May 5, 2014

MEMORANDUM

TO: CLSD Board of Directors

FROM: Richard Perry

SUBJECT: JOINT OPERATING GROUP (JOG) AGREEMENT

Attached is a proposed agreement forming a partnership between CLSD and RCMS for the purpose of oversight of the new Urgent Care service.

This agreement is the result of numerous discussions between representatives of both organizations. There remains only a single point in which agreement was not reached. That point is on appointment of the members of the JOG Board. The agreement as proposed would have the CLSD appointing two members of the BOD and two community members. RCMS would appoint two members of the BOD and one community member. The RCMS BOD would prefer that the two members representing the two boards on the JOG appoint the three community representatives. The proposed language differs as follows:

As Written:

6.1 The JOG will consist two members of the CLSD Board of Directors or their designees, two members of the RCMS Board of Directors or their designees, two community representatives selected by the CLSD Board, and one community representative selected by the RCMS Board.

As proposed by the RCMS Board

6.1 The JOG will consist of two members of the CLSD Board of Directors or their designees, two members of the RCMS Board of Directors or their designees, and three community representatives, to be picked and replaced as needed by the JOG Board members representing CLSD and RCMS.

Once the agreement is tentatively approved it needs to be reviewed by the County Counsel or some other attorney familiar with government law.

COAST LIFE SUPPORT DISTRICT
RESOLUTION 223-B

JOINT MANAGEMENT AGREEMENT

A RESOLUTION OF THE COAST LIFE SUPPORT DISTRICT (CLSD) AUTHORIZING A JOINT MANAGEMENT AGREEMENT BETWEEN THE (C.L.S.D.) AND REDWOOD COAST MEDICAL SERVICES ("RCMS") FOR THE ESTABLISHMENT OF AN URGENT CARE JOINT MANAGEMENT GROUP ("JOG")

Agreement

Section 1: Participants

The initial participants are CLSD and RCMS. Other participants may become a Party to this agreement upon approval of the CLSD and RCMS Boards and by the new party executing a revised version of this agreement.

Section 2: Purpose

The main objective of this initial JOG Agreement is to provide general oversight and policy direction to the Urgent Care program (the Medical Director at RCMS will retain medical direction of the actual program executed by RCMS under contract with CLSD). However, the JOG shall also have a secondary goal of helping CLSD and RCMS jointly develop and start executing a longer term vision for additional medical services needed and desired by our Community.

Section 3: Powers

The JOG is authorized, in its own name, to exercise all powers and do all acts necessary and proper to carry out the provisions of this Agreement consistent with the contract between CLSD and RCMS and the requirements governing Health Centers (see Appendix). These powers include, but not limited to:

3.1 Consult with the Medical Director on direct and/or contractual employment of personnel necessary to provide urgent care services.

3.2 Approve budgets and monitor the financial transactions of urgent care operations including such things as revenues, operating and capital expenses, reserves and staff position salary ranges.

3.3 Adopt rules, regulations, policies and procedures for the functioning of this Joint Operations Group

Section 4: Funding

4.1 RCMS Staff shall develop and submit to the JOG Board members an annual budget of revenues and expenses for all operations, equipment, capital and other expenses deemed to be necessary to provide annual urgent care services.

4.2 The annual budget shall be presented to the CLSD and RCMS Boards either jointly or separately for purposes of receiving approval of the Urgent Care service plans for the subsequent year and to provide CLSD with a basis to set the annual tax rate.

4.3 The total budget and actual expenditures shall not exceed the sum of patient revenues and anticipated tax revenues collected by CLSD unless the source and amount of additional funds are identified (for example: extra funds from RCMS).

4.4 The JOG is encouraged to work with the CLSD and RCMS BODs to seek expanded funding beyond tax monies.

Section 5: Reports

5.1 The JOG Board members shall be provided reports regarding the numbers and types of patient visits, expenses, revenues, budget status and other information deemed necessary by the JOG. JOG shall be provided on a quarterly basis the survey of patient satisfaction and approve the survey.

5.2 The reports shall protect the generally accepted medical confidentiality requirements.

5.3 These reports shall be made available to the CLSD and RCMS Boards.

5.4 The JOG shall nominate one of its members to serve as a member of the RCMS Audit Committee in the annual RCMS independent audit to be made by an independent certified public accountant.

Section 6: Composition of Joint Operations Group

6.1 The JOG will consist two members of the CLSD Board of Directors or their designees, two members of the RCMS Board of Directors or their designees, two community representatives selected by the CLSD Board, and one community representative selected by the RCMS Board.

6.2 The CLSD Board of Directors and the RCMS Board of Directors shall each appoint one alternative JOG Board member who may vote on matters when one of their regular JOG Board member is absent from a JOG meeting.

6.3 The CLSD District Administrator and the RCMS CEO shall serve as ex-officio members of the JOG. They are responsible for supporting the JOG with regular reports and needed staff work. (In this initial Agreement, it is not contemplated that the JOG will have its own staff).

6.4 If additional Parties become participants of this agreement they may have up to two appointees to the JOG.

6.5 Each member shall serve at the pleasure of the governing Party that the Director represents, and may be removed as Director by such governing body at any time. If at any time a vacancy occurs, a replacement shall be appointed to fill the position in accordance with the provisions of Section 6.1 within 90 days of the vacancy

6.6 A majority of the JOG Board members shall constitute a quorum for JOG meetings.

6.7 The JOG Board may establish committees consisting of a smaller number of JOG Board members, community representatives and knowledgeable

professionals to investigate or analyze various relevant topics. However, the JOG Board may not delegate its authority under Section 3.

6.8 Selection of JOG Board Officers

6.8.1 Chair and Vice Chair

The JOG Board members shall select, from among themselves, a Chair, who shall be the presiding officer of all JOG Board meetings, and a Vice Chair, who shall serve in the absence of the Chair. The term of office of the Chair and Vice Chair shall continue for one year, but there shall be no limit on the number of terms held by either the Chair or Vice Chair. The office of either the Chair or Vice Chair shall be declared vacant and a new selection shall be made if: (a) the person serving dies or resigns, or the Party that the person represents removes the person as its representative on the JOG Board or (b) the Party that he or she represents withdraws form the Authority pursuant to the provisions of this Agreement.

6.8.2 Secretary

The JOG shall appoint a Secretary, who need not be a member of the JOG Board, who shall be responsible for keeping the minutes of all meetings of the JOG and all other official records of the JOG.

6.9 Liability of JOG Board members

The members of the JOG shall use ordinary care and reasonable diligence in the exercise of their powers and in the performance of their duties pursuant to this Agreement. No current or former member of the JOG will be responsible for any act or omission by another member.

Section 7: Meetings

7.1 The JOG shall meet at least once monthly unless the majority of the JOG Board determines at times it is unnecessary.

7.2 The JOG will meet at least once annually with the CLSD and RCMS Boards jointly or separately to present a draft UC budget and discuss the state of Urgent Care Services

7.3 Regular meetings may be adjourned to another meeting time and special meetings may be called when necessary.

7.4 JOG Board members may participate in meetings telephonically with full voting rights.

7.5 Meetings shall be conducted in accordance with the provisions of the Ralph M. Brown Act (California Government Code Section 54950) and documents shall be available to the public in accordance with the California Public Records Act (California Government Code Section 6250 – 6270).

Section 8: Staffing

In addition to the ex-officio members, the JOG may request that other CLSD and RCMS staff attend the JOG meetings as felt to be necessary by the JOG.

Section 9: Termination of this Agreement

This agreement may be terminated by the joint mutual agreement of the two parties expressed in a written agreement which states the date of termination of this agreement. In the event mutual agreement cannot be reached by parties hereto, this agreement may be terminated by either party upon 60 day written notice.

Section 10 Amendment of this Agreement

10.1 This Agreement may be amended only by an affirmative vote of the majority of both the CLSD and RCMS Boards.

10.2 Assignment.

Except as otherwise expressly provided in this Agreement, the rights and duties of the Parties may not be assigned or delegated without the advance written consent of the other Party(s).

10.3 Severability

If one or more clauses, sentences, paragraphs or provisions of this Agreement shall be held to be unlawful, invalid or unenforceable, it is hereby agreed by the Parties, that the remainder of the Agreement shall not be affected thereby. Such clauses, sentences, paragraphs or provision shall be deemed reformed so as to be lawful, valid and enforced to the maximum extent possible.

Section 11: Effective Date

The effective date of the JOG shall be the date that the CLSD and RCMS Boards of Directors approve this agreement.

SIGNATURE

IN WITNESS WHEREOF, the CLSD Board of Directors hereto have executed this Agreement establishing the Joint Management Group

By: _____

Name:_____

Title: _____

By: _____

Name:_____

Title: _____

By: _____

Name:_____

Title: _____

By: _____

Name:_____

Title: _____

By: _____

Name:_____

Title: _____

By: _____

Name:_____

Title: _____

By: _____

Name:_____

Title: _____

Revised July 2011

Summary of Health Center Program Requirements

Health centers are non-profit private or public entities that serve designated medically underserved populations/areas or special medically underserved populations comprised of migrant and seasonal farmworkers, the homeless or residents of public housing. A summary of the key health center program requirements is provided below. For additional information on these requirements, please review:

- Health Center Program Statute: Section 330 of the Public Health Service Act (42 U.S.C. §254b)
- Program Regulations (42 CFR Part 51c and 42 CFR Parts 56.201-56.604 for Community and Migrant Health Centers)
- Grants Regulations (45 CFR Part 74)

Summary of Key Health Center Program Requirements	
NEED	
1.	**Needs Assessment:** Health center demonstrates and documents the needs of its target population, updating its service area, when appropriate. (Section 330(k)(2) and Section 330(k)(3)(J) of the PHS Act)
SERVICES	
2.	**Required and Additional Services:** Health center provides all required primary, preventive, enabling health services and additional health services as appropriate and necessary, either directly or through established written arrangements and referrals. (Section 330(a) of the PHS Act) **Note:** Health centers requesting funding to serve homeless individuals and their families must provide substance abuse services among their required services. (Section 330(h)(2) of the PHS Act)
3.	**Staffing Requirement:** Health center maintains a core staff as necessary to carry out all required primary, preventive, enabling health services and additional health services as appropriate and necessary, either directly or through established arrangements and referrals. Staff must be appropriately licensed, credentialed, and privileged. (Section 330(a)(1), (b)(1)- (2), (k)(3)(C), and (k)(3)(I) of the PHS Act)
4.	**Accessible Hours of Operation/Locations:** Health center provides services at times and locations that assure accessibility and meet the needs of the population to be served. (Section 330(k)(3)(A) of the PHS Act)
5.	**After Hours Coverage:** Health center provides professional coverage during hours when the center is closed. (Section 330(k)(3)(A) of the PHS Act)
6.	**Hospital Admitting Privileges and Continuum of Care:** Health center physicians have admitting privileges at one or more referral hospitals, or other such arrangement to ensure continuity of care. In cases where hospital arrangements (including admitting privileges and membership) are not possible, health center must firmly establish arrangements for hospitalization, discharge planning, and patient tracking. (Section 330(k)(3)(L) of the PHS Act)

Summary of Key Health Center Program Requirements	
7.	**Sliding Fee Discounts:** Health center has a system in place to determine eligibility for patient discounts adjusted on the basis of the patient's ability to pay. • This system must provide a full discount to individuals and families with annual incomes at or below 100% of the Federal poverty guidelines (only nominal fees may be charged) and for those with incomes between 100% and 200% of poverty, fees must be charged in accordance with a sliding discount policy based on family size and income.* • No discounts may be provided to patients with incomes over 200 % of the Federal poverty guidelines.* (Section 330(k)(3)(G) of the PHS Act and 42 CFR Part 51c.303(f))
8.	**Quality Improvement/Assurance Plan:** Health center has an ongoing Quality Improvement/Quality Assurance (QI/QA) program that includes clinical services and management, and that maintains the confidentiality of patient records. The QI/QA program must include: • a clinical director whose focus of responsibility is to support the quality improvement/assurance program and the provision of high quality patient care;* • periodic assessment of the appropriateness of the utilization of services and the quality of services provided or proposed to be provided to individuals served by the health center; and such assessments shall: * ○ be conducted by physicians or by other licensed health professionals under the supervision of physicians;* ○ be based on the systematic collection and evaluation of patient records;* and ○ identify and document the necessity for change in the provision of services by the health center and result in the institution of such change, where indicated.* (Section 330(k)(3)(C) of the PHS Act, 45 CFR Part 74.25 (c)(2), (3) and 42 CFR Part 51c.303(c)(1-2))
MANAGEMENT AND FINANCE	
9.	**Key Management Staff:** Health center maintains a fully staffed health center management team as appropriate for the size and needs of the center. Prior review by HRSA of final candidates for Project Director/Executive Director/CEO position is required. (Section 330(k)(3)(H)(ii) of the PHS Act and 45 CFR Part 74.25 (c)(2), (3))
10.	**Contractual/Affiliation Agreements:** Health center exercises appropriate oversight and authority over all contracted services, including assuring that any subrecipient(s) meets Health Center program requirements. (Section 330(k)(3)(I)(ii), 42 CFR Part 51c.303(n), (t)), Section 1861(aa)(4) and Section 1905(l)(2)(B) of the Social Security Act, and 45 CFR Part 74.1(a) (2)))

NOTE: Portions of program requirements notated by an asterisk **"*"** indicate regulatory requirements that are recommended ***but not required*** for grantees that receive funds solely for Health Care for the Homeless (section 330(h)) and/or the Public Housing Primary Care (section 330(i)) Programs.

Summary of Key Health Center Program Requirements	
11.	**Collaborative Relationships:** Health center makes effort to establish and maintain collaborative relationships with other health care providers, including other health centers, in the service area of the center. The health center secures letter(s) of support from existing Federally Qualified Health Center(s) in the service area or provides an explanation for why such letter(s) of support cannot be obtained. (Section 330(k)(3)(B) of the PHS Act)
12.	**Financial Management and Control Policies:** Health center maintains accounting and internal control systems appropriate to the size and complexity of the organization reflecting Generally Accepted Accounting Principles (GAAP) and separates functions appropriate to organizational size to safeguard assets and maintain financial stability. Health center assures an annual independent financial audit is performed in accordance with Federal audit requirements, including submission of a corrective action plan addressing all findings, questioned costs, reportable conditions, and material weaknesses cited in the Audit Report. (Section 330(k)(3)(D), Section 330(q) of the PHS Act and 45 CFR Parts 74.14, 74.21 and 74.26)
13.	**Billing and Collections:** Health center has systems in place to maximize collections and reimbursement for its costs in providing health services, including written billing, credit and collection policies and procedures. (Section 330(k)(3)(F) and (G) of the PHS Act)
14.	**Budget:** Health center has developed a budget that reflects the costs of operations, expenses, and revenues (including the Federal grant) necessary to accomplish the service delivery plan, including the number of patients to be served. (Section 330(k)(3)(D), Section 330(k)(3)(I)(i), and 45 CFR Part 74.25)
15.	**Program Data Reporting Systems:** Health center has systems which accurately collect and organize data for program reporting and which support management decision making. (Section 330(k)(3)(I)(ii) of the PHS Act)
16.	**Scope of Project:** Health center maintains its funded scope of project (sites, services, service area, target population, and providers), including any increases based on recent grant awards. (45 CFR Part 74.25)
GOVERNANCE	

NOTE: Portions of program requirements notated by an asterisk **"*"** indicate regulatory requirements that are recommended ***but not required*** for grantees that receive funds solely for Health Care for the Homeless (section 330(h)) and/or the Public Housing Primary Care (section 330(i)) Programs.

Summary of Key Health Center Program Requirements	
17.	**Board Authority:** Health center governing board maintains appropriate authority to oversee the operations of the center, including: • holding monthly meetings; • approval of the health center grant application and budget; • selection/dismissal and performance evaluation of the health center CEO; • selection of services to be provided and the health center hours of operations; • measuring and evaluating the organization's progress in meeting its annual and long-term programmatic and financial goals and developing plans for the long-range viability of the organization by engaging in strategic planning, ongoing review of the organization's mission and bylaws, evaluating patient satisfaction, and monitoring organizational assets and performance;* and • establishment of general policies for the health center. (Section 330(k)(3)(H) of the PHS Act and 42 CFR Part 51c.304) **Note:** In the case of public centers (also referred to as public entities) with co-applicant governing boards, the public center is permitted to retain authority for establishing general policies (fiscal and personnel policies) for the health center. (Section 330(k)(3)(H) of the PHS Act and 42 CFR 51c.304(d)(iii) and (iv)) **Note:** Upon a showing of good cause the Secretary may waive, for the length of the project period, the monthly meeting requirement in the case of a health center that receives a grant pursuant to subsection (g), (h), (i), or (p). (Section 330(k)(3)(H) of the PHS Act)
18.	**Board Composition:** The health center governing board is composed of individuals, a majority of whom are being served by the center and, who as a group, represent the individuals being served by the center in terms of demographic factors such as race, ethnicity, and sex. Specifically: • Governing board has at least 9 but no more than 25 members, as appropriate for the complexity of the organization.* • The remaining non-consumer members of the board shall be representative of the community in which the center's service area is located and shall be selected for their expertise in community affairs, local government, finance and banking, legal affairs, trade unions, and other commercial and industrial concerns, or social service agencies within the community. * • No more than one half (50%) of the non-consumer board members may derive more than 10% of their annual income from the health care industry. * **Note:** Upon a showing of good cause the Secretary may waive, for the length of the project period, the patient majority requirement in the case of a health center that receives a grant pursuant to subsection (g), (h), (i), or (p). (Section 330(k)(3)(H) of the PHS Act and 42 CFR Part 51c.304)

NOTE: Portions of program requirements notated by an asterisk **"*"** indicate regulatory requirements that are recommended ***but not required*** for grantees that receive funds solely for Health Care for the Homeless (section 330(h)) and/or the Public Housing Primary Care (section 330(i)) Programs.

Summary of Key Health Center Program Requirements	
19.	**Conflict of Interest Policy:** Health center bylaws or written corporate board approved policy include provisions that prohibit conflict of interest by board members, employees, consultants and those who furnish goods or services to the health center. • No board member shall be an employee of the health center or an immediate family member of an employee. The Chief Executive may serve only as a non-voting ex-officio member of the board.* (45 CFR Part 74.42 and 42 CFR Part 51c.304(b))

NOTE: Portions of program requirements notated by an asterisk **"*"** indicate regulatory requirements that are recommended ***but not required*** for grantees that receive funds solely for Health Care for the Homeless (section 330(h)) and/or the Public Housing Primary Care (section 330(i)) Programs.