



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

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

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

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

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

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

33 May 31, 2016

LORI GLASGOW
EXECUTIVE OFFICER

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 AMENDMENTS TO FIVE MASTER AGREEMENTS
FOR RADIOLOGY AND TELERADIOLOGY SERVICES
(ALL DISTRICTS)
(3 VOTES)**

SUBJECT

Request approval of Amendments to extend the terms of five Master Agreements with various contractors for the continued provision of as-needed radiology and teleradiology services for the Department of Health Services.

IT IS RECOMMENDED THAT THE BOARD:

1. Authorize the Director of Health Services (Director), or his designee, to execute Amendments to the Master Agreements with five Contractors: 1) Echo Tech Imaging, Inc., 2) Fortino Castaneda, M.D., Inc., 3) NexxRad Teleradiology Partners, Inc., 4) STAT Radiology Medical Corporation and 5) U.S. Radiology On-Call, Inc., effective upon execution, to extend the term of each Master Agreement for the period of July 1, 2016 through June 30, 2017, for the continued provision of as-needed, temporary radiology and teleradiology services for multiple Department of Health Services (DHS or Department) facilities, at a total estimated cost of \$2,547,275.
2. Delegate authority to the Director, or his designee, to execute future Amendments to the Master Agreements to: i) extend the term of these five Agreements for up to six additional months, at an estimated cost of \$1,272,138, ii) comply with American Medical Association (AMA) revisions, Medicare and/or Medi-Cal program revisions and reimbursement directives, and iii) incorporate and/or revise certain non-substantive terms and conditions

subject to review and approval by County Counsel, with notice to the Chief Executive Office (CEO) and the Board.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The five Contractors provide as-needed on-site radiologists to multiple DHS facilities to provide professional interpretations of imaging examinations and radiographic studies. They also provide assistance with the completion of examinations, studies and radiological procedures that include fluoroscopy, computed tomography, magnetic resonance imaging (MRI), nuclear medicine, ultrasound and imaging-guided interventional radiographic examinations. As to teleradiology services, the Contractors provide remote reading sites for the receipt and transmission of radiological images from multiple DHS facilities. At these reading sites, a radiologist provides the interpretation of imaging examinations and radiographic studies performed with images transmitted electronically or via courier from a DHS facility.

Approval of the first recommendation will allow the Director, or his designee, to execute Amendments, substantially similar to Exhibit I, to the Radiology and Teleradiology Services Master Agreements. These Amendments will allow for the continued provision of as needed radiology and teleradiology services at Harbor-UCLA Medical Center, High Desert Regional Health Center, Martin Luther King, Jr. Outpatient Center, Olive View-UCLA Medical Center and Rancho Los Amigos National Rehabilitation Center. The current Master Agreements will expire on June 30, 2016.

Approval of the second recommendation will authorize the Director to execute Amendments that will further extend the Master Agreement term for up to a maximum of six months through December 31, 2017 and incorporate and/or revise non-substantive terms, conditions and Board required provisions, make revisions in compliance with the AMA and implement revised program and reimbursement directives that may be issued by Medicare and/or Medi-Cal.

The Department has experienced some delays with the solicitation and is currently finalizing the document with the identification of additional interpretive studies that may need to be incorporated into the statement of work and also reviewing the current rates for adjustments, as necessary, to the preliminary and final rates per interpretive study.

The recommended Amendments will ensure the continued availability of as-needed on-site radiology services and off-site teleradiology services through June 30, 2017, during which time the Department will release and complete a solicitation process for successor Agreements.

Implementation of Strategic Plan Goals

The recommended action supports Goal 3, Integrated Services Delivery, of the County's Strategic Plan.

FISCAL IMPACT/FINANCING

The total estimated cost for the extension period of July 1, 2016 through June 30, 2017 is \$2,547,275 for all five Master Agreements. If the optional extension is exercised, the estimated cost is \$1,272,138 for the period July 1, 2017 through December 31, 2017. Attachment A provides a breakdown of the estimated costs for each Facility. Funding for these services is included in the Fiscal Year 2016-17 Recommended Budget and will be requested in the future Fiscal Year as needed.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Board approved the Master Agreements on September 21, 2010 with four Contractors to provide as-needed on-site radiology services and off-site teleradiology services to multiple DHS facilities. The four Contractors were selected through an open competitive solicitation process. The Board also delegated authority to the Director to execute Master Agreements with other qualified and interested vendors who meet the DHS certification criteria and accept the County rates of payment for these services.

DHS exercised its delegated authority in December 2014 to add one additional Contractor. Subsequently the solicitation was closed as there are currently a sufficient number of agencies under contract to meet the needs of DHS.

The services provided under this Master Agreement allow for the provision of as-needed radiology and teleradiology services which County employees, specifically radiologists, are not available to perform during peak workload periods and emergencies.

The radiology and teleradiology services provided under this Master Agreement are exempt from Proposition A contracting guidelines because the services are needed on an intermittent and as-needed basis, per the exclusion listed in the County Code, Section 2.121.250(B)(4). The services are not subject to the Living Wage Program and do not impact Board Policy No. 5.030, "Low Cost Labor Resource Program" because of the specialized training and education required to perform the work.

The termination provisions of each Master Agreement allow for termination by the County with or without cause with a 30-day advance written notice by the County.

County Counsel has approved Exhibit I as to form.

CONTRACTING PROCESS

The current Master Agreements with radiology and teleradiology providers were executed as a result of a Request for Statement of Qualifications (RFSQ) solicitation process.

During the extension period, DHS will release a new RFSQ to identify interested and qualified agencies, and will return to the Board with recommendations of potential contractors for successor Master Agreements.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Board approval of the recommended actions will ensure the continued provision of critical as-needed radiology and teleradiology services for the patients served by DHS facilities.

The Honorable Board of Supervisors

5/31/2016

Page 4

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:ms

Enclosures

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

Agreement No. H-_____

RADIOLOGY AND TELERADIOLOGY SERVICES MASTER AGREEMENT

Amendment No. 3

THIS AMENDMENT is made and entered into this _____ day
of _____, 2016,

By and between COUNTY OF LOS ANGELES
(hereafter "County")

And _____
(hereafter "Contractor")

Business Address:

WHEREAS, reference is made to that certain document entitled "MASTER AGREEMENT BY AND BETWEEN COUNTY OF LOS ANGELES AND CONTRACTOR. FOR RADIOLOGY AND TELERADIOLOGY SERVICES", dated September 21, 2010, and further identified as County Agreement No. H-_____, (hereafter referred to as "Agreement"); and

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

WHEREAS, the Agreement provides that changes in accordance to Paragraph 9.1, AMENDMENTS, 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 agree as follows:

1. This Amendment shall commence and be effective on the date hereinabove written.
2. Paragraph 4, TERM OF MASTER AGREEMENT, of the Agreement shall be deleted in its entirety and replaced as follows:

"4. TERM OF MASTER AGREEMENT

4.1 This Master Agreement is effective upon the date of its execution by the Director of DHS or his/her designee as authorized by the Board of Supervisors and shall expire on June 30, 2017 unless sooner extended or terminated, in whole or in part, as provided herein.

4.2 The term of this Agreement may be extended by Director of Health Services, or his designee, beyond the stated expiration date of June 30, 2017, for a period of time not to exceed six (6) months, through December 31, 2017, subject to the availability of federal, State, or County funding sources, and upon mutual written agreement of the parties. If such funding is not forthcoming, this Agreement shall terminate June 30, 2017.

4.3 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 an Agreement term extension option.

4.4 The Contractor shall notify DHS when this Master Agreement is within six (6) months from the expiration of the term as provided for hereinabove. Upon occurrence of this event, the Contractor shall send written notification to DHS at the address herein provided in Exhibit C – County's Administration section."

3. Paragraph 5, AGREEMENT SUM AND MAXIMUM OBLIGATION OF COUNTY, Subsection 5.1 of the body of the Agreement shall be deleted in its entirety and replaced as follows:

“5. MASTER AGREEMENT SUM

5.1 During the term of this Master Agreement, effective date of execution by the Director of DHS or his/her designee through June 30, 2017, Contractor shall be compensated at the rates set forth in Exhibit B, Pricing Schedule—Compensation Rates Radiology and Teleradiology Services of the Master 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 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

By _____
Signature

Printed Name

Title

APPROVED AS TO FORM:
Mary C. Wickham
County Counsel

By _____
Jason C. Carnevale,
Deputy County Counsel