



**ADOPTED**  
BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

30 May 31, 2016

LORI GLASGOW  
EXECUTIVE OFFICER

Los Angeles County  
Board of Supervisors

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First District

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Second District

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Fourth District

Michael D. Antonovich  
Fifth District

May 31, 2016

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 THE MEDICAL SCHOOL AFFILIATION  
AGREEMENT BETWEEN THE COUNTY OF LOS ANGELES AND THE  
REGENTS OF THE UNIVERSITY OF CALIFORNIA  
(2nd AND 5th SUPERVISORIAL DISTRICTS)  
(3 VOTES)**

Mitchell H. Katz, M.D.  
Director

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

Christina R. Ghaly, M.D.  
Chief Operations Officer

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[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.*

**SUBJECT**

Approval of an Amendment to the Affiliation Agreement with the Regents of the University of California to add additional purchased services for Fiscal Year 2016-17, increase the annual maximum obligation of the Agreement by \$890,100, and make a finding that contracting for the provision of physician services can be performed more feasibly by contracting with the private sector.

**IT IS RECOMMENDED THAT THE BOARD:**

1. Approve and instruct the Chair of the Board of Supervisors to execute Amendment No. 9 to Agreement No. H-702099 with the Regents of the University of California, on behalf of its Los Angeles Campus and Medical School (University), for the provision of physician medical education and patient care services at Harbor-UCLA Medical Center (H-UCLA MC) and Olive View-UCLA Medical Center (OV-UCLA MC), effective upon Board approval, to: a) increase the number of County residents enrolled in various County training programs at H-UCLA MC; b) adjust the annual salary of University housestaff to cover the salary increases granted by University to its housestaff for Fiscal Years 2015-16 and 2016-17; and c) increase the maximum obligation accordingly from \$29,986,705 to \$30,876,805 for the period July 1, 2016 through June 30, 2017.



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2. Make a finding as required by Los Angeles County Code section 2.121.420 that contracting for the provision of physician services (trainee and non-trainee) at H-UCLA MC and OV-UCLA MC, as described herein, can be performed more feasibly by contracting with the private sector.

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

Approval of the first recommendation will allow the Chair to execute the Amendment (Exhibit I) to this Agreement with University to increase the physician medical education and patient care services at H-UCLA MC and OV-UCLA MC for Fiscal Year (FY)2016-17; and provide the additional services described below.

Additional County Residents at H-UCLA MC:

H-UCLA MC plans to add the following County housestaff (22.0 Full-time Equivalents or FTE) in various County training programs accredited by the Accreditation Council for Graduate Medical Education (ACGME). Since such housestaff are County employees, there is no additional contract cost, but it will still require an amendment to the existing agreement.

**Emergency Medicine.** The Board previously approved H-UCLA MC's Surgery/ Emergency Replacement Project to increase the hospital's capacity and ensure continued compliance with the accrediting organizations. The project provided for the expansion of H-UCLA MC's Emergency Medicine residency training program by increasing the length of the program from three to four years and increasing the resident complement from 15 to 16 residents during each of the four years. In FY 2016-17, the increase of 16.0 FTEs completes this transition of the resident training program from 48.0 to 64.0 FTEs. Since such residents are County housestaff, there is no cost to the Affiliation Agreement.

**Family Practice.** The Family Practice resident training program consists of 36 residents participating in a three year resident training program. The addition of 1.0 FTE for year four provides for a second Chief Resident to maintain the supervision, teaching, inpatient care, outpatient clinical care and administrative responsibilities of this large resident training program. Family Medicine Clinic is a Patient Centered Medical Home that is key to the H-UCLA MC's competitiveness in a managed care environment. The Chief Resident is a County housestaff and there is no cost to the Affiliation Agreement.

**Internal Medicine and Neurology.** H-UCLA MC's residency training program for FY 2015-16 includes 18.0 FTEs for year one transitional residents that undergo general training through rotations through multiple services. In FY 2016-17, H-UCLA MC is opting to re-distribute 13.0 FTEs from the transitional year to Internal Medicine (10.0 FTEs) and Neurology (3.0 FTEs) to provide broader training experiences in these programs that have a heavy clinical workload demand. In addition, this re-distribution results in increased capacity for patient care in both primary and specialty care.

**Orthopedic Surgery.** In May 2015 the Orthopedic Residency Review Committee (RRC) of the Accreditation Council of Graduate Medical Education (ACGME) granted an increase in the complement of residents from 4 to 5 FTEs in each of the five years of the training program, based upon the demonstrated increased demand for Orthopedic services in the operating room, on the inpatient wards, and in the outpatient clinics. The addition of 1.0 FTE for year one will help to improve the quality of Orthopedic education and surgical training of this large residency training program. Since these residents are County housestaff, there is no cost to the Affiliation Agreement.

**Surgery.** In 2013 the Surgery RRC of the ACGME approved an increase in the resident complement

in Surgery from 5 to 6 per year due to the increased volume of patients cared for and the larger number of operative cases performed by the surgical residents. The addition of 1.0 FTE in general surgery for year six provides for a one-year fellowship to complement the Surgery resident training program in improving the quality of care, efficiency, and patient safety. The addition of 1.0 FTE for Surgery Critical Care provides for a one-year fellowship, which was approved in the FY 2015-16 Final Budget. These 2.0 FTEs resident fellows are County housestaff and there is no cost to the Affiliation Agreement.

Anesthesiology/Trauma. H-UCLA MC is a Level I Trauma Center and Anesthesiology/Trauma performs a critical role in providing trauma care. The addition of 1.0 FTE Anesthesia/Trauma fellow to the Trauma Team will help to ensure anesthesia services are available in-house at all times. The Anesthesia/Trauma fellow will help to improve service delivery in terms of patient care and will provide for dedicated full-time county staff in lieu of a contract physician. These resident fellows are County housestaff and there is no cost to the Affiliation Agreement.

H-UCLA MC also plans to add County housestaff (1.0 FTE) to a non-AGCME accredited County training program by sending a County resident to the University's National Clinician Scholars Program (NCSP). This program offers unique clinical and community-based research training through intensive mentorship for clinicians as change agents driving policy-relevant research and partnerships to improve health and healthcare. The program aims to create the next generation of leaders to understand and improve healthcare through creative solutions, integration of interventions at the levels of public policy, medical practice and community environments, resources and value. This two-year leadership program consists of a standardized curriculum, health system and research projects, career mentoring, policy work, and clinical and patient care activities. DHS desires to enroll a qualified County physician at H-UCLA MC to participate in NCSP, effective July 1, 2016 through June 30, 2018 at a cost of \$138,000 for FY 2016-17 and \$143,000 for FY 2017-18.

#### Increase in Housestaff Salaries at OV-UCLA MC:

Based upon the recommendation of the Council of Teaching Hospitals (COTH), the University increased the housestaff compensation levels for its resident physicians for FY 2015-16 and may similarly again increase housestaff compensation levels for resident physicians in FY 2016-17. These increases allow the University to achieve parity with national median housestaff salaries. The revised salary scale aims to ensure the University salaries remain competitive with national trends and that graduate medical education programs continue to attract qualified candidates. The COTH increase for FY 2015-16 of \$371,352 was funded by the University within the existing Affiliation Agreement for FY 2015-16 only. In FY 2016-17, this COTH increase plus another FY 2016-17 COTH increase of \$380,748 will be funded with DHS' existing resources effective July, 2016.

Approval of the second recommendation continues prior Board findings that contracting for the provision of physician services (trainee and non-trainee) under this Amendment at H-UCLA MC and OV-UCLA MC can still be performed more feasibly by contracting with the private sector.

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

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

**FISCAL IMPACT/FINANCING**

The County's maximum obligation under the Affiliation Agreement will increase from \$29,986,705 to \$30,876,805 in FY 2016-17 for a total increase of \$890,100 (H-UCLA MC \$138,000 and OV-UCLA MC \$752,100). Funding for this Agreement is included in DHS' FY 2016-17 Recommended Budget, and will be requested in future fiscal years as needed.

**FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

DHS entered into the current Agreement with UCLA effective July 1, 2006 through June 30, 2011, with automatic annual extensions, unless either party serves notice of non-renewal to the other party.

On April 12, 2016 the Board most recently approved an amendment to the Affiliation Agreement and made the finding as required by Los Angeles County Code section 2.121.420 that contracting for the provision of physician services (trainee and non-trainee) at Mid-Valley Comprehensive Health Center can be performed more feasibly by contracting with the private sector.

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

A complete summary of the changes is shown on Attachments I and II.

**CONTRACTING PROCESS**

Given the nature and scope of the services provided by UCLA under the Agreement, as well as the historic relationship between the County and UCLA, the Department determined that it was not feasible to competitively bid this agreement.

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

The Agreement will continue the provision of clinical and academic services at H-UCLA MC and OV-UCLA MC.

The Honorable Board of Supervisors

5/31/2016

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Respectfully submitted,

A handwritten signature in black ink that reads "Mitchell Katz". The signature is written in a cursive style with a large, sweeping "M" and a stylized "Katz".

Mitchell H. Katz, M.D.

Director

MHK:jn

Enclosures

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

**COST SUMMARIZED BY FACILITY**

Fiscal Year 2016-17

The maximum County obligation under the amended Agreement in FY 2016-17 will be \$30,876,805 for H-UCLA MC and OV-UCLA MC.

<b>Facility</b>	<b>Current Agreement</b>	<b>Amended Agreement</b>	<b>Variance</b>
H-UCLA MC	\$10,177,000	\$10,315,000	\$138,000
OV-UCLA MC	\$19,809,000	\$20,561,805	\$752,100
<b>Total UCLA</b>	<b>\$29,986,705</b>	<b>\$30,876,805</b>	<b>\$890,100</b>

<b>H-UCLA MC</b>	
<b>Description</b>	<b>Program Cost</b>
Housestaff Fellowship – Health Services Clinical Scholar	\$138,000
<b>Gross Total H-UCLA MC</b>	<b>\$138,000</b>
Funding Sources:	
Department of Health Services	-\$138,000
<b>Net Total H-UCLA MC</b>	<b>\$0</b>

<b>OV-UCLA MC</b>	
<b>Description</b>	<b>Program Cost</b>
University Housestaff Salary Adjustment – COTH Increase	\$752,100
<b>Gross Total OV-UCLA MC</b>	<b>\$0</b>
Funding Sources:	
Department of Health Services	\$752,100
<b>Net Total OV-UCLA MC</b>	<b>\$0</b>

### COUNTY AND UNIVERSITY TRAINING PROGRAMS

Amendment Exhibit I lists the County and University training programs in place at H-UCLA MC and OV-UCLA MC excluding training programs with no changes. Changes to the training programs are as follows:

<b>H-UCLA MC</b>			
Description	FY 2015-16 (FTE)	FY 2016-17 (FTE)	FTE Change
<b><u>FTE increases in ACGME Accredited County training programs:</u></b>			
Emergency Medicine	48.00	64.00	16.00
Family Practice	36.00	37.00	1.00
Transitional Year	18.00	5.00	-13.00
Internal Medicine	56.00	66.00	10.00
Neurology	9.00	12.00	3.00
Orthopedic Surgery	20.00	21.00	1.00
Surgery	47.00	49.00	2.00
Anesthesiology/Trauma	0.00	1.00	1.00
<b>Sub-Total H-UCLA MC</b>	<b><u>234.00</u></b>	<b><u>255.00</u></b>	<b><u>21.00</u></b>
<b><u>FTE increases in Non-ACGME Accredited County training programs:</u></b>			
Health Services Fellow	0	1	1
<b>Sub-Total H-UCLA MC</b>	<b><u>0</u></b>	<b><u>1</u></b>	<b><u>1</u></b>
<b>Total H-UCLA MC</b>	<b>234.00</b>	<b>256.00</b>	<b>22.00</b>

<b>OV-UCLA MC</b>			
Description	FY 2015-16 (FTE)	FY 2016-17 (FTE)	FTE Change
<b><u>FTE increase in ACGME Accredited University training programs:</u></b>			
	<u>0</u>	<u>0</u>	<u>0</u>
<b><u>FTE increases in ACGME Accredited County training programs:</u></b>			
	<u>0</u>	<u>0</u>	<u>0</u>
<b><u>FTE increases in Non-ACGME Accredited County training programs:</u></b>			
	<u>0</u>	<u>0</u>	<u>0</u>
<b>Total OV-UCLA MC</b>	<b>0</b>	<b>0</b>	<b>0</b>

**AFFILIATION AGREEMENT**

Amendment No. 9

THIS AMENDMENT is made and entered into this 31st day  
of May, 2016,

by and between

COUNTY OF LOS ANGELES  
(hereafter "County")

and

THE REGENTS OF THE UNIVERSITY OF  
CALIFORNIA, ON BEHALF OF ITS LOS  
ANGELES CAMPUS AND SCHOOL OF  
MEDICINE (hereafter "University").

WHEREAS, reference is made to that certain document entitled "AFFILIATION AGREEMENT", dated July 1, 2006, and any amendments thereto (all hereafter referred to as "Agreement");

WHEREAS, it is the intent of the parties hereto to amend Agreement to increase the Agreement amount by \$890,100, not to exceed a total contract cost of \$30,876,805 and to provide for the other changes set forth herein;

WHEREAS, said Agreement provides that changes may be made in the form of a written amendment, which is formally approved and executed by both 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 date of Board approval.
2. Any reference in Amendment No. 8 to Exhibit 1-I.a-5, Exhibit 1-II.a-5, Exhibit 2-I.a-5, Exhibit 2-II.a-5, Addendum A-1.a-5, Addendum A-II.a-5, and Addendum A-III.a-5 shall refer to the updated Exhibits and Addenda Exhibit 1-

I.a-6, Exhibit 1-II.a-6, Exhibit 2-I.a-6, Exhibit 2-II.a-6. Addendum A-I.a-6, Addendum A-II.a-6, and Addendum A-III.a-6, as applicable, and shall be added to the Agreement, attached hereto and incorporated by reference.

3. The following prior Amendments to this Agreement shall be revised to correct calculation errors, as follows:

a. The Calendar Year (CY) 2014-15 Full Time Equivalent (FTE) subtotal of Paragraph 1-I.2, ACGME-Accredited County Training Programs, Exhibit 1-I.a, Amendment No. 6 shall be corrected to read 508.

b. The CYs 2014-15 and 2015-16 FTE subtotals of Paragraph 1-I.2, ACGME-Accredited County Training Programs, Exhibit 1-I.a-4, Amendment No. 7 shall be corrected to read 508 and 509, respectively.

c. The CYs 2014-15 and 2015-16 FTE subtotals of Paragraph 1-I.2, ACGME-Accredited County Training Programs, Exhibit 1-I.a-5, Amendment No. 8 shall be corrected to read 508 and 509, respectively.

All FTE grand totals in the Exhibits above shall be adjusted accordingly.

4. Except for the changes set forth herein, the remaining terms and conditions of the Agreement shall remain in full effect.

/

/

IN WITNESS WHEREOF, Contractor has executed this Amendment, or caused it to be duly executed and the County of Los Angeles, by order of its Board of Supervisors has caused this Amendment to be executed on its behalf by the Chair of said Board and attested by the Executive Officer-Clerk of the Board of Supervisors thereof, the day and year first above written.

CONTRACTOR:

THE REGENTS OF THE UNIVERSITY OF CALIFORNIA, ON BEHALF OF ITS LOS ANGELES CAMPUS AND SCHOOL OF MEDICINE

I hereby certify that pursuant to Section 25103 of the Government Code, delivery of this document has been made.

LORI GLASGOW  
Executive Officer  
Clerk of the Board of Supervisors

By Carla Little  
Deputy

By John R. Hiett  
Name  
Vice Dean for Faculty  
Title

David Goffin Som at UCLA

COUNTY OF LOS ANGELES

By Hilda F. Solis  
Chair, Board of Supervisors

ATTEST:  
LORI GLASGOW  
Executive Officer  
Clerk of the Board of Supervisors

By Carla Little



APPROVED AS TO FORM:  
MARY C. WICKHAM  
County Counsel

By [Signature]  
Principal Deputy County Counsel

**ADOPTED**  
BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

# 30 MAY 31 2016

Lori Glasgow  
LORI GLASGOW  
EXECUTIVE OFFICER

76850 Supplement No. 6

**EXHIBIT 1-I.a-6**

**County and University Training Programs - Coastal**

**1-I.1 ACGME-Accredited University Training Programs.** University Training Programs shall include the following ACGME-accredited training programs which are based at Ronald Reagan UCLA Medical Center, pursuant to this Agreement:

Fiscal Year (FY):	<b>FY 15-16</b>	<b>FY 16-17</b>
	<u>FTEs</u>	<u>FTEs</u>
Internal Medicine – Gastroenterology	3.00	3.00
Internal Medicine – Rheumatology	1.00	1.00
Preventative Medicine	3.00	3.00
Surgery – Neurosurgery	2.00	2.00
Surgery – Ophthalmology	6.00	6.00
Surgery – Otolaryngology (Head & Neck)	5.00	5.00
Surgery – Plastic	1.00	1.00
Surgery – Urology	2.00	2.00
<b>Subtotal</b>	<b>23.00</b>	<b>23.00</b>

**1-I.2 ACGME-Accredited County Training Programs.** County Training Programs shall include the following ACGME-accredited training programs which are based at Los Angeles County - Harbor-UCLA Medical Center, pursuant to this Agreement.

Fiscal Year (FY):	<b>FY 15-16</b>	<b>FY 16-17</b>
	<u>FTEs</u>	<u>FTEs</u>
Anesthesiology	20.00	20.00
Anesthesiology/Trauma	0.00	1.00
Emergency Medicine	48.00	64.00
Emergency Medicine – Ultrasound	1.00	1.00
Family Practice	36.00	37.00
Family Medicine - Faculty Development	2.00	2.00
Family Medicine - Sports Medicine	1.00	1.00
Internal Medicine	56.00	66.00
Internal Medicine - Cardiology	15.00	15.00
Internal Medicine - Cardiology Interventional	3.00	3.00
Internal Medicine – Dermatology	5.00	5.00
Internal Medicine - Electrophysiology	2.00	2.00
Internal Medicine – Endocrinology	9.00	9.00
Internal Medicine - Advanced Interventional and Endosonography	2.00	2.00
Internal Medicine - Hematology/Oncology	13.00	13.00
Internal Medicine - Infectious Disease	4.00	4.00
Internal Medicine – Nephrology	7.00	7.00
Internal Medicine – Pulmonary	7.00	7.00
Neurology	9.00	12.00

**EXHIBIT 1-1.a-6**

	<b>FY 15-16</b>	<b>FY 16-17</b>
	<u>FTEs</u>	<u>FTEs</u>
Neurology – Child	3.00	3.00
Neurology - Neurophysiology/EEG	2.00	2.00
Obstetrics and Gynecology	20.00	20.00
OB/Gyn - Female Pelvic Reconstructive Surgery	3.00	3.00
Orthopedic Surgery	20.00	21.00
Pathology	16.00	16.00
Pediatrics	30.00	30.00
Pediatric Child Abuse	1.00	1.00
Pediatrics - Critical Care	6.00	6.00
Pediatrics – Endocrinology	3.00	3.00
Pediatrics – Gastroenterology	1.00	1.00
Pediatrics - Emergency Medicine	3.00	3.00
Pediatrics - Infectious Disease	3.00	3.00
Pediatrics - Medical Genetics	1.00	1.00
Pediatrics – Neonatal	8.00	8.00
Psychiatry	32.00	32.00
Psychiatry – Child	8.00	8.00
Radiology	24.00	24.00
Radiology - Body Imaging	2.00	2.00
Radiology - Breast Imaging	1.00	1.00
Radiology – Interventional	1.00	1.00
Radiology – Neuroradiology	1.00	1.00
Radiology – Nuclear	1.00	1.00
Surgery	47.00	49.00
Surgery - General Practice –Dental	4.00	4.00
Surgery - Oral and Maxillofacial Surgery	8.00	8.00
Surgery – Vascular	2.00	2.00
Transitional Year	18.00	5.00
<b>Subtotal</b>	<b>509.00</b>	<b>530.00</b>

**1-1.3 Non-ACGME-Accredited County Training Programs.** County Training Programs shall include the following non-ACGME-accredited training programs which are based at Los Angeles County - Harbor-UCLA Medical Center, pursuant to this Agreement:

Fiscal Year (FY):	<b>FY 15-16</b>	<b>FY 16-17</b>
	<u>FTEs</u>	<u>FTEs</u>
Internal Medicine - General	2.00	2.00
OB/Gyn - Maternal Fetal Medicine	3.00	3.00
OB/Gyn- Women’s Health	1.00	1.00
Orthopedic Surgery - Foot and Ankle	1.00	1.00
Health Services Clinical Scholar	0.00	1.00
Subtotal	<u>7.00</u>	<u>8.00</u>
<b>Grand Total</b>	<b>539.00</b>	<b>561.00</b>

**EXHIBIT 1-II.a-6**

**County and University Training Programs - Valley Care Cluster**

**1-II.1 ACGME-Accredited University Training Programs.** University Training Programs shall include the following ACGME-accredited training programs which are based at Ronald Reagan UCLA Medical Center, pursuant to this Agreement.

Fiscal Year (FY):	<b>FY 15-16</b>	<b>FY 16-17</b>
	<u>FTE</u>	<u>FTEs</u>
Anesthesiology	2.00	2.00
Emergency Medicine OV/UC	28.00	28.00
Family Medicine	4.00	4.00
Family Medicine - Mid-Valley	4.50	4.50
Internal Medicine - Cardiology	5.00	5.00
Internal Medicine - Dermatology	1.00	1.00
Internal Medicine - Gastroenterology	1.00	1.00
Internal Medicine - Infectious Disease	2.00	2.00
Internal Medicine - Pulmonary	3.00	3.00
Neurology	3.00	3.00
Obstetrics-Gynecology	14.00	14.00
Obstetrics-OV/UCGyn-Onc, UrolGyn	1.50	1.50
Ophthalmology	5.00	5.00
Pediatrics	11.00	11.00
Psychiatry *	18.00	18.00
Radiology	7.00	7.00
Surgery - General	7.00	7.00
Surgery - Head & Neck	3.00	3.00
Surgery - Plastic	2.50	2.50
Surgery - Ortho	4.50	4.50
Urology	3.00	3.00
Subtotal	<b><u>130.00</u></b>	<b><u>130.00</u></b>

\* See Paragraph A-II.3. Volume of Purchased Services.

**1-II.2 ACGME-Accredited County Training Programs.** County Training Programs shall include the following ACGME-accredited training programs which are based at Los Angeles County – Olive View-UCLA Medical Center, pursuant to this Agreement:

Fiscal Year (FY):	<b>FY 15-16</b>	<b>FY 16-17</b>
	<u>FTEs</u>	<u>FTEs</u>
Internal Medicine - General	79.75	79.75
Internal Medicine - Hematology/Oncology	11.00	11.00
Internal Medicine - Nephrology	5.00	5.00
Internal Medicine - Rheumatology	2.00	2.00
Internal Medicine – Sleep Medicine	1.00	1.00
Subtotal	<b><u>98.75</u></b>	<b><u>98.75</u></b>

EXHIBIT 1-II.a-6

**1-II.3 Non-Accredited County Training Programs.** County Training Programs shall include the following non-ACGME accredited training programs which are based at Los Angeles County-Olive View-UCLA Medical Center, pursuant to this Agreement:

Fiscal Year (FY):	<b>FY 15-16</b>	<b>FY 16-17</b>
	<u>FTEs</u>	<u>FTEs</u>
Pathology	0.50	0.50
<b>Grand Total</b>	<b>229.25</b>	<b><u>229.25</u></b>

**EXHIBIT 2-I.a-6**

**Coastal Cluster**

The following shall constitute the Coastal Cluster:

Los Angeles County - Harbor-UCLA Medical Center

Harbor-UCLA Family Health Center

Long Beach Comprehensive Health Center

Bellflower Health Center

Wilmington Health Center

Martin Luther King, Jr. Outpatient Center

Los Angeles County Public Health Department Service Locations  
(Preventative Medicine and Health Services Clinical Scholar Fellowships Only)

Los Angeles County Department of Mental Health Service Locations  
(Only for Purchased Services funded by DMH)

Other Los Angeles County Department of Health Services Service Locations  
(Preventative Medicine and Health Services Clinical Scholar Fellowships Only)

The Primary County Facilities shall include those facilities within the Coastal Cluster and Los Angeles County which are so identified in Addendum A-I.a-6.

**EXHIBIT 2-II.a-6**

**Valley Care Cluster**

The following shall constitute the Valley Care Cluster:

Los Angeles County - Olive View-UCLA Medical Center

Los Angeles County – Olive View Urgent Care Center

Mid-Valley Comprehensive Health Center

Glendale Health Center

San Fernando Health Center

The Primary County Facilities shall include those facilities within the Valley Care Cluster which are so identified in Addendum A-II.a-6.

## ADDENDUM A-I.a-6

### Purchased Services - Coastal Cluster (including Harbor)

#### Fiscal Year (FY) 2016-17

- A-I.1. General.** Payment for Purchased Services will be calculated based on a combination of fixed and variable payments, as set forth in § A-I.4. In no event shall the fixed or variable rates or the payment methodology under this Addendum A be revised more frequently than every twelve (12) months.
- A-I.2. Fixed and Variable Costs.** The Parties agree that payment for Purchased Services should reflect the following variable costs: (a) program directors, (b) faculty members, (c) faculty trauma surgery, otolaryngology, anesthesia and pediatrics augmentation, (d) faculty recruitment/retention augmentation (e) informatics and (f) radiologists. Pursuant to § 2.5.2.2, County shall also reimburse University for its cost for any University Housestaff assigned to Primary County Facilities. The following UCLA and County fixed costs (including salary and benefits where applicable), which may vary within a given range of programs and Housestaff: (a) overall academic infrastructure, including graduate medical education fees, (b) Medhub/AmlOn, (c) University Representative, (d) University Graduate Medical Education Dean, and (e) University's administrative personnel.
- A-I.3. Volume of Purchased Services.** For FY 16-17, University shall provide Purchased Services as needed within the ranges set forth in this Addendum. In the event that County's needs fall outside of such ranges, the Parties may negotiate a different volume of services for specific line items; but as provided in § A-I.1, the fixed and variable rates set forth in § A-I.4 shall not vary during the course of the Contract Year.

Under §A-1.2, Faculty Members cost includes \$260,000 for faculty funded by the Department of Mental Health (DMH). The provision of these services beyond FY 16-17 is contingent upon continued funding provided by DMH. The County shall provide notice to the University at least 60 days prior to the start of any such Academic Year if there is a reduction or elimination of such DMH funding. The Parties agree that the provision of any such DMH-funded services shall not be subject to any DMH-specific documentation requirements

Under §A-1.2, the Public Health Preventative Medicine Fellowship is included that is jointly funded by the Department of Public Health and Department of Health Services. This two year training program consists of two fellows per year. Exhibit 1-I.a.4 includes two Year 1 and one Year 2 Preventative Medicine FTEs for FY 16-17 that will cost approximately \$163,000. The estimated annual on-going cost, once all four FTEs are filled, will be \$314,000 for four Preventative Medicine FTEs. Section §A-1.2 includes one Health Services Clinical Scholar Fellowship that is jointly sponsored and funded by the University and Department of Health Services. The fellow will participate in the National Clinician Scholars Program, UCLA Southern California Clinician Leaders Program at a cost of \$138,000 for year 1 and \$143,000 for year 2.

- A-I.4 Fixed, Unit and Total Payments.** During FY 16-17, County shall compensate University as follows (prices are rounded to the nearest \$500).

**ADDENDUM A-I.a-6**

<u>Variable Costs</u>	<u>FY 15-16 Total Price</u>	<u>FY16-17 Total Price</u>
Program Directors	\$2,240,000	\$2,240,000
Faculty Members	\$1,060,000	\$1,060,000
University Housestaff Salaries	\$1,058,500	\$1,196,500
Radiologists	\$ 678,000	\$ 678,000
Faculty Trauma Surgery, Otolaryngology, Anesthesia & Pediatrics Augmentation	\$2,434,000	\$2,434,000
Faculty Recruitment/Retention Augmentation	\$1,000,000	\$1,000,000
Informatics Program	\$ 359,000	\$ 359,000
<b>Total Variable Costs:</b>	<b><u>\$8,829,500</u></b>	<b><u>\$8,967,500</u></b>
<u>Fixed Costs</u>	<u>FY15-16 Total Price</u>	<u>FY16-17 Total Price</u>
Academic Infrastructure	\$1,070,000	\$ 1,070,000
Verinform / AmlOn	\$ 100,000	\$ 100,000
University Representative	\$ 34,000	\$ 34,000
GME Dean	\$ 41,000	\$ 41,000
Administrative Personnel	\$ 102,500	\$ 102,500
Associate Dean Harbor-UCLA		
<b>Total Fixed Costs:</b>	<b><u>\$1,347,500</u></b>	<b><u>\$ 1,347,500</u></b>
<b>Total Coastal Payment:</b>	<b><u>\$10,177,000</u></b>	<b><u>\$ 10,315,000</u></b>

**A-I.5 Intentionally Omitted.**

**A-I.6 Faculty Recruitment & Retention Fund.** Addendum A includes a faculty recruitment and retention fund in the amount of \$1,000,000 annually to assist in the recruiting of new faculty, sign-on bonuses, academic advancement bonuses, and search firms, advertising and travel. To ensure accountability, the Facility Joint Planning Operations Committee will make all determinations regarding the use of this fund.

**A-I.7 Primary County Facilities.** The following facilities shall constitute the Primary County Facilities within County's Coastal Cluster:

**ADDENDUM A-I.a-6**

Los Angeles County - Harbor-UCLA Medical Center

Harbor-UCLA Family Health Center

Long Beach Comprehensive Health Center

Bellflower Health Center

Wilmington Health Center

Martin Luther King, Jr. Outpatient Center

Department of Public Health Service Locations  
(Preventative Medicine and Health Services Clinical Scholar Fellowships Only)

Department of Mental Health Service Locations  
(Only for Purchased Services funded by DMH)

Other Department of Health Services Locations  
(Preventative Medicine and Health Services Clinical Scholar Fellowships Only)

**ADDENDUM A-II.a-6**

**Purchased Services - Valley Care Cluster (including Olive View)**

**Fiscal Year (FY) 2016-17**

**A-II.1 General.** Payment for Purchased Services will be calculated based on a combination of fixed and variable payments, as set forth in § A-II.4. In no event shall the fixed or variable rates or the payment methodology under this Addendum A be revised more frequently than every twelve (12) months.

**A-II.2 Fixed and Variable Costs.** The Parties agree that payment for Purchased Services should reflect the following variable costs: (a) program directors, (b) faculty members, (c) attendees at Mid-Valley Comprehensive Health Center Family Medicine, hospitalists, and (d) faculty recruitment/retention augmentation. Pursuant to § 2.5.2.2, County shall also reimburse University for its cost for any University Housestaff assigned to Primary County Facilities. The following UCLA and County fixed costs (including salary and benefits where applicable), which may vary within a given range of programs and Housestaff: (a) overall academic infrastructure, including graduate medical education fees, (b) Medhub/AmlOn, (c) University Representative, (d) University Graduate Medical Education Dean, and (e) University's administrative personnel.

**A-II.3. Volume of Purchased Services.** For FY 15-16, University shall provide Purchased Services as needed within the ranges set forth in this Addendum. In the event that County's needs fall outside of such ranges, the Parties may negotiate a different volume of services for specific line items.

Under Paragraph 1-II.1, Exhibit 1-II.a-6, § 1.II.1, six of the 18 psychiatry FTEs are fully funded by the Department of Mental Health for services to be provided at the DMH Olive View Urgent Care Center. Notwithstanding the above paragraph, the provision of these additional FTEs for any period beyond FY 16-17 shall be contingent upon continued funding by DMH. The County shall provide notice to the University at least 60 days prior to the start of any such Academic Year if there is any anticipated reduction or elimination of such DMH funding. The total number of FTEs to be provided shall then be reduced accordingly.

**A.II.4 Fixed, Unit and Total Payments.** During FY 16-17, County shall compensate University as follows (all prices are rounded to the nearest \$500):

<u>Variable Costs</u>	<u>FY 15-16</u> <u>Total Price</u>	<u>FY 16-17</u> <u>Total Price</u>
Program Directors	\$ 658,000	\$ 658,000
Faculty Members	\$ 589,500	\$ 589,500
Attendees (Mid Valley CHC, Family Care, 1.5 FTEs)	\$ 327,490	\$ 327,490
University Housestaff Salaries	\$ 15,440,767	\$ 16,192,867
Physicians (Hospitalist)	\$ 285,000	\$ 285,000

**ADDENDUM A-II.a-6**

Physicians (Mid Valley CHC, Ortho, 0.09 FTE)	\$ 27,648	\$ 27,648
Faculty Recruitment/Retention Augmentation	\$ 568,300	\$ 568,300
<b>Total Variable Costs:</b>	<b><u>\$ 17,896,705</u></b>	<b><u>\$ 18,648,805</u></b>

<u>Fixed Costs</u>	<u>FY 15-16 Total Price</u>	<u>FY16-17 Total Price</u>
Academic Infrastructure	\$1,703,500	\$ 1,703,500
Verinform / AmlOn	\$ 35,000	\$ 35,000
University Representative	\$ 31,000	\$ 31,000
GME Dean	\$ 41,000	\$ 41,000
Administrative Personnel	\$ 102,500	\$ 102,500
Total Fixed Costs:	<u>\$1,913,000</u>	<u>\$ 1,913,000</u>

**Total Valley Care Payment:** \$19,809,705 \$ 20,561,805

**A-II.5 COTH Housestaff Salary Adjustment**

Based upon the recommendation of the Council of Teaching Hospitals (COTH), the University increased the housestaff compensation levels for resident physicians for FY 15-16 by \$371,352 (1.75% salaries and 6.07% benefits). For FY 16-17, the housestaff compensation levels for resident physicians is expected to increase by \$380,748 (1.7% salaries and 11% benefits). These COTH increases are not expected to exceed the 5% delegated authority granted to the DHS Director to increase annual allocations for University housestaff salaries to address approved compensation increases. University and DHS agreed to fund the FY 15-16 COTH increase within the FY 15-16 contract budget for one year (in FY 15-16 only). Effective with FY 16-17, parties agree that the COTH increase will be funded by Valley Care Cluster for both FY 15-16 and FY 16-17, upon execution of an amendment to this Agreement by the parties.

**A-II.6 Faculty Recruitment & Retention Augmentation.** Addendum A includes a faculty recruitment and retention fund in the amount of \$568,300 annually to assist in the recruiting of new faculty, sign-on bonuses academic advancement bonuses, and search firms, advertising and travel. To ensure accountability, the Facility Joint Planning Operations Committee will make all determinations regarding the use of this fund.

**A-II.7 Primary County Facilities.** The following facilities shall constitute the Primary County Facilities within County's Valley Care Cluster:

- Los Angeles County -Olive View-UCLA Medical Center
- Los Angeles County – Olive View Urgent Care Center
- Mid-Valley Comprehensive Health Center
- Glendale Health Center
- San Fernando Health Center

ADDENDUM A-III.a-6

Total Payments

Fiscal Year (FY) 2016-17

	<u>FY 15-16</u>	<u>FY 16-17</u>
Coastal Purchased Services	\$ 10,177,000	\$10,315,000
Valley Care Purchased Services	\$ 19,809,705	\$20,561,805
<b>Total Payment</b>	<b>\$29,986,705</b>	<b>\$ 30,876,805</b>