

SUMMARY OF CONTRACT REQUEST TO THE HEALTH COMMISSION

Contractor	<u>Rona Consulting Group</u>	Division/Section:	<u>DPH/San Francisco General Hospital</u>
	<u>9004 N. Mercer Way</u>	SFHN Director	<u>Roland Pickens</u> <i>Roland Pickens</i>
Address	<u>Mercer Island, Washington 98040</u>	DPH Administrator:	<u>Iman Nazeeri-Simmons</u> <i>Iman Nazeeri-Simmons</i>
		Program Manager:	<u>Iman Nazeeri-Simmons</u> Phone <u>206-3455</u>
Contact	<u>J. Michael Rona</u>	Contract Analyst:	<u>Ron Rossi</u> Phone <u>554-2839</u>

Request for approval of a contract with Rona Consulting Group for Kaizen workshops, LEAN management initiatives, 3P workshops, and other services in furtherance of DPH's Service Excellence Program across several DPH divisions in the amount of \$2,687,216 for a four year term (48 months).

Profit
 Non-Profit
 LBE
 RFQ - Number: 26-2014
 Date: 12/15/2014
 New
 Renewal
 Mod
 Sole Source - Approval Date: _____

Number of years DPH has been doing business with this organization: 3

<u>CONTRACT INFORMATION:</u>	<u>Prior Transaction</u> (new)	<u>Proposed Transaction</u> 1/1/2016 - 12/31/2019	<u>Annualized Difference</u>
Funding Sources:			
General Funds		\$2,399,300.00	
TOTAL DPH REVENUES		\$2,399,300.00	-\$0-
12% Contingency Amount		\$287,916.00	-\$0-
CONTRACT TOTAL		\$2,687,216.00	-\$0-
<i>ANNUAL AMOUNT OF CONTRACT</i> (estimate)		\$599,825.00	-\$0-
Agency Funds		-\$0-	-\$0-
Contract FTE		N/A	N/A

<u>PROPOSED:</u> Mode(s) of Service & Unit of Service Definition	No. of Clients		Number of Units	Unit Cost
	N/A	Duplicated		
	N/A	Unduplicated		
Services Provided				
Services provided to each DPH division may include Kaizen workshops, 3P workshops, LEAN management initiatives and certification, LEAN 5 year plan development & support, Value Stream Mapping, Hoshin Kanri sessions, executive coaching, among other services.				
DPH Central Administration				\$331,300.00
San Francisco General Hospital				\$500,320.00
San Francisco Health Network				\$118,000.00
Primary Care				\$401,840.00
Laguna Honda Hospital				\$500,320.00
Population Health				\$547,520.00

Explanation of Service Change and Variances:

This is a new contract.

Monitoring Report/Program Review & follow-up:

The contract will be monitored in accordance with all applicable Departmental procedures.

Nondiscrimination and Cultural Competency:

If required, the Contractor will participate in the cultural competency requirements for the upcoming year.

Other Significant Issues:

Based in Seattle, Washington, US, Rona Consulting Group is a management consultancy serving the healthcare industry. Rona consulting group develops transformational leaders who are capable of educating and coaching their managers, clinicians, and support staff to become a lean healthcare organization. Rona consulting group was founded by J. Michael Rona and Thomas L. Jackson after realizing the amazing potential to transform healthcare around the world based upon the model of the Toyota Management System.

Mr. Rona, formerly president of the Virginia Mason Medical Center in Seattle, is known internationally as a leading expert in organizational transformation in healthcare using this method. Dr. Jackson, formerly CEO of Productivity, Inc., is internationally recognized for his expertise in developing and advising on large-scale transformation programs for Fortune 100 companies. He was recently awarded a Shingo Prize for his writings on the method of hoshin kanri (policy deployment), an integral part of the Toyota Management System. In 2008, they were joined by Patti Crome, former senior vice president of Virginia Mason, where she successfully pioneered the application of one-piece flow in twelve outpatient clinics. Rona consulting groups's clients include public and private integrated healthcare systems, freestanding hospitals, manufacturers, and governmental organizations in the United States, Europe, and the United Kingdom.

Rona Consulting Group was pre-qualified under RFQ 26-2014 in December of 2014. The RFQ which established a 2 year pre qualified list of consultants that can be accessed by the Department for a variety of projects.

Listing of Board of Directors, Owners of 10% or More of the Firm, and Executive Director:

There are three owners each (33% each)

J. Michael Rona
Thomas Jackson
Patricia Crome

There is one managing partner: J. Michael Rona and there is no board of directors.

Recommendations:

The Department recommends approval of this contract.

