Health Services
LOS ANGELES COUNTY

Los Angeles County
Board of Supervisors

Gloria Molina
First District

Mark Ridley-Thomas
Second District

Zev Yaroslavsky
Third District

Don Knabe
Fourth District

Michael D. Antonovich
Fifth District

John F. Schunhoff, Ph.D.
Interim Director

Robert G. Splawn, M.D.
Interim Chief Medical Officer

313 N. Figueroa Street, Suite 912
Los Angeles, CA 90012

Tel: 213-240-8101
Fax:213-481-0503

www.dhs.lacounty.gov

To improve health through leadership, service and education

June 9, 2009

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

APPROVAL OF AMENDMENT TO AGREEMENT FOR URGENT CARE CENTER SERVICES (SUPERVISORIAL DISTRICT 2) (3 VOTES)

SUBJECT

Request approval to extend the term of the Agreement with EPIC America, A Medical Corporation, to provide urgent care center services at Hubert H. Humphrey Comprehensive Health Center.

IT IS RECOMMENDED THAT YOUR BOARD:

Approve and instruct the Chairman to sign the attached Amendment No. 2 to Agreement No. 76214 with EPIC America, A Medical Corporation, to extend the term of the Agreement effective July 1, 2009 through September 30, 2009 for urgent care center services at Hubert H. Humphrey Comprehensive Health Center (Humphrey) at an estimated cost of $317,275, with an optional month-to-month extension exercisable by the Interim Director of Health Services for up to three months through December 31, 2009, at an estimated monthly cost of $105,425.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommendation will allow for the continued provision of urgent care center services for Humphrey in order to allow sufficient time to conclude the process for selection of a successor contractor. The Agreement expires June 30, 2009. Due to a high volume of work and shortage of experienced contracting staff, the Department of Health Services (DHS) was delayed in a timely release of a Request for Statement of Interest (RFSI) to identify parties interested in providing the contracted services. The RFSI was released on May 13, 2009 with a due date of June 3, 2009. The recommended three month extension will

www.dhs.lacounty.gov

allow time to complete the selection process, request your Board's approval of a successor agreement and complete background checks and credentialing of the new contractor's personnel prior to commencing services.

The additional delegated authority extension period would only be used in the event that implementation was delayed due to credentialing or background check issues.

Implementation of Strategic Plan Goals

The recommended action supports Goal 4, Health and Mental Health, of the County's Strategic Plan.

FISCAL IMPACT/FINANCING

The Contractor is compensated at a rate of $42.17 per patient visit. The estimated monthly cost is $105,425. Funding is included in DHS' Fiscal Year 2009-10 Proposed Budget.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On June 26, 2007, your Board approved the sole source Agreement with EPIC America, effective July 1, 2007 through June 30, 2009, to continue providing urgent care center services at Humphrey. Since August 2001, EPIC America, under the name of Gardena East Los Angeles Emergency Physicians Medical Group, had provided services through a subcontract with the Charles R. Drew University of Medicine and Science (Drew). The County's operating agreement with Drew expired June 30, 2007, at which time the subcontract with EPIC America expired.

EPIC America is in compliance with all Board requirements. County Counsel has reviewed and approved Exhibit I as to use and form.

CONTRACTING PROCESS

Not applicable.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Services need to continue during the period that DHS conducts and concludes the RFSI with sufficient time for transition, if the recommended outcome is for a different contractor. This Amendment will ensure that urgent care medical services continue without interruption.

Respectfully submitted,

John F. Schunhoff, Ph.D.
Interim Director

JFS:rf

Attachment

c: Chief Executive Officer
Acting County Counsel
Executive Officer, Board of Supervisors

EPIC AmericaBL

Contract No. 76214-2

URGENT CARE CENTER SERVICES AGREEMENT

AMENDMENT NO. 2

THIS AMENDMENT is made and entered into this 1st day of July, 2009,

by and between COUNTY OF LOS ANGELES (hereafter "County"),

and EPIC AMERICA, A MEDICAL CORPORATION (hereafter "Contractor")

WHEREAS, reference is made to that certain document entitled "URGENT CARE CENTER SERVICES AGREEMENT", dated June 26, 2007, further identified as Agreement No. 76214 and any amendments thereto (all hereafter referred to as "Agreement"); and

WHEREAS, it is the intent of the parties hereto to extend the term and to make other changes described hereinafter; and

WHEREAS, the Agreement provides that changes to its terms may be made in the form of a written amendment which is formally approved and executed by the parties.

NOW, THEREFORE, the parties hereby agree as follows:

1. This Amendment shall be effective July 1, 2009.

2. The first two subparagraphs of Agreement Paragraph 1, TERM AND TERMINATION, shall be replaced as follows:

"1. TERM AND TERMINATION: The term of this Agreement shall commence on July 1, 2007 and shall continue in full force and effect through September 30, 2009, with three month-to-month extensions up to December 31, 2009, exercisable by the Interim Director in writing."

3. The first subparagraph of Agreement Paragraph 3, MAXIMUM OBLIGATION, shall be replaced as follows:

"3. MAXIMUM OBLIGATION: The maximum obligation for Fiscal Year (FY) 2007-08, July 1, 2007 through June 30, 2008, shall not exceed one million, four hundred seventy-six thousand dollars ($1,476,000). The maximum obligation for FY 2008-09, July 1, 2008 through June 30, 2009, shall not exceed one million, four hundred eighty-seven thousand, seven hundred dollars ($1,487,700). The total maximum obligation is two million, nine hundred sixty-three thousand, seven hundred dollars ($2,963,700) for the term of the Agreement. The parties acknowledge that the Maximum Obligation reflects an anticipated service volume of a minimum of 32,000, and a maximum of 40,000, patient visits annually, based on a fiscal year. The total maximum obligation for the period July 1, 2009 through September 30, 2009 shall not exceed three hundred sixteen thousand, two hundred seventy-five dollars ($316,275). For any month-to-month extension beyond September 30, 2009 through December 31, 2009, the monthly cost is one hundred five thousand, four hundred twenty-five dollars ($105,425). Notwithstanding the foregoing, Contractor agrees and understands that the County is under no obligation to guarantee a specific amount of patient volume in the UCC. Contractor understands that the County is

not liable for overestimating or understating a projected amount of patients presenting in the UCC."

3. In Exhibit B, Billing, Payment and Schedule of Rates, Paragraph 4, PAYMENT AMOUNT, a fourth subparagraph shall be added as follows:

"4. Effective July 1, 2009, the rate for visits is $42.17 for the remainder of the term of the Agreement."

4. Except for the changes set forth hereinabove, Agreement shall not be changed in any other respect by this Amendment.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by its Chairman of the Board,

/

/

/

/

/

/

/

/

/

/

/

/

/

/

and Contractor has caused this Amendment to be subscribed in its behalf by its duly authorized officer, the day, month and year first written above written.

COUNTY OF LOS ANGELES

By_____
Chairman of the Board of Supervisors

ATTEST:
Executive Officer of the Board of Supervisors
Of the County of Los Angeles

By _____
Deputy

DEPARTMENT OF HEALTH SERVICES

By _____
Interim Director of Health Services

APPROVED AS TO FORM
BY THE OFFICE OF THE COUNTY COUNSEL

By _____
Principal Deputy County Counsel

CONTRACTOR

By Casper T. Colena MD
(Printed Name)

Casper T. Colena MD
(Signature)

Title President

(AFFIX CORPORATE SEAL HERE)

RF:r
Board letter epic america amendment no 2 amendment 05.14.09