



Los Angeles County  
Board of Supervisors

November 18, 2014

Gloria Molina  
First District

Mark Ridley-Thomas  
Second District

Zev Yaroslavsky  
Third District

Don Knabe  
Fourth District

Michael D. Antonovich  
Fifth District

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

Dear Supervisors:

**APPROVAL OF AMENDMENT TO PATIENT SATISFACTION SURVEY  
SERVICES AGREEMENT  
(ALL SUPERVISORIAL DISTRICTS)  
(3 VOTES)**

Mitchell H. Katz, M.D.  
Director

Hal F. Yee, Jr., M.D., Ph.D.  
Chief Medical Officer

Christina Ghaly, M.D.  
Deputy Director, Strategic Planning

**SUBJECT**

Request approval to amend the current Agreement with Press Ganey Associates, Inc., to (i) extend the term of such Agreement for a period of six months, increase the volume of surveys and increase the maximum obligation, and provide the option to further extend the term for up to an additional six months; and (ii) request delegated authority to execute a successor agreement with the University HealthSystem Consortium's selected contractor.

**IT IS RECOMMENDED THAT THE BOARD:**

1. Authorize the Director of Health Services (Director), or his designee, to execute an Amendment to the Patient Satisfaction Survey Agreement No. H-703322 (County Agreement) with Press Ganey Associates, Inc. (Press Ganey), effective upon Board approval, to extend the Agreement term for a period of six months, from January 1, 2015 through June 30, 2015, for the continued provision of services, and increase the number of outpatient satisfaction surveys Press Ganey sends on behalf of primary care clinics throughout the Department of Health Services (DHS or Department), with an increase in the Agreement maximum obligation of \$153,787 for the extension period, and with option to further extend the Agreement term up to six (6) additional months, on a month to month basis, through December 31, 2015.

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

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

[www.dhs.lacounty.gov](http://www.dhs.lacounty.gov)

*To ensure access to high-quality,  
patient-centered, cost-effective health  
care to Los Angeles County residents  
through direct services at DHS facilities  
and through collaboration with  
community and university partners.*



[www.dhs.lacounty.gov](http://www.dhs.lacounty.gov)

2. Delegate authority to the Director, or his designee, to amend the Agreement to extend the Agreement term on a month-to-month basis for up to six additional months, and to increase the County's maximum obligation for such extension periods by an amount not to exceed \$25,631 per month, on average, subject to review and approval by County Counsel, and with notice to the Board and Chief Executive Office (CEO).

3. Delegate authority to the Director, or his designee, to negotiate and execute a successor County agreement with the contractor who is awarded the successor agreement to the University HealthSystem Consortium's (UHC) current agreement with Press Ganey, effective upon execution by the parties and co-terminus with the new UHC agreement, with an annual maximum obligation not to exceed \$338,000, subject to review and approval by County Counsel, and with two weeks advance written notice to the Board and CEO.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The Department's mission is, "To ensure access to high-quality, patient-centered, cost effective health care to Los Angeles residents". In order to achieve this goal, DHS, as a member of UHC, has utilized UHC's selected vendor, Press Ganey, to ensure it has a reliable instrument of measurement and valid patient sample size to determine the quality of its services and patient satisfaction. As a member of UHC, DHS has access to utilize group purchasing services agreements, including patient satisfaction surveys and benchmarking services provided by Press Ganey. UHC agreements are competitively solicited. Bid/proposal opportunities are publically posted, and procurement processes adhere to the American Bar Association Model Procurement Code.

On December 11, 2007, the Board approved the current County Agreement with Press Ganey for inpatient satisfaction surveys at Harbor-UCLA Medical Center (H-UCLA MC), Olive View-UCLA Medical Center (OV-UCLA MC), and LAC+USC Medical Center (LAC+USC MC). This Agreement was subsequently amended to add inpatient and outpatient satisfaction surveys at Rancho Los Amigos National Rehabilitation Center (RLANRC), and outpatient satisfaction surveys for all DHS primary care clinics. This Agreement expires on December 31, 2014.

In addition, the Board previously delegated authority to the Director or his designee to extend the County Agreement if UHC continues to contract with Press Ganey. UHC is currently contracting with Press Ganey but is in the process of completing a new competitive bid and selection process for a successor contract. Since UHC's competitive bidding is not finalized, DHS needs to extend the current County/Press Ganey Agreement so there is no disruption in services.

Approval of the first recommendation will allow the Director to execute an Amendment, substantially similar to Exhibit I, to extend the County Agreement term, for the continued provision of services, increase the number of outpatient satisfaction surveys Press Ganey is to send out during the extension period from 11,453 to 40,000 for the primary care clinics throughout DHS, and adjust the County's maximum obligation accordingly.

The Department is recommending an increase to the number of outpatient satisfaction surveys to be sent out by Press Ganey in order to achieve a valid patient sample size to determine the quality of DHS' services and patient satisfaction. Under current methods, DHS complies with State reporting requirements under the Delivery System Reform Incentive Program, which requires the Department to receive a minimum of 300 completed surveys each year, enterprise-wide. However, the response rates are low for the purpose of providing DHS a reliable statistically significant sample size. Therefore, the Department's goal is to achieve a higher response rate by increasing the number of

outpatient surveys that are sent, from 22,906 to 80,000 annually. Increasing the number of sent surveys should provide DHS better data to support internal quality improvement outcomes, by facility, with the goal to obtain insight into the quality of health care being delivered to our DHS patients.

Approval of the second recommendation will allow the Director, or his designee to exercise the option to extend the term of the County Agreement for up to six additional months, through December 31, 2015, should there be any delay in UHC negotiating a successor agreement.

Approval of the third recommendation will allow the Director, or his designee, to negotiate a successor agreement with UHC's selected vendor following UHC's execution of its successor agreement. Sustaining patient satisfaction survey services is necessary for DHS to comply with regulatory requirements and to continue monitoring and improving the quality of its services and patient satisfaction.

### **Implementation of Strategic Plan Goals**

The recommended action(s) support(s) Goal 1, Operational Effectiveness/Fiscal Sustainability; Goal 2, Community Support and Responsiveness; and Goal 3, Integrated Services Delivery, of the County's Strategic Plan Goals.

### **FISCAL IMPACT/FINANCING**

The total estimated cost for the extension period of January 1, 2015 through June 30, 2015 is \$153,787. If exercised, the estimated cost for the optional month-to-month extension, to a maximum of six months effective July 1, 2015 through December 31, 2015 is \$153,787. Attachment A provides a breakdown of the estimated costs for services provided by Press Ganey, Inc. Funding for this services is included in the Fiscal Year 2014-15 Final Budget and will be requested in future years, as necessary.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

UHC has contracted with Press Ganey since October 2000 for the provision of Patient Satisfaction Survey Services.

On December 11, 2007, the Board approved the current Agreement with Press Ganey for inpatient satisfaction surveys at H-UCLA MC, OV-UCLA MC, and LAC+USC MC.

On May 1, 2012 the Board authorized the addition of outpatient satisfaction surveys for all DHS primary care clinics, as well as the addition of RLANRC to this Agreement for inpatient and outpatient survey services.

Services have been extended through December 31, 2014, as UHC continues to contract with Press Ganey.

County Counsel has approved Exhibit I as to use and form.

**CONTRACTING PROCESS**

UHC/Novation agreements are competitively solicited. Bid/proposal opportunities are publically posted, and procurement processes adhere to the American Bar Association Model Procurement Code. Leveraging its UHC membership and the credibility of UHC's procurement methods, the current County Agreement was awarded to Press Ganey.

UHC is currently negotiating with Press Ganey for a new agreement as a result of a recent competitive solicitation process, and DHS is waiting for news of UHC's final award. If UHC does not award Press Ganey the next contract, DHS will seek to negotiate a successor County agreement with the contractor who is awarded the successor agreement to the UHC current agreement with Press Ganey.

**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

Approval of these actions will ensure DHS' continued ability to improve its service delivery through feedback received from patients.

Respectfully submitted,

A handwritten signature in black ink that reads "Mitchell Katz". The signature is written in a cursive, flowing style.

Mitchell H. Katz, M.D.

Director

MHK:ev

Enclosures

c: Chief Executive Office  
County Counsel  
Executive Office, Board of Supervisors

## PRESS GANEY

## PATIENT SATISFACTION SURVEYS

Facility(ies)	FY 2014-15 (6 months)	FY 2015-16 Optional 6 months (month-to- month)	Total
LAC+USC MC	\$39,932	39,932	\$79,863
Harbor-UCLA MC	\$11,893	\$11,893	\$23,786
RLANRC	\$16,500	\$16,500	\$33,000
OV-UCLA MC	\$12,466	\$12,466	\$24,932
DHS Outpatient Primary Care Clinics*	\$72,996	\$72,996	\$145,993
<b>Grand Total</b>	<b>\$153,787</b>	<b>\$153,787</b>	<b>\$307,574</b>

**Notes:**

\*DHS Outpatient Primary Care Clinics Press Ganey, Inc., budget is allocated and administrated centrally within Health Services Administration.

**PATIENT SATISFACTION SURVEY  
SERVICES AGREEMENT**

Amendment No. 4

THIS AMENDMENT is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2014,

By and between

COUNTY OF LOS ANGELES  
(hereafter "County"),

And

Press Ganey Associates, Inc.  
(hereafter "Contractor")

Business Address:

710 Rush Street  
South Bend, IN 46601

WHEREAS, reference is made to that certain document entitled "DHS PATIENT SATISFACTION SURVEYS SERVICE AGREEMENT", approved by the Board of Supervisors on December 11, 2007, and further identified as County Agreement No. H-703322, and any amendments thereto (all referred to hereafter as "Agreement"); and

WHEREAS, it is the intent of the parties to extend the Agreement term for the period of January 1, 2015 through June 30, 2015, for the continued provision of inpatient and outpatient patient satisfaction survey services, increase the number of outpatient satisfaction surveys Press Ganey sends on behalf of all primary care clinics throughout Department of Health Services (DHS), and increase the maximum obligation of the Agreement by \$153,787 for this extension period; and

WHEREAS, Agreement provides that changes may be made to update certain terms and conditions in accordance to Paragraph 14, ALTERATION OF TERMS, may be made in the form of an Amendment which is formally approved and executed by the parties; and

NOW, THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:

1. This Amendment shall commence and be effective on the date identified at the top of the first page of this document.

2. Agreement, Paragraph 1, TERM, first Paragraph shall be revised to read as follows:

"1. TERM: This Agreement shall be effective December 11, 2007 and shall continue, unless sooner terminated or canceled, in full force and effect to and including June 30, 2015. The County shall have the sole option to extend this Agreement term on a month to month basis up to a maximum of six (6) months through December 31, 2015. Each such option and extension shall be exercised at the sole discretion of the Director or his/her designee as authorized by the Board of Supervisors. The County maintains databases that track/monitor Contractor performance history. Information entered into such databases may be used for a variety of purposes, including determining whether the County will exercise a contract term extension option."

3. Paragraph 4, MAXIMUM OBLIGATION OF COUNTY, shall be revised to read as follows:

"4. MAXIMUM OBLIGATION OF COUNTY: During the term of this Agreement, from December 11, 2007 to June 30, 2015, the maximum obligation of County for Contractor's performance hereunder shall not exceed One Million Three Hundred Eighty-Three Thousand One Hundred and Twenty-Six Dollars (\$1,383,126). If the month to month option is exercised, the maximum obligation of County shall not exceed an average of Twenty-Five Thousand Six Hundred Thirty-One Dollars (\$25,631) per month during the option period."

4. Agreement Paragraph 5, BILLING AND PAYMENT, shall be revised to add Subparagraphs K, and L to read as follows:

“K. Effective January 1, 2015, Contractor shall bill County for outpatient survey services at all DHS primary care clinics, in accordance with the rates set forth in Fee Schedule XVII attached hereto and incorporated herein by reference.

L. Effective January 1, 2015, Contractor shall bill County for inpatient survey services at all DHS facilities, in accordance with the rates set forth in Fee Schedules XIII, XIV, XV, XVI, and XVII attached hereto and incorporated herein by reference.”

5. Fee Schedules XIII, XIV, XV, XVI, and XVII, attached hereto, shall be added to the Agreement, and incorporated in the Agreement by reference.

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

/

/

/

/

/

/

/

/

/

/

/

/

/



IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be executed by the County's Director of Health Services and Contractor has caused this Amendment to be executed on its behalf by its duly authorized officer, the day, month, and year first above written.

COUNTY OF LOS ANGELES

By: \_\_\_\_\_  
Mitchell H. Katz, M.D.  
Director of Health Services

CONTRACTOR

Press Ganey Associates, Inc.

By: \_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

APPROVED AS TO FORM  
Mark J. Saladino  
County Counsel

By: \_\_\_\_\_  
Eva Vera-Morrow  
Principal Deputy Counsel

**SCHEDULE XIII**

January 1, 2015 through June 30, 2015

Harbor – UCLA Medical Center

Client #2115

SERVICE	FEES	INFOTURN RATE	ESTIMATED MAILED SURVEY VOLUME	ESTIMATED RECEIVED SURVEY VOLUME
<b>Inpatient</b>				
Contract Fee	\$3,210.00			
Comment Contract Fee	\$1,718.00			
Wave 1		\$1.71 per survey	3150	410
HCAHPS Wave 1				
HCAHPS Wave 2		\$1.30 per survey	730	
<b>TOTAL</b>	<b>\$4,928.00</b>		<b>\$6,336.00</b>	

Annual fees will be invoiced and payable on a quarterly basis. InfoTurn fees will be invoiced quarterly as incurred.