



ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

35 August 7, 2018

CELIA ZAVALA
ACTING EXECUTIVE OFFICER



August 07, 2018

Los Angeles County
Board of Supervisors

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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 AMENDMENTS TO PROSTHETIC AND ORTHOTIC
APPLIANCE SERVICES MASTER AGREEMENTS
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)**

Christina R. Ghaly, M.D.
Acting Director

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

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

Tel: (213) 268-8101
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www.dhs.lacounty.gov

SUBJECT

Request approval to execute Amendments to Master Agreements with multiple contractors for the provision of Prosthetic and Orthotic Appliance Services at Department of Health Services facilities.

IT IS RECOMMENDED THAT THE BOARD:

1. Approve and instruct the Acting Director of Health Services (Director), or her designee, to execute Amendments, effective upon execution, to extend the term of the Prosthetic and Orthotic Appliance (P&O) Services Master Agreements with each of the contractors listed on Attachment A, on a month-to-month basis for up to six (6) months for the period September 1, 2018 through February 28, 2019, with an estimated net County cost of \$1,417,639 for the continued provision of P&O services for County patients.
2. Delegate authority to the Director, or her designee, during the extension period, to execute amendments to: (a) add, delete and/or change non-substantive terms and conditions in the Master Agreements, as required by your Board or to comply with federal and state law or regulation; and (b) add or delete Department of Health Services (DHS) Facilities.



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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.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the first recommendation will allow the Acting Director, or her designee, to execute Amendments, substantially similar to Exhibit I, to the Master Agreements with existing contractors, for the continued provision of P&O Services at DHS Facilities. The current Master Agreements expire August 31, 2018. The County has contracted for the provision of P&O services at DHS Facilities for several years on an as-needed basis. Contractors provide a variety of prosthetic and orthotic appliances, as well as certified prosthetists and orthotists whose duties include measurement, fabrication, fitting, adjustment, and delivery of appliance(s); and to train patients on the use of such appliance(s), when applicable. In an ongoing effort to meet the changing needs of its patient population, DHS plans to issue a new solicitation for these services in mid-August 2018 and will use this extension period to complete the solicitation process.

Approval of the second recommendation will allow the Director, or her designee, during the extension period, to execute Amendments to the P&O Master Agreement to: (a) add, delete and/or change non-substantive terms and conditions in the Master Agreement, as required by your Board or to comply with federal and state law or regulation; (b) incorporate necessary changes within the scope of work; and (c) add or delete DHS sites and locations.

Implementation of Strategic Plan Goals

The recommended actions support Strategy II.2, "Support the Wellness of Our Communities" of the County's Strategic Plan.

FISCAL IMPACT/FINANCING

Funding is included in the DHS Fiscal Year (FY) 2018-2019 Final Budget.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On August 9, 2016, the Board approved DHS' request to execute amendments extending the current P&O service Master Agreements for a one-year period from September 1, 2016 through August 31, 2017, with the option to extend the Master Agreements for an additional one-year period through August 31, 2018. The Master Agreements will expire, as all of the extension options have been exercised. During the term of the Master Agreements, a DHS workgroup reviewed the Department's utilization of P&O services. One of the workgroup's primary objectives was to analyze previously identified issues with the placement of orders and delivery of services. DHS has used the traditional approach of a Master Agreement, which leads to an indefinite number of participating contractors available to provide services. This approach creates an excess of available contractors and leads to contractor dissatisfaction due to insufficient assigned work and aggressive contractor marketing practices, which are only enhanced by the absence of an enterprise-wide process for the distribution/assignment of orders among participating vendors. Additionally, the current Master Agreements lack the flexibility needed to meet the fluctuating needs of the County's patient population. The workgroup sought to improve the provision of P&O services by: 1) developing a solicitation that leads to a hybrid Master Agreement which limits the number of participating contractors on a per-Facility basis, in order to meet the specific patient volume per DHS Facility, 2) implementing an enterprise-wide process for assignment of orders with patient choice as the primary method of assigning orders, and in cases in which the patient is unable to select a Contractor, the attending physician at the DHS Facility will make the contractor selection based on the patient's

need and by contractor's expertise, and 3) including language in the solicitation to provide DHS with the flexibility to temporarily suspend the solicitation and potentially reopen the solicitation periodically to select additional vendors depending on the fluctuating needs of the County's patient population.

The P&O Master Agreements are not Proposition "A" agreements due to the extraordinary nature of the services, which cannot be otherwise provided by County personnel. The services are intermittent and as-needed and, therefore, not subject to the Living Wage Program (Los Angeles County Code Chapter 2.201).

The Master Agreements may be terminated for convenience by the County upon 10 day prior written notice. Rates are standardized throughout all County facilities.

The Master Agreement includes all Board of Supervisors' required provisions, including the most recent provisions – Compliance with County's Zero Tolerance Policy on Human Trafficking and Default Method of Payment: Direct Deposit or Electronic Funds Transfer.

County Counsel has approved Exhibit I as to form.

CONTRACTING PROCESS

This is for an Amendment to extend the term of existing Master Agreements with Contractors who were selected through a solicitation process.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommendations will ensure continued provision of P&O services to meet patient needs at Facilities.

The Honorable Board of Supervisors

8/7/2018

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Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Christina R. Ghaly".

Christina R. Ghaly, M.D.

Acting Director

CRG:dd:nc

Enclosures

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

**PROSTHETIC AND ORTHOTIC
APPLIANCE SERVICES**

QUALIFIED VENDORS

1. 8374 Corporation DBA Lerman and Son
8710 Wilshire Blvd. Beverly Hills, CA 90211
Contact: Denise Leiter, Vice President
Phone: (310) 659-2290 Fax: (310) 659-5849
Email: Leiter@aol.com

2. Dynamic Orthotics and Prosthetics, Inc.
1830 West Olympic Blvd. #123 Los Angeles, CA 90006
Contact: Peter J. Sean, Chief Executive Officer, Certified Orthotist Prosthetist
Phone: (213) 383-9212 Fax: (213) 383-6421
Email: Sharonc@walkagain.com

3. Hanger Prosthetics & Orthotics West, Inc.
4155 East La Palma Ave. B400 Anaheim, CA 92807
Contact: Richard Taylor, President
Phone: (714) 996-9500 Fax: (714) 961-2182
Email: cconti@hanger.com

4. Performance Prosthetic Orthotic Center Inc. DBA Performance Prosthetics and
Orthotics Specialists
2820 Santa Monica Blvd. Santa Monica, CA 90404
Contact: Albert Rappoport, President
Phone: (310) 829-2322 Fax: (310) 315-3634
Email: Performance@pobox.com

5. Valley Institute of Prosthetics and Orthotics, Inc.
1524 21st St. Suite B Bakersfield, CA 93301
Contact: Maria Ochoa, Administrator
Phone: (661) 864-2429 Fax: (661) 322-0528
Email: mochoa@vipoinc.com

6. Alpha Orthopedic Appliance Company, Inc.
5940 East Washington Blvd. Commerce, CA 90040
Contact: Mark S. Yamaka, President
Phone: (323) 721-6706 Fax: (323) 721-6746
Email: alphaprosthetics@yahoo.com

7. Ocular Prosthetics, Inc.
321 N. Larchmont Blvd. #711 Los Angeles, CA 90004
Contact: Stephen E. Haddad, President
Phone: (323) 462-6004 Fax: (323) 462-4939
Email: haddadbco@ocularpro.com

8. Ortho Engineering, Inc.
1750 La Cienega Blvd. Los Angeles, CA 90035
Contact: Gevorg Ashkharikian
Phone: (310) 559-5996 Fax: (310) 559-5003
Email: Georgejr@orthoengineering.com

9. Precision Orthotics & Prosthetic, Inc.
2550 Beverly Blvd. Suite 201 Los Angeles, CA 90057
Contact: Kwon Yi, CEO
Phone: (213) 388-5847 Fax: (213) 388-5848
Email: daviderickson.popi@gmail.com

10. Human Designs Prosthetics & Orthotics Laboratory
2933 Long Beach Blvd. Long Beach, CA 90806
Contact: Andrea V. Ferraco, General Manager
Phone: (562) 988-2414 Fax: (562) 490-2831
Email: aferraco@humandesigns.com

Agreement No.: _____

PROSTHETIC AND ORTHOTIC APPLIANCE SERVICES

Amendment No.

THIS AMENDMENT is made and entered into this ____ day of August, 2018,

By and between

COUNTY OF LOS ANGELES
(hereafter "County"),

And

CONTRACTOR
(hereafter "CONTRACTOR")

Business Address:

WHEREAS, reference is made to that certain document entitled "PROSTHETIC AND ORTHOTIC APPLIANCE SERVICES AGREEMENT", dated _____ and further identified as Agreement No. _____, including any amendments thereto (all hereafter referred to as "Agreement"); and

WHEREAS, all existing Agreement term extension options have been exercised by the County, and the Agreement shall expire on August 31, 2018; and

WHEREAS, it is the intent of the parties hereto to amend the Agreement to extend the term and to provide for the other changes as set forth herein; and

WHEREAS, Agreement, Paragraph 9.1, Amendments, provides that such changes may be made in the form of an Amendment, which is formally approved and executed by the parties; and

WHEREAS, Contractor warrants that it possesses the competence, expertise and personnel necessary to provide services consistent with the requirements of this Agreement and consistent with the professional standard of care for these services.

NOW, THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:

1. This Amendment shall commence and be effective upon execution.

2. The Agreement is hereby incorporated by reference, and all of its terms and conditions, including capitalized terms defined therein, shall be given full force and effect as if fully set forth herein.
3. Agreement, Paragraph 4.0, Term of Master Agreement, is deleted in its entirety and replaced to read as follows:

"4.0 TERM OF MASTER AGREEMENT

- 4.1 This Agreement is effective on March 1, 2010. The initial term of this Agreement shall expire on August 31, 2018. At the end of the initial term, the County shall have the option to extend the Agreement term for up to six (6) months. The extensions options shall be exercised automatically by the County, unless the County provides the Contractor with a prior notice of its intent not to renew the Agreement for the following month at least two (2) weeks prior to the beginning of that month.
 - 4.3 The County maintains databases that track/monitor Contractor performance history. Information entered into such databases may be used to a variety of purposes, including determining whether the County will exercise a contract term extension option."
4. Agreement, Paragraph 9.10, Consideration of Hiring Gain/Grow Program Participants, is deleted in its entirety and replaced to read as follows:

"9.9 CONSIDERATION OF HIRING GAIN/GROW PARTICIPANTS FOR EMPLOYMENT

- 9.9.1 Should the Contractor require additional or replacement personnel after the effective date of this Agreement, the Contractor shall give consideration for any such employment openings to participants in the County's Department of Public Social Services Greater Avenues for Independence (GAIN) Program or General Relief Opportunity for Work (GROW) Program who meet the Contractor's minimum qualifications for the open position. For this purpose, consideration shall mean that the Contractor will interview qualified candidates. The County will refer GAIN/GROW participants by job category to the Contractor. Contractors shall report all job openings with job requirements to: GAINGROW@dpss.lacounty.gov and bservices@wdacs.lacounty.gov and DPSS will refer qualified GAIN/GROW job candidates."

5. Agreement is modified to add Paragraph 9.56, Default Method of Payment: Direct Deposit or Electronic Funds Transfer, to read as follows:

“9.56 DEFAULT METHOD OF PAYMENT: DIRECT DEPOSIT OR ELECTRONIC FUNDS TRANSFER

- 9.56.1 The County, at its sole discretion, has determined that the most efficient and secure default form of payment for goods and/or services provided under an agreement/contract with the County shall be Electronic Funds Transfer (EFT) or direct deposit, unless an alternative method of payment is deemed appropriate by the Auditor-Controller (A-C).
- 9.56.2 The Contractor shall submit a direct deposit authorization request via the website <https://directdeposit.lacounty.gov> with banking and vendor information, and any other information that the A-C determines is reasonably necessary to process the payment and comply with all accounting, record keeping, and tax reporting requirements.
- 9.56.3 Any provision of law, grant, or funding agreement requiring a specific form or method of payment other than EFT or direct deposit shall supersede this requirement with respect to those payments.
- 9.56.4 At any time during the duration of this Agreement, a Contractor may submit a written request for an exemption to this requirement. Such request must be based on specific legal, business or operational needs and explain why the payment method designated by the A-C is not feasible and an alternative is necessary. The A-C, in consultation with the contracting department(s), shall decide whether to approve exemption requests.”

6. Agreement is modified to add Paragraph 9.57, Compliance with Fair Chance Employment Practices, to read as follows:

“9.57 COMPLIANCE WITH FAIR CHANCE EMPLOYMENT PRACTICES

Contractor shall comply with fair chance employment hiring practices set forth in California Government Code Section 12952, Employment Discrimination: Conviction History. Contractor’s

violation of this paragraph of the Agreement may constitute a material breach of the Master Agreement. In the event of

such material breach, County may, in its sole discretion, terminate the Master Agreement.”

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

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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, or designee, 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: _____ for
Christina R. Ghaly, M.D.
Acting Director of Health Services

CONTRACTOR

By: _____
Signature

Printed Name

Title

APPROVED AS TO FORM:
MARY C. WICKHAM
County Counsel

By _____
Victoria Mansourian
Principal Deputy County Counsel