



County of Monterey

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Board Report

File #: A 22-454, **Version:** 1

- a. Authorize the Chief Executive Officer for Natividad or his designee to execute the First Amendment to the Professional Services Agreement with Cy A. Cedar MD to provide hospitalist physician services, adding \$650,000 for a revised not to exceed amount of \$750,000 in the aggregate, but with no change to the original agreement term of July 14, 2022 to September 30, 2024; and
- b. Authorize the Chief Executive Officer for Natividad or his designee to sign up to three (3) future amendments to this Agreement where the total amendments do not significantly change the scope of work and do not cause an increase of more than ten percent 10% (\$10,000) of the original contract amount.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Authorize the Chief Executive Officer for Natividad or his designee to execute the First Amendment to the Professional Services Agreement with Cy A. Cedar MD to provide hospitalist physician services, adding \$650,000 for a revised not to exceed amount of \$750,000 in the aggregate, but with no change to the original agreement term of July 14, 2022 to September 30, 2024; and
- b. Authorize the Chief Executive Officer for Natividad or his designee to sign up to three (3) future amendments to this Agreement where the total amendments do not significantly change the scope of work and do not cause an increase of more than ten percent 10% (\$10,000) of the original contract amount.

SUMMARY/DISCUSSION:

Natividad operates medical surgical units and an acute rehabilitation unit that provide direct patient care to hospitalized patients 24 hours a day, 7 days a week. In order to ensure sufficient staffing of these critical units, it is necessary to develop and sustain a core team of quality internal medicine and family medicine physicians, known as hospitalists, made up of employed and independent contract physicians who are immediately available to provide patient care.

Natividad would like to amend its agreement with Dr. Cedar to provide hospitalist services to add Associate Medical Director Services and increase the aggregate amount payable in consideration of the increased amount of services provided due to patient volumes and the need for coverage. Natividad has obtained an independent opinion of fair market value supporting the payment terms.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved this Amendment as to legal form. Auditor-Controller has reviewed and approved this Amendment as to fiscal provisions. The Amendment has also been reviewed and approved by Natividad's Finance Committee and Board of Trustees.

FINANCING:

The cost of this Amendment is \$650,000. The total not to exceed amount of this Agreement is \$750,000 for the period July 14, 2022 to September 30, 2024. The actual cost is contingent upon the need for coverage and Dr. Cedar's availability to provide services. \$350,000 is included in the Fiscal Year 2022/2023 adopted budget. The remaining balance will be budgeted in the subsequent fiscal year. There is no impact to the General Fund.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The services rendered in this agreement provide Natividad with the additional support it needs in order to provide reliable and high-quality patient care which improves the health and quality of life for patients and their families.

- Economic Development
- Administration
- Health and Human Services
- Infrastructure
- Public Safety

Prepared by: Jeanne-Ann Balza, Director of Physician Services, 783.2506

Approved by: Dr. Charles R. Harris, Chief Executive Officer, 783.2553

Attachments:

First Amendment
Agreement

Attachments on File at the Clerk of the Board