parties or (e) is required by law to be disclosed by the receiving party, provided that the receiving party gives the disclosing party prompt written notice of such requirement prior to such disclosure and assistance in obtaining an order protecting the information from public disclosure.

5. Patient Records: If the services to be provided under this Agreement include exposure to Patient Records, Greeley shall execute the appropriate Business Associate Agreement as provided by Client.

6. Intellectual Property: Each party shall retain rights and ownership of all intellectual property, including without limitation all know-how, trade secrets, copyrights, and patentable inventions relating thereto, including materials notes, designs, technical data, ideas, know-how, research, reports, documentation and other information related thereto ("Intellectual Property"), that was developed and/or purchased prior to this Agreement. Greeley shall retain ownership of all Intellectual Property made or conceived or reduced to practice or developed by Greeley during the term of this Agreement. Upon full payment by Client for the services performed under this Agreement, Greeley hereby grants to Client the perpetual, nonexclusive, nontransferable, worldwide, royalty-free right and license to use its Intellectual Property included in the deliverables under this agreement for Client's internal purposes only. Client shall have no rights to sell, license, or distribute the work products (including future modifications) to any outside party without the prior written permission of Greeley.

7. Indemnification:

- a. Each party shall indemnify, defend and hold harmless the other party and its affiliates and their respective officers, directors, employees, agents and subcontractors (collectively, "Indemnities") from any and all third party claims, demands, actions, causes of action, losses, judgments, damages, costs and expenses (including, but not limited to, reasonable attorneys' fees, court costs and costs of settlement) (collectively, "Losses") that any of the Indemnities may suffer as a result of (i) the negligence or

willful misconduct of the indemnifying party, or (ii) any breach by the indemnifying party of any of its representations, warranties, covenants or agreements contained in this Agreement.

- b. The party seeking to be indemnified shall promptly notify the other party within twenty (20) days of any event or occurrence which could reasonably lead to a demand for money or any other remedy. The failure to provide such notice will not relieve the indemnifying party from its liability under this Agreement with respect to such claim, except to the extent the indemnifying party is prejudiced thereby. The indemnified party will have the right at its own expense to participate jointly with the indemnifying Party in the defense of any claim, demand, lawsuit or other proceeding.
- c. With respect to any claim for which the indemnifying party has acknowledged in writing its obligation to indemnify the other party, the indemnifying party will control the right to select counsel, settle, try or otherwise dispose of such claim, subject to the reasonable objection of the indemnified party.

8. Warranty/Limitation of Liability: Greeley warrants that it will perform the services under the Agreement with reasonable skill and care. This express warranty extends only to Client and not to any third parties. This express warranty is in lieu of all other warranties, either express or implied, including warranties of merchantability, non-infringement and fitness for a particular purpose. Greeley, its employees, officers, and/or directors will not be liable for any consequential, special, indirect, incidental, punitive or exemplary damages, costs, expenses or losses regardless of the form of action, damage, claim, liability, cost, or expense. Notwithstanding the above, Greeley's liability to Client in connection with the provision of the services shall not be greater than the total amount payable to Greeley pursuant to this Agreement.

9. Conflict of Interest: Each party represents and warrants that it has full power and authority to undertake the obligations set forth in this Agreement and that it has not entered into any other agreements that would render it incapable of satisfactorily performing its obligations hereunder, or that would place it in a position of conflict of interest or be inconsistent or in conflict with its obligations hereunder.

10. Successors and Assigns: Neither party may assign its rights or obligations under this Agreement without the express written consent of the other party, except that either party may assign this Agreement in connection with the transfer of all or substantially all of its assets, whether by sale, merger or otherwise. This Agreement shall be binding upon the parties hereto and shall inure to the benefit of their respective successors or assigns.

11. Non-Solicitation: During the term of this Agreement and for a period of one year following the termination of this Agreement (the "Restricted Period"), Client shall not: (i) employ, retain or engage (as an employee, consultant, or independent contractor), or induce or attempt to induce to be employed, retained or engaged, any person who is or was during the Restricted

Period an employee, consultant or independent contractor of Greeley; (ii) Induce or attempt to induce any person or entity who is an employee, consultant, or independent contractor of Greeley at any time during the Restricted Period to terminate his or her employment or other relationship with Greeley.

12. Governing Laws: The parties agree that this Agreement and Interpretation thereof shall be governed, construed and performed in accordance with the laws of the **state of California**.

13. Force Majeure: Anything to the contrary notwithstanding, neither of the parties hereto shall be liable to the other party for any loss, injury, delay, damages or other casualty suffered or incurred by such other party due to strikes, riots, storms, fires, explosions, acts of God, war, regional or national telecommunications failures, governmental action or any other cause similar thereto, which is beyond the reasonable control of such party. Upon this circumstance arising, the non-performing party shall promptly notify the other party in writing. The non-performing party will not be liable for this delay or failure to perform its obligations, except there will be a pro rata reduction in the consideration that would otherwise be due. If the period of nonperformance exceeds thirty (30) calendar days from the receipt of notice of the force majeure event, the party whose ability to perform has not been so affected may terminate this Agreement by giving written notice.

14. Non Waiver: The waiver, express or implied, by either of the parties hereto of any right hereunder or for any failure to perform or breach hereof by the other party shall not constitute or be deemed as a waiver of any other right hereunder or of any other failure to perform or breach hereof by such other party whether of a similar or dissimilar nature thereto.

15. Independent Contractors: Each party is functioning under this Agreement solely as an independent contractor to the other and not as an agent or partner of, or joint venture with, the other. Neither party has the authority to assume any obligation or incur any liability on behalf of the other party.

16. Severability: Any provision of this Agreement which is found to be prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. Each provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law. If any provision contained in this Agreement shall be held to be excessively broad as to scope, activity or subject so as to be unenforceable at law, such provision shall be construed by limiting and reducing it so as to be enforceable to the extent compatible with the applicable law as then in effect.

17. Notice: Any notice which either party is required or may desire to serve upon the other party must be in writing. Notice must be served (i) by personal delivery, or (ii) by depositing the same with a reputable overnight delivery service (with confirmed delivery, charge prepaid or

billed to shipper). Notice must be addressed as shown in the introductory paragraph, unless a different address is designated in writing by the receiving party.

18. Entire Agreement: This Agreement is the entire agreement between the parties as to the matters covered by this Agreement and there are no other contracts, express or implied. This Agreement may only be modified, including any additional payments, by an amendment in writing signed by both parties.

The parties have caused this Agreement to be executed by their respective duly authorized representatives, as set forth below.

By: 

Steve Bryant

Senior VP and Managing Director

The Greeley Company, Inc.

Date: 2/27/14

By: _____

Jeff Stone

Chairman, Board of Supervisors

County of Riverside
Riverside County Regional Medical Center

Date: _____

FORM APPROVED COUNTY COUNSEL
BY: 
NEAL R. KIPNIS DATE 2/27/14

ATTACHMENT A – STATEMENT OF WORK and FEES

Phase 1 – CMS Assessment and Gap Analysis

The Greeley Company will work with RCRMC to analyze your CMS challenges and deficiencies to date and will perform the following to assist with corrective action planning for re-survey:

- Review CMS 2567 reports and corrective action plans for the last five surveys
- Conduct a CMS Conditions of Participation assessment and gap analysis to identify areas of non-compliance
- Develop a prioritized corrective action work plan to execute, effectively track and sustain compliance
- Present Gap Analysis and recommended Corrective Action Plan to Senior Leadership

Approach

Activity 1: CMS Report Review

We will review CMS correspondence and corrective action plan submissions for the past five surveys and make recommendations as appropriate. We will use this data to determine the CMS assessment scope and to develop the assessment visit agenda.

Activity 2: CMS Conditions of Participation Assessment

We will conduct a CMS assessment and gap analysis to identify areas of non-compliance

- Primary focus will be on dietary which is the current CMS 'condition out'
- Secondary focus will be other 'conditions out' during the last five surveys
- Tertiary focus will be a review of all other conditions focusing on high vulnerability areas and where existing policies and practices are exceeding CMS Conditions of Participation requirements

Our assessment will also evaluate RCRMC processes required for ongoing sustained compliance such as:

- Process Implementation – effective policy development, distribution and staff education; effective staffing, competence and management oversight
- Process Oversight – ongoing monitoring of process improvements
- Issue Management – timely identification, analysis and tracking of issues
- Accountability and Communication

Our assessment will begin with an opening conference to walk-through the agenda and review/discuss key hospital policies and procedures. Hospital staff will be requested to escort our

team throughout the facility. On a daily basis, our team will provide a verbal report of findings to executive leadership.

Activity 3: Corrective Action Work Plan

We will summarize our assessment findings and prioritize areas of non-compliance to be addressed. We will develop a recommended corrective action plan to prepare for resurvey expected in early June.

Activity 4: Report Presentation to Leadership

At the conclusion of the assessment, we will present our assessment findings and recommended corrective action plan to executive leadership.

Deliverables

We will complete the following deliverables during this engagement:

NO.	DELIVERABLE	DESCRIPTION
1	Assessment Visit Agenda	The agenda summarizes the areas to be surveyed by Greeley each day.
2	Assessment Findings Report and Corrective Action Work Plan	The report summarizes our findings and provides recommended action plans to prepare for resurvey in June.

We anticipate the agenda will be developed during week one of the project. The assessment findings will be presented verbally during week two and final report will be submitted no later than week three.

Staffing and Timing

We are prepared to begin this engagement upon contract execution. We anticipate Phase 1 - CMS Assessment and Gap Analysis will be conducted over a two to three week period.

We will staff Phase 1 - CMS Assessment and Gap Analysis with a team of up to six (6) compliance consultants including nurses, physicians, environment of care/life safety specialists and other subject matter experts as appropriate, to meet your needs.

Professional Fees and Expenses

Our professional fees for Phase 1 - CMS Assessment and Gap Analysis will be billed at a rate of \$4,000 for each Greeley consultant per day and will not exceed \$100,000. Our out-of-pocket expenses will be billed separately at costs in accordance with County policy - and will not exceed 15% of the total fees billed.

We will bill and expect wire-transfer payment for our professional fees and our associated out-of-pocket expenses in accordance with the agreement terms. The quote for this professional fee is valid for 45 days from the date of this proposal.

BILLING MILESTONES	PAYMENT AMOUNT
Upon contract execution – 10% professional fee deposit	\$ 10,000
Weekly - based on invoiced consultant time and expenses incurred and to be paid immediately by County, by wire-transfer, on a weekly basis	\$ as incurred

Phase 2 – Corrective Action Plan Implementation (NOT INCLUDED)

If requested by RCRMC and if contracted separately as an addendum to this agreement, Greeley will work with RCRMC to implement the corrective action plan to prepare RCRMC for resurvey in early June. This assistance may involve policy and procedure modifications, staff education, management coaching, process monitoring tools and progress reporting, Issue reporting and tracking, accountability management and/or evidence book preparation.

Greeley

Proposal for:

CMS Assessment and Gap Analysis

Presented to:

Riverside County Regional Medical Center

February 27, 2014

**The Greeley Company
75 Sylvan Street, Suite A-101
Danvers, MA 01923**

Greeley

February 27, 2014

Via email: lowjohns@co.riverside.ca.us and agreenwo@co.riverside.ca.us

Lowell Johnson
Chief Executive Officer
Annette Greenwood
Chief Operations Officer
Riverside County Regional Medical Center
26520 Cactus Avenue
Moreno Valley, CA 92555

Dear Mr. Johnson and Ms. Greenwood:

Thank you for your interest in the services of The Greeley Company. In follow up to your recent discussions with Steve Bryant, Meg Hartwell and me, it is my pleasure to submit this proposal outlining our recommended approach to serve Riverside County Regional Medical Center with Centers for Medicare and Medicaid Services (CMS) assistance.

The following summarizes our understanding of the situation and our proposed Statement of Work for your consideration. To proceed with scheduling this engagement, please review the enclosed materials and sign in the appropriate area indicating your acceptance of the engagement and fees described, as well as the contract terms. Please fax a signed copy of the entire proposal to my attention at 978-531-5601. Upon receiving the signed Agreement, we will begin scheduling the engagement.

Thank you for the opportunity for The Greeley Company to propose on this important engagement. If you have any questions, please do not hesitate to contact me at 818-772-4209. We look forward to working with you.

Sincerely,

Terry M. Laurle
Director of Business Development

Our Understanding of the Situation

Riverside County Regional Medical Center ("RCRMC"), is a 520,000 square foot state-of-the-art tertiary care and level II adult and pediatric facility, licensed for a total of 439 beds. There are 362 licensed beds in the main acute-care hospital, and 77 licensed beds in a separate psychiatric facility. RCRMC has 12 operating rooms, a helipad located directly adjacent to the Trauma Center, and state-of-the-art digital radiology services, including magnetic resonance imaging (MRI) and computerized tomography (CT) and all single bed rooms. There are also adult, pediatric and neonatal intensive care units, a birthing center and complete pulmonary services including hyperbaric oxygen treatments.

A teaching hospital accredited by the Joint Commission, RCRMC offers training programs for nursing students, medical residents, and allied health professionals attending Riverside Community College, Loma Linda University, Western College of Health Services and University of California Riverside.

RCRMC has the capacity to manage 200,000 patient visits in specialty outpatient clinics; the Emergency Room/Trauma Unit has the capacity to manage 100,000 patient visits annually. There are approximately 3,100 employees and staff.

Riverside County Regional Medical has failed multiple CMS surveys and is requesting Greeley's assistance with CMS survey readiness in preparation for a full CMS Conditions of Participation (CoP) re-survey expected within 90 days.

Engagement Goal

Our overall goal is to support RCRMC through the CMS re-survey assessment process in order to identify deficiencies requiring remediation to achieve ongoing compliance as well as improved quality, safety and efficiency.