

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS  
ACTION AGENDA SUMMARY

DEPT: CHIEF EXECUTIVE OFFICE

BOARD AGENDA # \*B-5

Urgent \_\_\_\_\_ Routine X

AGENDA DATE March 13, 2001

CEO Concurs with Recommendation YES PH NO \_\_\_\_\_  
(Information Attached)

4/5 Vote Required YES \_\_\_\_\_ NO X

SUBJECT: AUTHORIZE AN AGREEMENT FOR PROFESSIONAL SERVICES FOR POPULATION-BASED ANALYSIS OF NEEDS FOR HEALTHCARE AND OTHER COUNTY SERVICES.

STAFF RECOMMENDATIONS: AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO NEGOTIATE AND EXECUTE AN AGREEMENT FOR PROFESSIONAL SERVICES FOR DEVELOPMENT OF DEMOGRAPHIC ANALYSIS AND PROJECTION OF DEMAND FOR HEALTH SERVICES

FISCAL IMPACT: Funds for professional services to develop a comprehensive facilities master plan for the Health Services Agency have been included in the Health Services Agency budget for FY 2000-2001. In the direction provided regarding the Facilities Master Plan study on May 2, 2000, the Board instructed that if the Chief Executive Office staff conducted the Facilities Master Plan with Chief Executive Office staff, experts could be hired as necessary to assist the staff.

(Continued - Page 2)

BOARD ACTION

No. 2001-172

On motion of Supervisor Mayfield, Seconded by Supervisor Caruso, and approved by the following vote,

Ayes: Supervisors: Mayfield, Blom, Caruso, and Chair Paul

Noes: Supervisors: None

Excused or Absent: Supervisors: Simon

Abstaining: Supervisor: None

1) X Approved as recommended

2) \_\_\_\_\_ Denied

3) \_\_\_\_\_ Approved as amended

Motion:

*Christine Ferraro*

File No.

ATTEST: REAGAN M. WILSON, Clerk By: Deputy

**FISCAL  
IMPACT  
CONT':**

Professional population-based healthcare demand projection analysis would be developed in three stages at a total cost not to exceed \$114,400 (including expenses), and potentially less depending on the availability and reliability of data sources. This project will assist HSA in developing a business strategy for deployment of services and facilities pursuant to the facilities planning effort.

Part 1 will provide an indication of the use of the current services provided in each area of the county, and historical trends in changes of the population seeking HSA, Behavioral Health, Community Services and other County services. This information will be used by HSA to craft a strategic business plan for deployment of future services, from which the facilities plan can then be readied.

**DISCUSSION:**

The goal of this project is to reveal areas of need for health and human services geographically throughout Stanislaus County, and to anticipate growth and shift in demands for County services over the next twenty years.

The Facilities Master Plan effort is being led by staff from the Chief Executive Office. In the direction provided regarding the Facilities Master Plan study on May 2, 2000, the Board instructed that if the Chief Executive Office staff conducted the Facilities Master Plan with Chief Executive Office staff, experts could be hired as necessary to assist the staff.

The Health Services Agency has undergone significant changes since its formation in 1994. The combined County Hospital, Clinic system and Public Health Department began to decentralize services geographically, and ultimately shifted its services by closure of the County Hospital and the transfer of inpatient services to a community hospital. Combining this shift of services and significant changes in the County's population has resulted in the need to re-craft HSA's strategy for deployment of services County-wide.

The comprehensive facilities master plan currently in development should follow a plan for HSA operations that is based on demands for services and sound business planning. The facilities plan is ready to accept this business strategy to develop facilities needs at various County locations, but it should not pre-empt decisions affecting how services are provided. Part 1 of the proposed

services will provide sufficient analysis for HSA to craft a general plan for service deployment as needed in the facilities master planning effort.

The Part 1 services would include development of baseline population and targeted group estimates, projected over the next twenty years. Part 1 would cost between \$45,000 and \$60,000 plus 10% for reimbursable out-of-pocket expenses, depending on the extent and availability of existing and forecasted data resources.

Part 1 will provide the following products:

- Estimates of the current size and location (by zip code) of key socio-demographic groups (elderly, infant, indigent, etc.);
- An inventory of key services available and an estimate of the use rate for those services by the various demographic groups;
- Identify trends in the numbers and types of services used by population groups over the past 5-10 years – for example, to identify changes in service usage by uninsured vs. insured population, etc.
- Compare service use rates to comparable regional data;
- Compare service use rates of the population that is more distant from services to the population near existing services;
- Quantify service usage by the targeted populations.

Part 2 would include developing an optimum service provision model based on the baseline estimates, at a cost of between \$9,000 and \$15,000, plus a 10% allowance for reimbursable expenses.

Finally, the third part would include forecasts of demands and the analysis of impacts on healthcare services based on the projected needs of the population and of the targeted user groups. The Part 3 effort will cost \$18,000 to \$29,000 plus an allowance of 10% for reimbursable expenses.

The forecast modeling assumptions provided in Part 2, and the detailed projection analysis to be developed in Part 3 will provide significantly greater ability to plan for delivery of health and human services by many County departments. This analysis will provide substantially greater resources for County Planning, Behavioral Health and Recover Services, Community Services Agency, StanCOG and others to evaluate needs of specific population groups within each zip code of Stanislaus County, projected over the next twenty years.

**POLICY  
ISSUES:**

Authorization for staff to proceed with this Population-based planning analysis is consistent with the Board of Supervisors direction to establish a long-range facilities plan for the Health Services Agency, and provides additional benefits to other County departments in planning future service needs. This project specifically enhances the Board's goals of ensuring a safe and healthy community, to promote efficient government operations and to provide model community leadership.

**STAFFING  
IMPACTS:**

No additional staffing will be required. The expert team will be directed by staff of the Chief Executive Office, and the Health Services Agency, and will work with several other departments to examine comparative data and to discuss and analyze findings and products of this effort. This may include specific staff representatives of the Community Services Agency, Behavioral Health and Recovery Services, StanCOG, County Planning and Community Development and Public Works (GIS).

**AGREEMENT  
FOR  
PROFESSIONAL SERVICES**

**RECEIVED  
01 AUG -3 AM 11:32  
BOARD OF SUPERVISORS**

This Agreement For Professional Services is made and entered into by and between the County of Stanislaus ("County") and HDR Consulting ("Consultant"), on June 15, 2001 (the "Agreement").  
Architecture, Inc.

*JPP*  
*TR*

**Introduction**

WHEREAS, the County has a need for services involving projection of healthcare service demands based on current and future population needs; and

WHEREAS, the Consultant is specially trained, experienced and competent to perform and has agreed to provide such services;

NOW, THEREFORE, in consideration of the mutual promises, covenants, terms and conditions hereinafter contained, the parties hereby agree as follows:

**Terms and Conditions**

1. **Scope of Work**

1.1 The Consultant shall furnish to the County upon execution of this Agreement or receipt of the County's written authorization to proceed, those services and work set forth in **Exhibit A**, which is attached hereto and, by this reference, made a part hereof.

1.2 All documents, drawings and written work product prepared or produced by the Consultant under this Agreement, including without limitation electronic data files, are the property of the Consultant; provided, however, the County shall have the right to reproduce, publish and use all such work, or any part thereof, in any manner and for any purposes whatsoever and to authorize others to do so. If any such work is copyrightable, the Consultant may copyright the same, except that, as to any work which is copyrighted by the Consultant, the County reserves a royalty-free, non-exclusive, and irrevocable license to reproduce, publish, and use such work, or any part thereof, and to authorize others to do so. The County shall defend, indemnify and hold harmless the Consultant and its officers, employees, agents, representatives, subcontractors and consultants from and against all claims, damages, losses, judgments, liabilities, expenses and other costs, arising out of or resulting from the County's reuse of the documents and drawings prepared by the Consultant under this Agreement.

1.3 Services and work provided by the Consultant under this Agreement will be performed in a timely manner in accordance with a schedule of work set forth in

Exhibit A. If there is no schedule, the hours and times for completion of said services and work are to be set by the Consultant; provided, however, that such schedule is subject to review by and concurrence of the County.

1.4 The Consultant shall provide services and work under this Agreement consistent with the requirements and standards established by applicable federal, state and County laws, ordinances, regulations and resolutions. The Consultant represents that it will perform its work in accordance with generally accepted industry standards and practices for the profession or professions that are used in performance of this Agreement and that are in effect at the time of performance of this Agreement. Except for that representation and any representations made or contained in any proposal submitted by the Consultant and any reports or opinions prepared or issued as part of the work performed by the Consultant under this Agreement, Consultant makes no other representations, either express or implied, as part of this Agreement.

1.5 If the Consultant deems it appropriate to employ a consultant, expert or investigator in connection with the performance of the services under this Agreement, the Consultant will so advise the County and seek the County's prior approval of such employment. Any consultant, expert or investigator employed by the Consultant will be the agent of the Consultant not the County.

## 2. Consideration

2.1 The Consultant shall be as provided in Exhibit A attached hereto.

2.2 Except as expressly provided in this Agreement, Consultant shall not be entitled to nor receive from County any additional consideration, compensation, salary, wages or other type of remuneration for services rendered under this Agreement, including, but not limited to, meals, lodging, transportation, drawings, renderings or mockups. Specifically, Consultant shall not be entitled by virtue of this Agreement to consideration in the form of overtime, health insurance benefits, retirement benefits, disability retirement benefits, sick leave, vacation time, paid holidays or other paid leaves of absence of any type or kind whatsoever.

2.3 The Consultant shall provide the County with a monthly or a quarterly statement, as services warrant, of fees earned and costs incurred for services provided during the billing period, which the County shall pay in full within 30 days of the date each invoice is approved by the County. The statement will generally describe the services performed, the applicable rate or rates, the basis for the calculation of fees, and a reasonable itemization of costs. All invoices for services provided shall be forwarded in the same manner and to the same person and address that is provided for service of notices herein.

2.4 County will not withhold any Federal or State income taxes or Social Security tax from any payments made by County to Consultant under the terms and conditions of this Agreement. Payment of all taxes and other assessments on such sums is the sole responsibility of Consultant. County has no responsibility or liability for

payment of Consultant's taxes or assessments.

### 3. Term

3.1 The term of this Agreement shall be from the date of this Agreement until completion of the agreed upon services unless sooner terminated as provided below or unless some other method or time of termination is listed in Exhibit A.

3.2 Should either party default in the performance of this Agreement or materially breach any of its provisions, the other party, at that party's option, may terminate this Agreement by giving written notification to the other party.

3.3 The County may terminate this agreement upon 10 days prior written notice. Termination of this Agreement shall not affect the County's obligation to pay for all fees earned by the Consultant as provided in Paragraph 2 herein, subject to any applicable setoffs.

3.4 This Agreement may be terminated at the discretion of the County on the occurrence of (a) bankruptcy or insolvency of the Consultant, or (b) sale of Consultant's business.

### 4. Required Licenses, Certificates and Permits

Any licenses, certificates or permits required by the federal, state, county or municipal governments for Consultant to provide the services and work described in Exhibit A must be procured by Consultant and be valid at the time Consultant enters into this Agreement. Further, during the term of this Agreement, Consultant must maintain such licenses, certificates and permits in full force and effect. Licenses, certificates and permits may include but are not limited to driver's licenses, professional licenses or certificates and business licenses. Such licenses, certificates and permits will be procured and maintained in force by Consultant at no expense to the County.

### 5. Office Space, Supplies, Equipment, Etc.

Unless otherwise provided in this Agreement, Consultant shall provide such office space, supplies, equipment, vehicles, reference materials and telephone service as is necessary for Consultant to provide the services under this Agreement. The Consultant--not the County--has the sole responsibility for payment of the costs and expenses incurred by Consultant in providing and maintaining such items.

### 6. Insurance

6.1 Consultant shall take out, and maintain during the life of this Agreement, insurance policies with coverage at least as broad as follows:

6.1.1 General Liability. Comprehensive general liability insurance covering bodily injury, personal injury, property damage, products and completed operations with limits of no less than One Million

Dollars (\$1,000,000) per incident or occurrence. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to any act or omission by Consultant under this Agreement or the general aggregate limit shall be twice the required occurrence limit.

6.1.2 Professional Liability Insurance. Professional errors and omissions (malpractice) liability insurance with limits of no less than One Million Dollars (\$1,000,000) aggregate. Such professional liability insurance shall be continued for a period of no less than one year following completion of the Consultant's work under this Agreement.

6.1.3 Automobile Liability Insurance. If the Consultant or the Consultant's officers, employees, agents, representatives or subcontractors utilize a motor vehicle in performing any of the work or services under this Agreement, owned/non-owned automobile liability insurance providing combined single limits covering bodily injury, property damage and transportation related pollution liability with limits of no less than One Million Dollars (\$1,000,000) per incident or occurrence.

6.1.4 Workers' Compensation Insurance. Workers' Compensation insurance as required by the California Labor Code. In signing this contract, the Consultant certifies under section 1861 of the Labor Code that the Consultant is aware of the provisions of section 3700 of the Labor Code which requires every employer to be insured against liability for workmen's compensation or to undertake self-insurance in accordance with the provisions of that code, and that the Consultant will comply with such provisions before commencing the performance of the work of this Agreement.

~~6.2 Any deductibles, self-insured retentions or named insureds must be declared in writing and approved by County. At the option of the County, either: (a) the insurer shall reduce or eliminate such deductibles, self-insured retentions or named insureds, or (b) the Consultant shall provide a bond, cash, letter of credit, guaranty or other security satisfactory to the County guaranteeing payment of the self-insured retention or deductible and payment of any and all costs, losses, related investigations, claim administration and defense expenses. The County, in its sole discretion, may waive the requirement to reduce or eliminate deductibles or self-insured retentions, in which case, the Consultant agrees that it will be responsible for and pay any self-insured retention or deductible and will pay any and all costs, losses, related investigations, claim administration and defense expenses related to or arising out of the Consultant's defense and indemnification obligations as set forth in this Agreement.~~

6.3 The Consultant shall obtain a specific endorsement to all required insurance policies, except Workers' Compensation insurance and Professional Liability insurance, naming the County and its officers, officials and employees as additional insureds regarding: (a) liability arising from or in connection with the performance or



omission to perform any term or condition of this Agreement by or on behalf of the Consultant, including the insured's general supervision of the Consultant; (b) services, products and completed operations of the Consultant; (c) premises owned, occupied or used by the Consultant; and (d) automobiles owned, leased, hired or borrowed by the Consultant. For Workers' Compensation insurance, the insurance carrier shall agree to waive all rights of subrogation against the County its officers, officials and employees for losses arising from the performance of or the omission to perform any term or condition of this Agreement by the Consultant.

6.4 The Consultant's insurance coverage shall be primary insurance regarding the County and County's officers, officials and employees. Any insurance or self-insurance maintained by the County or County's officers, officials and employees shall be excess of the Consultant's insurance and shall not contribute with Consultant's insurance.

6.5 Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the County or its officers, officials and employees.

6.6 The Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

6.7 Each insurance policy required by this section shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party except after thirty (30) days' prior written notice has been given to County. The Consultant shall within thirty (30) days notify, or cause the insurance carrier to promptly notify, the County of any material change in the insurance policy or policies required under this Agreement, including, without limitation, any reduction in coverage or in limits of the required policy or policies. Notwithstanding the preceding sentence, for professional liability insurance, material change is defined as reduction of limits of liability by endorsement.

6.8 Insurance shall be a United States domestic insurer or otherwise as approved by the County, with a current rating by Best's Key Rating Guide of no less than A-:VII

6.9 Consultant shall require that all of its subcontractors are subject to the insurance and indemnity requirements stated herein, or shall include all subcontractors as additional insureds under its insurance policies.

6.10 At least ten (10) days prior to the date the Contractor begins performance of its obligations under this Agreement, Contractor shall furnish County with certificates of insurance, and with original endorsements, showing coverage required by this Agreement, including, without limitation, those that verify coverage for subcontractors of the Contractor. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements shall be received and, in County's sole and absolute discretion, approved by County. County reserves the right to require complete copies

of all required insurance policies and endorsements, at any time.

6.11 The limits of insurance described herein shall not limit the liability of the Consultant and Consultant's officers, employees, agents, representatives or subcontractors.

7. Defense and Indemnification OR WILLFUL MISCONDUCT

7.1 To the fullest extent permitted by law, Consultant shall indemnify, hold harmless and defend the County and its agents, officers and employees from and against all claims, damages, losses, judgments, liabilities, expenses and other costs, including litigation costs and attorneys' fees, arising out of the negligent ~~or wrongful~~ performance of this Agreement by the Consultant or Consultant's officers, employees, agents, representatives or subcontractors and resulting in or attributable to personal injury, death, or damage or destruction to tangible or intangible property, including the loss of use. Notwithstanding the foregoing, Consultant's obligation to indemnify the County and its agents, officers and employees for any judgment, decree or arbitration award shall extend only to the percentage of negligence of the Consultant in contributing to such claim, damage, loss and expense.

7.2 Consultant's obligation to defend, indemnify and hold the County and its agents, officers and employees harmless under the provisions of this paragraph is not limited to or restricted by any requirement in this Agreement for Consultant to procure and maintain a policy of insurance.

7.3 To the fullest extent permitted by law, the County shall indemnify, hold harmless and defend the Consultant and its officers, employees, agents, representatives or subcontractors from and against all claims, damages, losses, judgments, liabilities, expenses and other costs, including litigation costs and attorney's fees, arising out of or resulting from the negligence or ~~wrongful acts~~ of County and its officers or employees.

WILLFUL MISCONDUCT

7.4 Subject to the limitations in 42 United States Code section 9607 (e), and unless otherwise provided in a Scope of Services approved by the parties:

(a) Consultant shall not be responsible for liability caused by the presence or release of hazardous substances or contaminants at the site, unless the release results from the negligence of Consultant or its subcontractors;

(b) No provision of this Agreement shall be interpreted to permit or obligate Consultant to assume the status of "generator," "owner," "operator," "arranger," or "transporter" under state or federal law; and

(c) At no time, shall title to hazardous substances, solid wastes, petroleum contaminated soils or other regulated substances pass to Consultant.

8. Status of Consultant

8.1 All acts of Consultant and its officers, employees, agents, representatives, subcontractors and all others acting on behalf of Consultant relating to the performance of this Agreement, shall be performed as independent contractors and not as agents, officers or employees of County. Consultant, by virtue of this Agreement, has no authority to bind or incur any obligation on behalf of County. Except as expressly provided in Exhibit A, Consultant has no authority or responsibility to exercise any rights or power vested in the County. No agent, officer or employee of the County is to be considered an employee of Consultant. It is understood by both Consultant and County that this Agreement shall not be construed or considered under any circumstances to create an employer-employee relationship or a joint venture.

8.2 At all times during the term of this Agreement, the Consultant and its officers, employees, agents, representatives or subcontractors are, and shall represent and conduct themselves as, independent contractors and not employees of County.

8.3 Consultant shall determine the method, details and means of performing the work and services to be provided by Consultant under this Agreement. Consultant shall be responsible to County only for the requirements and results specified in this Agreement and, except as expressly provided in this Agreement, shall not be subjected to County's control with respect to the physical action or activities of Consultant in fulfillment of this Agreement. Consultant has control over the manner and means of performing the services under this Agreement. If necessary, Consultant has the responsibility for employing other persons or firms to assist Consultant in fulfilling the terms and obligations under this Agreement.

8.4 Consultant is permitted to provide services to others during the same period service is provided to County under this Agreement; provided, however, such services do not conflict directly or indirectly with the performance of the Consultant's obligations under this Agreement.

8.5 If in the performance of this Agreement any third persons are employed by Consultant, such persons shall be entirely and exclusively under the direction, supervision and control of Consultant. All terms of employment including hours, wages, working conditions, discipline, hiring and discharging or any other term of employment or requirements of law shall be determined by the Consultant.

8.6 It is understood and agreed that as an independent contractor and not an employee of County, the Consultant and the Consultant's officers, employees, agents, representatives or subcontractors do not have any entitlement as a County employee, and, except as expressly provided for in any Scope of Services made a part hereof, do not have the right to act on behalf of the County in any capacity whatsoever as an agent, or to bind the County to any obligation whatsoever.

8.7 It is further understood and agreed that Consultant must issue W-2 forms or other forms as required by law for income and employment tax purposes for all of Consultant's assigned personnel under the terms and conditions of this Agreement.

8.8 As an independent contractor, Consultant hereby indemnifies and holds County harmless from any and all claims that may be made against County based upon any contention by any third party that an employer-employee relationship exists by reason of this Agreement.

## 9. Records and Audit

9.1 Consultant shall prepare and maintain all writings, documents and records prepared or compiled in connection with the performance of this Agreement for a minimum of four (4) years from the termination or completion of this Agreement. This includes any handwriting, typewriting, printing, photostatic, photographing and every other means of recording upon any tangible thing, any form of communication or representation including letters, words, pictures, sounds or symbols or any combination thereof.

9.2 Any authorized representative of County shall have access to any writings as defined above for the purposes of making audit, evaluation, examination, excerpts and transcripts during the period such records are to be maintained by Consultant. Further, County has the right at all reasonable times to audit, inspect or otherwise evaluate the work performed or being performed under this Agreement.

## 10. Confidentiality

The Consultant agrees to keep confidential all information obtained or learned during the course of furnishing services under this Agreement and to not disclose or reveal such information for any purpose not directly connected with the matter for which services are provided.

## 11. Nondiscrimination

During the performance of this Agreement, Consultant and its officers, employees, agents, representatives or subcontractors shall not unlawfully discriminate in violation of any federal, state or local law, rule or regulation against any employee, applicant for employment or person receiving services under this Agreement because of race, religion, color, national origin, ancestry, physical or mental handicap, medical condition (including genetic characteristics), marital status, age, political affiliation or sex. Consultant and its officers, employees, agents, representatives or subcontractors shall comply with all applicable Federal, State and local laws and regulations related to non-discrimination and equal opportunity, including without limitation the County's nondiscrimination policy; the Fair Employment and Housing Act (Government Code sections 12900 et seq.); California Labor Code sections 1101, 1102 and 1102.1; the Federal Civil Rights Act of 1964 (P.L. 88-352), as amended; and all applicable regulations promulgated in the California Code of Regulations or the Code of Federal Regulations.

## 12. Assignment

This is an agreement for the services of Consultant. County has relied upon the skills, knowledge, experience and training of Consultant and the Consultant's firm, associates and employees as an inducement to enter into this Agreement. Consultant shall not assign or subcontract this Agreement without the express written consent of County. Further, Consultant shall not assign any monies due or to become due under this Agreement without the prior written consent of County.

13. Waiver of Default

Waiver of any default by either party to this Agreement shall not be deemed to be waiver of any subsequent default. Waiver or breach of any provision of this Agreement shall not be deemed to be a waiver of any other or subsequent breach, and shall not be construed to be a modification of the terms of this Agreement unless this Agreement is modified as provided below.

14. Notice

Any notice, communication, amendment, addition or deletion to this Agreement, including change of address of either party during the term of this Agreement, which Consultant or County shall be required or may desire to make shall be in writing and may be personally served or, alternatively, sent by prepaid first class mail to the respective parties as follows:

To County: County of Stanislaus  
1010 10<sup>th</sup> Street, Suite 6800  
Modesto, CA 95354

Attention:  
Tim Fedorchak  
Senior Management Consultant,  
Chief Executive Office, Capital Projects Division

To Consultant: HDR Consulting  
Attn: Steven J. Goe, CHE  
Vice President/Principal  
Director, Strategic Services  
9444 Farnham Street, Suite 300  
San Diego, CA 92123

15. Conflicts

Consultant agrees that it has no interest and shall not acquire any interest direct or indirect which would conflict in any manner or degree with the performance of the work and services under this Agreement.

16. Severability

If any portion of this Agreement or application thereof to any person or circumstance shall be declared invalid by a court of competent jurisdiction or if it is found in contravention of any federal, state or county statute, ordinance or regulation the remaining provisions of this Agreement or the application thereof shall not be invalidated thereby and shall remain in full force and effect to the extent that the provisions of this Agreement are severable.

17. Amendment

This Agreement may be modified, amended, changed, added to or subtracted from by the mutual consent of the parties hereto if such amendment or change is in written form and executed with the same formalities as this Agreement and attached to the original Agreement to maintain continuity.

18. Entire Agreement

This Agreement supersedes any and all other agreements, either oral or in writing, between any of the parties herein with respect to the subject matter hereof and contains all the agreements between the parties with respect to such matter. Each party acknowledges that no representations, inducements, promises or agreements, oral or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not embodied herein, and that no other agreement, statement or promise not contained in this Agreement shall be valid or binding.

19. Advice of Attorney

Each party warrants and represents that in executing this Agreement, it has received independent legal advice from its attorneys or the opportunity to seek such advice.

20. Construction

Headings or captions to the provisions of this Agreement are solely for the convenience of the parties, are not part of this Agreement, and shall not be used to interpret or determine the validity of this Agreement. Any ambiguity in this Agreement shall not be construed against the drafter, but rather the terms and provisions hereof shall be given a reasonable interpretation as if both parties had in fact drafted this Agreement.

21. Governing Law and Venue

This Agreement shall be deemed to be made under, and shall be governed by and construed in accordance with, the laws of the State of California. Any action brought to enforce the terms or provisions of this Agreement shall have venue in the County of Stanislaus, State of California.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year first hereinabove written.

<p><b>COUNTY OF STANISLAUS</b></p> <p>By: <u><i>Patricia Hill Thomas</i></u>          Patricia Hill Thomas          Assistant Executive Officer</p>	<p><b>BUSINESS NAME</b></p> <p>By: <u><i>James F Pine</i></u>          Name <b>JAMES F PINE</b>          Title <b>EVP</b>          "Consultant"</p>
<p>APPROVED AS TO FORM:          Michael H. Krausnick          County Counsel</p> <p>By: <u><i>John P. Doering</i></u>          John P. Doering          Deputy County Counsel</p>	<p>Taxpayer Identification No. <u>47-0353452</u></p>

V:\PUBLIC\COUNSEL\CONTRACT\PROF-SEQ.WPD

## EXHIBIT A

### A. SCOPE OF WORK

The Consultant shall provide services under this Agreement for Population-Based Healthcare Demand Projection Services, as set forth in the Consultant's Proposal and scope of work, attached hereto and, by this reference, made a part hereof.

### B. COMPENSATION

1. The Consultant shall be compensated for the services provided under this Agreement as follows:

The total amount payable under this agreement shall not exceed the following totals:

Phase	Description	Amount
Phase I	Baseline Estimates and Needs Assessment	66,000.00
Phase II	Gap Analysis and Delivery Model Development	16,500.00
Phase III	Demand Projections	<u>31,900.00</u>
<b>Total Amount</b>		<b>114,400.00</b>

Consultant shall invoice the County periodically based on a percentage complete of each phase of work at the time of invoicing.

The phase amount totals include professional services, reimbursable expenses and other project-related expenses except for the purchase of additional data if required and only as approved by Consultant and the County Chief Executive Officer.

2. The parties hereto acknowledge the maximum amount to be paid by the County for services provided shall not exceed \$114,400, including, without limitation, the cost of any subcontractors, consultants, experts or investigators retained by the Consultant to perform or to assist in the performance of its work under this Agreement.



# Stanislaus County

## *Population-Based Healthcare Demand Projections*

### **Project Understanding**

Stanislaus County currently provides to its approximately 425,000 citizens a variety of health services dispersed throughout the 1,521 square mile County. Services include primary care--provided through nine locations and a mobile clinic--behavioral healthcare, specialty care, ancillary services, and inpatient care (through contracts). In addition to its traditional healthcare delivery network, the County funds a number of public health services targeted at specific constituency groups. These programs include, among others: AIDS case management, intervention in child and adult abuse situations, case management and in-home services for the frail elderly, preventive healthcare services for minority and low income elderly, general prenatal care, intervention for high risk pregnancy, services for high risk infants, well care and preventive services for infants and children, family planning services and teen pregnancy prevention.

In calendar year 2000, The Health Services Agency (HSA) provided over 244,000 outpatient visits through a variety of primary care and specialty clinics. Since 1997, the number of visits has increased 18%, and is expected to continue to increase over the next several years. The population of Stanislaus County is expected to double in the next 20 years, due partly to in-migration of persons employed in the San Francisco bay area. In addition, the migrant farm worker population, which is predominantly Hispanic, is expected to grow substantially from its current base of approximately 25% of the population.

The County intends to develop a business strategy and facility master plan for health services growth over the next 20 years. The nature of health services needed in Stanislaus County is changing due to changes in its served population and to broader changes in healthcare practice patterns. The delivery of services must therefore be re-evaluated in light of these changes. The County desires a set of demand forecasts (going out 5, 10, 15 and 20 years) to which it can apply certain assumptions about the future, in order to develop its business strategy and facility plans.

### **HDR Approach**

HDR proposes three levels of planning to guide Stanislaus County in forecasting future healthcare demand.

1. **Baseline Estimates and Needs Assessment.** First, with the County staff, HDR will identify key constituency groups. We will estimate their numbers and their geographic location within the County, and project future growth in these groups. Second, HDR will estimate the type and number of services currently used by each of these constituency groups, and identify access problems, as well as inappropriately used services and poorly targeted services. HDR will develop a set of

current year estimates 2000 actual services by area and demographic group as a baseline from which to evaluate certain future scenarios.

2. **Optimum Service Provision and Scenario Modeling.** HDR will next develop preliminary forecasts that project utilization based solely on population growth and socio-demographics. HDR will then guide the planning team through a scenario development process to reach consensus on a range of possible impacts from current and future internal and external trends and driving forces.
3. **Demand Forecast and Impact Analysis.** HDR will develop 5- 10- 15- and 20-year forecasts based on the delivery scenario(s) developed in Level Two. The modeled impacts will forecast future demand under a variety of possible scenarios. Forecasted demand will be based on assumptions regarding population growth, changes in the socio-demographic characteristics of the County, changes in the constituency groups, changes in disease incidence, prevalence, and treatment modalities and changes in the geographic distribution of its constituency groups. The modeling will estimate number and type of services by socio-demographic group and geographic area, for use by the County to determine resultant facility implications, including facility size and, structure and location.

## **Part I – Baseline Estimates and Needs Identification**

### **Part I - Goal**

Stanislaus County provides services to a variety of overlapping constituencies. These include women and adolescents of childbearing ages; infants and children (both healthy and seriously ill or disabled); frail elderly and/or low-income elderly; and working age males with physical or psychiatric disabilities. In addition, its clients include a growing number of privately insured adults and children. In planning health services, it is important also to recognize how its constituents interact with other agencies and programs, such as Medi-Cal, Maternal and Child Health, and the justice system.

Currently, the demographic profile of Stanislaus County is changing rapidly. There is a large influx of persons with employed in the San Francisco bay area. These individuals are potential clients who may bring a new funding stream to the County's healthcare system. However, this group may also be displacing the core constituency group so that services are no longer effectively targeted to the key audiences.

Stanislaus County desires to evaluate the medical and public health services currently used by its constituencies to determine whether 1) the services are used by the intended constituents, 2) whether the geographic

location of services is optimum, 3) whether there are currently unmet needs due to the nature or quantity of services provided.

### **Part I – Objectives**

We understand your objectives for this part of the Consultation to be:

- Identify key constituent groups, estimate the size of these groups and their geographic location and estimate future growth in these populations, based on current operational models
- Quantify the health services currently provided to these constituencies
- Evaluate the adequacy of services to determine whether services are used by the intended constituents or whether there are unmet needs due to geographic maldistribution or other inadequacies in the nature or quantity of health services.

**Outcomes:** Report detailing current utilization patterns in Stanislaus County

Baseline projection of future demand based solely on population growth and socio-demographic changes.

### **Key Understanding:**

HDR will analyze Stanislaus County healthcare and demographic data and produce baseline estimates of current and future population size and demand for healthcare.

### **Part I - Key Tasks:**

1. Estimate Current Size and Location of Key Socio-demographic Groups
  - Use data from commercial demographic companies, from local and regional studies and from the geocoding a sample of patients to estimate current size and location of key demographic groups
2. Quantify key use rates for each subpopulation
  - Identify key services
  - Obtain encounter level data (desired) or aggregate data on numbers of services for each demographic subpopulation
  - Calculate use rates as a function of type of service and distance of service from targeted population
  - Identify changes in the number and types of services used by each subpopulation over the last 5 – 10 years, e.g., identify whether privately insured population uses services at a greater rate than previously

2. Identify potential areas of unmet need
  - Compare use rates for subpopulations to regional averages
  - Compare use rates for geographically distant populations to those for centrally located populations
  - Quantify whether targeted populations use services, e.g., what is the prenatal care rate compared to number of deliveries by targeted populations
  - Quantify rate of preventable adverse outcomes indicative of poor access to primary care
  - Quantify rates for services that are sensitive to access problems
3. Build customized database containing year 2000 healthcare utilization rates for key demographic groups
4. Develop baseline future projections based on known population and socio-demographic changes

**Required Data & Participation:**

The proposal assumes that this phase will be completed in conjunction with Stanislaus County personnel. Stanislaus County will provide all required background information and data to HDR in an acceptable, electronic format. Stanislaus County will provide the ArcView layer file for performing the geocoding.

**Fees:**

HDR estimates the fee for Part I, *Baseline Estimates and Needs Assessment*, to be in the range of \$45,000 - \$60,000, plus reimbursables, with the final fee dependent on the number of data sources and the data quality. The actual fee will be determined upon negotiation and final approval of the scope of services prior to initiation. Reimbursable expenses are in addition to the above fee estimate and include such items as airfare and lodging, mileage, meals and related travel expenses, printing, purchase of data, etc. We estimate reimbursables to be 10% of the final fee.

**Part II – Gap Analysis and Delivery Model Development**

**Part II - Goal**

HDR will produce preliminary forecasts that project utilization based solely on population growth and socio-demographics. HDR will then guide the planning team through a scenario development process to reach consensus on possible scenarios of future healthcare delivery in the County. The planning sessions will examine the data produced in Part I and will guide the County in assessing the capability of the current health

system to meet current and future demand. The sessions will consider the potential impacts of multiple external forces such as information and medical technology, changing socio-demographics, reimbursement trends, economic and political forces, physician practice patterns, and evolving care delivery models to develop alternative scenarios for meeting the County's healthcare needs over the next twenty years.

## **Part II - Objectives**

We understand your objectives for this part of the Consultation to be:

- Review of baseline data and preliminary forecasts
- Identify current and future gaps in the current healthcare delivery model and evaluate other driving forces and technology that will change the method and site of patient care delivery
- Develop alternative delivery models that will most efficiently meet the present and future health needs of Stanislaus County residents.

**Outcomes:** Future Scenario Model option(s)

Refined Preliminary Baseline Projections

## **Key Understanding:**

HDR will guide County through a series of modeling sessions to develop a set of assumptions about future trends and driving forces that could impact healthcare demand in the County. HDR will then modify (in Part II) the baseline assumptions based on this set(s) of assumptions in order to project future demand.

## **Part II - HDR Key Tasks:**

1. Conduct internal review of current services and care delivery models in the service area and summarize capacity capability for Stanislaus County facilities in the service area
2. Develop an understanding of local and regional trends and driving forces that could impact future healthcare delivery
2. Lead the Stanislaus County Planning Team through one or two Scenario Planning sessions. The process will:
  - Generate descriptive models of future trends and driving forces and their potential impact on healthcare demand
  - Incorporate principles of population-based planning
  - Stimulate creative thinking about the future

### **Required Data and Participation:**

The proposal assumes that this phase will be completed in conjunction with key Stanislaus County Health Planners. Stanislaus County will provide all required background information and data to HDR in a format specified by HDR.

### **Fees:**

HDR estimates the fee range for the Part II of the Consultation, *Gap Analysis and Delivery Model Development*, to be \$9,000 to \$15,000. The actual fees will be determined upon negotiation and final approval of the scope of services prior to initiation. Reimbursable expenses are in addition to the above fee estimate and include such items as airfare and lodging, mileage, meals and related travel expenses, printing, purchase of data, etc. We estimate reimbursables to be 10% of the final fee.

## **Part III – Demand Projections**

### **Part III - Goal**

The service delivery options developed in Part II will be integrated with the baseline utilization and population data to forecast future demand under a variety of possible scenarios. The modeling will estimate number and type of services by socio-demographic group and geographic area. The assumptions will be modeled using the HDR Scenario Modeler™, which integrates utilization assumptions, population models, and geographic information to produce a comprehensive picture at both the system and facility level of expected utilization patterns and service requirements. The Scenario Modeler can model use of inpatient and outpatient primary, specialty, and ancillary services to identify optimum configuration of resources at any one site.

### **Part III – Objectives**

We understand your objective for this part of the Consultation to be development of a model to forecast future demand to aid in configuring and locating services within Stanislaus County based on certain assumptions about future internal and external forces.

**Outcomes:** Report detailing methods and main conclusions of the forecasting exercise

Computerized model allowing Stanislaus County planners to identify impacts under varying assumptions about population

growth, demand for specific services, and other key parameters

### **Key Understanding(s)**

HDR will provide 5 - 10 - 15 - and 20 - year forecasts of utilization requirements for each of Stanislaus County's key constituent groups. The forecasts will identify types and quantities of services needed at the zip code level and within zip codes where appropriate.

### **Part III - HDR Key Tasks:**

1. With the Stanislaus County Planning Team, focus on the most appropriate delivery models for the populations to be served
2. Forecast future numbers and geographic locations of key demographic groups
3. Identify health care requirements and service demand of each group and the preference patterns of these groups regarding the how care is delivered. Identify likely changes in disease patterns and treatments and in the site in which care is delivered
4. Develop utilization models to describe future health care requirements. Identify new services that may be offered and services that may be offered in different settings. Identify important efficiencies in the co-location of services
5. Use HDR's Scenario Modeler to computerize these models to allow demand forecasting at 5, 10, 15 and 20-year intervals under different assumptions about population growth and population distribution.

### **Required Data and Participation:**

The proposal assumes that this phase will be completed in conjunction with key Stanislaus County Health Planners. Stanislaus County will provide all required background information and data to HDR in a format specified by HDR.

### **Fees:**

HDR estimates the fee for the Part III of the Consultation, *Demand Projections*, to be the range of \$18,000 to \$29,000, plus reimbursables. The actual fees will be determined upon negotiation and final approval of the scope of services prior to initiation. Reimbursable expenses are in addition to the above fee estimate and include such items as airfare and lodging, mileage, meals and related travel expenses, printing, purchase of data, etc. We estimate reimbursables to be 10% of the final fee.

**Project Team:**

The Team for this Consultation will include the following key individuals:

Project Manager	Steven Goe, MS, CHE
Senior Research Analyst	Christy Moynihan, Ph.D.
Research Consultant	Kim Viet, MA

Resumes of the above personnel are included in the attached information.