



Monterey County

Item No.

Board Report

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

Legistar File Number: A 22-251

June 07, 2022

Introduced: 5/19/2022

Current Status: Agenda Ready

Version: 2

Matter Type: BoS Agreement

- a. Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute an agreement with Kindred Rehab Group of California, LLC dba Kindred Hospital Rehabilitation for rehabilitation program management services at NMC for an amount not to exceed \$6,600,000 with a retroactive agreement term of May 1, 2022 through April 30, 2027.
- b. Authorize the Chief Executive Officer for NMC or his designee to execute up to three (3) future amendments to the agreement which do not significantly alter the scope of work and do not cause an increase of more than ten percent (10%) (\$660,000) of the original cost of the agreement.

RECOMMENDATION:

- a. Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute an agreement with Kindred Rehab Group of California, LLC dba Kindred Hospital Rehabilitation for rehabilitation program management services at NMC for an amount not to exceed \$6,600,000 with a retroactive agreement term of May 1, 2022 through April 30, 2027.
- b. Authorize the Chief Executive Officer for NMC or his designee to execute up to three (3) future amendments to the agreement which do not significantly alter the scope of work and do not cause an increase of more than ten percent (10%) (\$660,000) of the original cost of the agreement.

SUMMARY/DISCUSSION:

The County of Monterey, on behalf of NMC, has had an agreement with Kindred Group of California, LLC (Kindred) in place for approximately fourteen years. Kindred is a premier provider of rehabilitation services and post-acute care services including a specialty focus on inpatient rehabilitation. The Sam Karas Acute Rehabilitation Center at NMC is the major provider of inpatient rehabilitation in Monterey County.

Kindred manages NMC's Acute Rehabilitation Unit under the direction of the NMC Medical Director providing rehabilitation services for NMC patients. For the last fourteen years, pursuant to the parties' agreement, Kindred has provided and continues to provide management services for NMC's Acute Rehabilitation Unit ("ARU"), a specialized clinical unit that serves patients with a multitude of diagnoses including stroke, orthopedic conditions, arthritis and traumatic brain injuries (trauma patients). The main goal of the ARU is to assist individuals in restoring functional status and resuming the highest possible quality of life post injury or post significant adverse medical events.

This agreement replaces an older agreement from 2017 with the same terms. NMC has transitioned to

employed inpatient Acute Rehabilitation Unit therapy and social worker staff through a recruitment process beginning July, 2016. Kindred will continue to provide management services for the NMC Acute Rehabilitation Unit but as noted therapy staff and social work staff have transitioned to become NMC employees. Kindred continues to offer a shared therapy option to NMC through a contracted rate in the event of staff shortages unfilled through NMC contracted staffing agency.

OTHER AGENCY INVOLVEMENT:

The Office of County Counsel has reviewed and approved this agreement as to form, and the Auditor-Controller has reviewed and approved as to payment provisions. The agreement has also been reviewed and approved by NMC's Finance Committee and its Board of Trustees on April 8, 2022.

FINANCING:

The cost for this agreement is \$6,600,000 of which \$1,244,574.72 is included in the Fiscal Year 2022-23 Recommended Budget. Amounts for remaining years of the agreement will be included in those budgets as appropriate.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

This vendor has a proven history of running the Acute Rehabilitation Center in an effective and efficient manner under the oversight of NMC. This agreement ensures that this working relationship continues and contributes to a more efficient use of resources within the organization. The services rendered in this agreement provide NMC with the additional support it needs to be able to provide reliable and 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: Nancy Buscher, Chief Nursing Officer, 783-2560
Approved by: Charles R. Harris, Chief Executive Officer, 783-2504

Attachments:
Kindred Group of California, LLC dba Kindred Hospital Rehabilitation Agreement

Attachments on file with the Clerk of the Board

Charles R Harris
Charles R. Harris, M.D., Chief Executive Officer

5/24/2022
Date