Health Services
LOS ANGELES COUNTY

Los Angeles County
Board of Supervisors

Hilda L. Solis
First District

Mark Ridley-Thomas
Second District

Sheila Kuehl
Third District

Don Knabe
Fourth District

Michael D. Antonovich
Fifth District

Mitchell H. Katz, M.D.
Director

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

313 N. Figueroa Street, Suite 912
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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.

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June 19, 2015

TO: Mayor Michael D. Antonovich
Supervisor Hilda L. Solis
Supervisor Mark Ridley-Thomas
Supervisor Sheila Kuehl
Supervisor Don Knabe

FROM: Mitchell H. Katz, M.D.
Director

SUBJECT: NOTIFICATION OF DEPARTMENT OF HEALTH SERVICES' USE OF DELEGATED AUTHORITY TO AMEND PHYSICIAN REGISTRY SERVICE AGREEMENTS WITH KAMRAN GHADIMI, M.D. DBA ANESTHESIA PROVIDER GROUP, MEDISCAN DIAGNOSTIC SERVICES, INC., & PACIFIC ANESTHESIA PROVIDER GROUP

This is to advise the Board that the Department of Health Services (DHS) is exercising its delegated authority, approved on June 24, 2014 (attached), which allows the Director of Health Services, or his authorized designee, to execute amendments to extend the term of the Agreements for a one-year extension period, July 1, 2015 through June 30, 2016.

Amendment No. 4 to Agreement No. H-704378 with Kamran Ghadimi, M.D. dba Anesthesia Provider Group, Amendment No. 2 to Agreement No. H-704381 with Mediscan Diagnostic Services, Inc., and Amendment No. 3 to Agreement No. H-704379 with Pacific Anesthesia Provider Group ensure uninterrupted services for the period of July 1, 2015 through June 30, 2016. All other terms, conditions, and restrictions of these Agreements remain unchanged and in full effect.

County Counsel reviewed and approved these Amendments as to form.

If you have any questions or require additional information, please let me know.

MHK:ag

Attachment

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

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

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

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June 10, 2014

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

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES
20 June 24, 2014
SACHI A. HAMAI
EXECUTIVE OFFICER

Dear Supervisors:

APPROVAL OF AMENDMENTS TO SPECIALTY MEDICAL SERVICES AND PHYSICIAN REGISTRY AGREEMENTS AND NEW APPORTIONMENT CONSULTING MASTER SERVICES AGREEMENT (ALL SUPERVISORIAL DISTRICTS) (3 VOTES)

SUBJECT

Request approval to amend the Specialty Medical Services Agreements to add to the scope of services; allow an increase in rates for certain classifications of Physicians in the Specialty Medical Services Agreements and Physician Registry Services Agreements; extend the term of the Specialty Medical Services Agreements and Physician Registry Services Agreements; and delegate authority to execute an Apportionment Consulting Services Master Agreement with qualified consultants.

IT IS RECOMMENDED THAT THE BOARD:

1. Delegate authority to the Director of Health Services (Director), or his designee, to amend the form Part-Time/Intermittent Specialty Medical Services (SMS) Agreements for the provision of specialty physician services at Department of Health Services (DHS) Medical Facilities, effective upon Board approval, to expand the current scope of work to include activities that require physician services such as: quality assurance/utilization review, eConsult, and concurrent and post service review of admission for DHS managed care patients at Out-of-Network hospitals with no change to the maximum rates approved by the Board.

2. Authorize the Director, or his designee, to: (1) increase the maximum hourly compensation rate under the SMS Agreements and the Physician Registry Services (PRS) Agreements for Emergency Medicine (EM) physicians, from $225 per hour to $260 per hour, with an increase in the on-call rate from $112.50 per hour to $130 per hour; effective upon Board approval through the term of the Agreements.

3. Delegate authority to the Director, or his designee, to extend the SMS and PRS Agreements, for up to two additional one-year periods, through June 30, 2017 subject to prior review and approval by County Counsel and notification to the Board and the Chief Executive Office (CEO).

4. Delegate authority to the Director, or his designee, to execute standard form SMS and PRS Agreements, effective on execution through June 30, 2015 or later during the additional two one-year extension periods, if exercised, as needed with additional qualified physicians/physician registries that agree to the County's terms and conditions, and at rates of payment not to exceed those approved by the Board, subject to prior review and approval by County Counsel and notification to the Board and the CEO.

5. Delegate authority to the Director, or his designee, to execute an Apportionment Consulting Services (ACS) Master Agreement with Lawrence J. Rudd, M.D., J.D. and with new consultants as they are identified as qualified by DHS, at a maximum rate of $450 per hour, effective on execution through June 30, 2017 subject to prior review and approval by County Counsel and notification to the Board and the CEO.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

SMA Amendment

Approval of the first recommendation will enable DHS to amend the scope of services in the SMS Agreements in order to secure temporary/intermittent specialized physician services in areas requiring the expertise of certified physicians, such as, but not limited to: eConsult Services and quality assurance/utilization review (QA/UR) to help with the increased volume and backlogs. In addition, additional physician resources are often needed for concurrent and post service review of admission for DHS managed care patients at Out-of-Network hospitals to determine medical necessity of services provided to these patients and determine appropriateness of post discharge services for patients to maintain continuity of care until they are returned to DHS care, in addition to: peer review of Out-of-Network claims that are presented for appeals; acting as liaisons in the resolution of utilization management issues with practicing physicians; advising utilization review nurses on questions related to review guidelines and cases involving potential quality of care issues; and assisting with complex case management issues, as requested. With implementation of the Affordable Care Act (ACA), DHS has seen an increase in these activities, although the timing and volume fluctuates. The SMS Agreements are used to augment the work of County physicians in these areas.

SMA and PRS Agreements

Approval of the second recommendation will allow the Director, or his designee, to increase the maximum rate only for physicians who perform EM Services under the SMS and PRS Agreements. All other maximum rates for SMS and PRS remain the same. The current rate for EM physicians in

both Agreements was established in 2008. DHS facilities are experiencing difficulty in hiring contracted physicians who provide EM Services, especially Harbor-UCLA Medical Center (H-UCLA MC). Currently, the Emergency Medicine Department at H-UCLA MC is undergoing an expansion of its physician staff as a part of the move into a new Surgery-Emergency replacement building. One of the major expansions in staff is the addition of a fourth year to the emergency medicine residency program. The first year class will result in the anticipated increase in available staff when they reach their fourth year of training. In order to fill in the physician staffing gap until the first class reaches its fourth year, the EM Department has been given funding to obtain part-time emergency physicians to work in the Rapid Medical Exam area to provide direct patient care. The goal is to contract with a physician registry or individual physicians on a part-time intermittent basis to fill the current vacancies in order to fulfill the DHS's goal to ensure access to high-quality, patient-centered care. Unfortunately, H-UCLA MC has found that the current maximum hourly compensation rate allowable for contracted physicians and registries that provide emergency physician services is still far below the industry standard. As such, the various attempts to recruit physicians have been unsuccessful. Unless there is an increase in the maximum hourly compensation rate, H-UCLA MC will not be able to obtain enough physicians to staff the emergency department.

Approval of the third recommendation enables DHS to extend the term of the SMS and PRS Agreements through June 30, 2017. The term of the current Agreements expires June 30, 2015. Approval of the fourth recommendation will enable DHS to offer SMS and PRS Agreements to qualified physicians/physician registries during the remaining term of the Agreements and any extension periods.

ACS Master Agreement

Approval of the fifth recommendation will allow the Director, or his designee, to execute the ACS Master Agreement with Lawrence J. Rudd, M.D., J.D. who is currently providing services through an expiring Purchase Order (PO) issued by the Internal Services Department (ISD), as well as with qualified licensed medical doctors (MD) who also have a Juris Doctor (JD) degree and substantial experience in medical malpractice litigation.

DHS is responsible for making accurate and timely reports to the California State Medical Board regarding settlements of medical malpractice litigation against the County. Apportionment determinations need to be made on an intermittent, but ongoing basis to comply with mandatory reporting requirements of California Business & Professions Code Sec. 801.01. These specialized professional services are intermittent and as needed, and highly specialized as the County's apportionment determinations carry serious consequences for reported physicians and there is a heightened risk of litigation exposure as a result of the determination. Pre-qualified M.D., J.D. consultants are necessary to ensure the County makes accurate and timely reports to the California State Medical Board regarding settlements of medical malpractice litigation against the County. DHS has delegated authority to enter into ACS Master Agreement with qualified physicians with a term ending June 30, 2014. The current Board approved rate of $225 per hour was established in June 2009 and is too low to qualified candidates for the provision of Apportionment Consulting Services. There are currently no physicians with an ACS Master Agreement. Because the need is so great for this service, on February 27, 2014, the ISD issued a temporary sole source PO with Lawrence J. Rudd, M.D., J.D., at a rate higher than the current $225 rate. This temporary PO is expiring, necessitating a transition to a Board approved agreement. Thus, the Board's approval of the maximum hourly rate increase will allow DHS to execute future ACS Master Agreement with highly qualified experts to ensure compliance with the State's reporting requirements for the County.

Implementation of Strategic Plan Goals

The recommended actions support Goal 1, Operational Effectiveness of the County's Strategic Plan.

FISCAL IMPACT/FINANCING

Expenditures under all of the Agreements will vary from year to year based on the needs of the department. DHS has the responsibility for ensuring it has adequate funding prior to requesting services under the Agreements.

Funding for these services and to cover the increased hourly rates is included in the DHS Fiscal Years (FYs) 2013-14 Final Budget and 2014-15 Recommended Budget and will be requested in the future fiscal years.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

For several years, the County has contracted with approved independent physicians and physician registry agencies for the provision of as-needed and part-time physician specialty medical services to address critical staffing shortages, peak workloads, unexpected emergencies, and vacation coverage at DHS facilities.

The current SMS Agreements were approved by the Board on June 14, 2011 and the PRS Agreements with various physician registries were approved on June 9, 2010. Both types of Agreements expire June 30, 2015.

The Board approved the ACS Master Agreement for qualified consultants at a rate of $225 per hour on June 16, 2009 and the rate has remained unchanged.

All of these Agreements may be terminated when such action is deemed by the County to be in its best interest, upon advanced written notice to the Contractor, as follows: SMS Agreements and the ACS Master Agreement upon 30 days' notice; and PRS Agreements upon 10 days' notice.

Neither SMS, PRS, nor the ACS Master Agreement are Proposition A Agreements for the reason that the services are intermittent and as needed and, therefore, not subject to the Living Wage Program (Los Angeles County Code Chapter 2.201).

CONTRACTING PROCESS

All three of these physician services Agreement categories are as-needed and part-time intermittent and potential contractors complete a qualifications process before being offered an Agreement.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Board approval of the recommendations will ensure the expansion of needed services rendered towards patient care from qualified physicians; continued provision of: critically needed EM Services at H-UCLA MC and other County Medical Facilities; and uninterrupted SMS, PRS and ACS to the Department through June 30, 2017.

Respectfully submitted,

Mitchell H. Katz, M.D.
Director

MHK: ss

Enclosures

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors
Internal Services Department

ATTACHMENT A

PART-TIME/INTERMITTENT SPECIALTY MEDICAL SERVICES

PHYSICIAN SERVICES – HOURLY RATE CAP SCHEDULE

Tier 1 – Up to $260 hourly rate (up to $130.00 hourly on-call rate)

Emergency Medicine

Tier 2 – Up to $225 hourly rate (up to $112.50 hourly on-call rate)

Anesthesiology
Cardiology
Cardiothoracic Surgery
Gynecologic Oncology
Invasive Gastroenterology
Neurological Surgery
Ophthalmology
Orthopedic Surgery
Otolaryngology
Pediatric Surgery
Plastic Surgery
Radiology *(diagnostic; oncology)*
Surgery
Urology
Vascular Surgery

Tier 3 – Up to $175.00 hourly rate (up to $87.50 hourly rate)

Critical Care
Dermatology
Gastroenterology – Non-Invasive
Hematology-Oncology
Neonatal-Perinatal Medicine
Obstetrics and Gynecology
Psychiatry

Tier 4 – Up to $125.00 hourly rate (up to $62.50 hourly rate)
(All other specialties)

Allergy and Immunology
Family Medicine
Internal Medicine
- Endocrinology
- Rheumatology

Neurology
Nuclear Medicine
Pathology
Pediatrics
Physical Medicine and Rehabilitation
Preventive Medicine
- Occupational Health

ATTACHMENT B

PHYSICIAN REGISTRY SERVICE RATES

Tier 1 – Up to a maximum rate of **$2,080** per 8-hour shift or up to a maximum rate of **$260** per hour

Emergency Medicine

Tier 2 – Up to a maximum rate of **$1,800** per 8-hour shift or up to a maximum rate of **$225** per hour

Cardiology
Cardiothoracic Surgery
Gynecologic Oncology
Neurological Surgery
Ophthalmology
Orthopedic Surgery
Otolaryngology
Pediatric Surgery
Plastic Surgery
Radiology
Surgery
Urology
Vascular Surgery

Tier 3 – Up to a maximum rate of **$1,400** per 8-hour shift or up to a maximum rate of **$175** per hour

Critical Care (Internal Medicine)
Dermatology
Gastroenterology
Hematology-Oncology
Neonatal-Perinatal Medicine
Obstetrics and Gynecology
Psychiatry

Tier 4 – Up to a maximum rate of **$1,000** per 8-hour shift or up to a maximum rate of **$125** per hour

Allergy and Immunology
Family Medicine
Internal Medicine (e.g., Endocrinology, Rheumatology)
Neurology
Nuclear Medicine
Occupational Medicine
Pathology
Pediatrics
Physical Medicine and Rehabilitation

Physician Registry – Anesthesiology Services

Scheduled General Anesthesia Services:

- Up to a maximum rate of **$1,800** per 8-hour shift, or
- Up to a maximum rate of **$225** per hour
- "Hourly On-Call": up to the maximum rate of **$112.50** per hour

Supervision of Certified Registered Nurse Anesthetists Services:

- Up to the maximum rate of **$1,600** per 8-hour shift, or
- Up to the maximum rate of **$200** per hour
- "Hourly On-Call": up to the maximum rate of **$100** per hour

High Desert only (with National Medical Registry, Inc.)

Scheduled General Anesthesia Services:

- Up to a maximum rate of **$1,800** per 8-hour shift, or
- Up to a maximum rate of **$225** per hour

Per Diem Expenses:

- Not to exceed **$25.00** per day

Mileage Expenses:

- **$0.515** per mile

Lodging Expenses:

- Not to exceed **$125.00** per day
- Such lodging reimbursement without a receipt will be limited to **$20.00** per day.