

**FIRST AMENDMENT TO PROFESSIONAL AND CALL COVERAGE SERVICES AGREEMENT**

THIS FIRST AMENDMENT TO PROFESSIONAL AND CALL COVERAGE SERVICES AGREEMENT (the “**Amendment**”) is made and entered into as of June 1, 2024, by and between COUNTY OF MONTEREY (“**County**”) on behalf of NATIVIDAD MEDICAL CENTER (“**Hospital**”), and CEP AMERICA-PSYCHIATRY, PC, a California professional corporation DBA VITUIITY (“**Contractor**”) with respect to the following:

**RECITALS**

A. County owns and operates Hospital, a general acute care teaching hospital facility and Level II Trauma Center located in Salinas, California, and operates a mental health unit (the “**Unit**”), under its acute care license.

B. Contractor and Hospital have entered into that certain Professional and Call Coverage Services Agreement dated effective as of June 1, 2021 (the “**Agreement**”) pursuant to which Contractor provides professional services in the Specialty to ED and Unit Patients.

C. Hospital and Contractor desire to amend the Agreement to modify the compensation arrangement in the Compensation Exhibit, extend the term by thirty-six (36) months, add Ten Million Four Hundred Thousand Dollars (\$10,400,000) to the aggregate not to exceed amount payable to Contractor, and update the Code of Conduct.

**AGREEMENT**

IN CONSIDERATION of the foregoing recitals and the mutual promises and covenants contained herein, Hospital and Contractor agree as follows:

1. **Defined Terms**. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Agreement.
2. **Section 1.2**. Section 1.2 to the Agreement is hereby amended and restated to read in its entirety as follows:

“(a) Contractor shall ensure a sufficient number of its Group Physicians shall be available to provide Specialty medical care and treatment to Patients, (24) hours per day, seven (7) days per week upon the terms and conditions set forth in this Agreement. Group Physicians shall be physically present and immediately available to provide, onsite coverage, at minimum, twenty-four (24) hours per day Monday through Friday and twenty (20) hours per day Saturday, Sunday and Holidays (the “**Coverage Services**”).

(b) Contractor shall arrange for overnight coverage of the ED with Tele-Psychiatry Services fourteen (14) hours per night, three hundred sixty five (365) days per year.

(c) Group Physicians shall provide timely initial follow-up care for all Hospital patients referred for care by the ED or attending physician. If a Group Physician is the physician on-call at the time of the referral, Group Physician shall provide any necessary follow-up care for such patients regardless of the patient's ability to pay for services at the time of the first visit.

(d) Contractor shall ensure a Group Physician is available to perform psychiatric diagnostic evaluations of Patients in the Bariatric Clinic (the "**Bariatric Evaluation Services**") on schedules mutually agreed by the parties. Bariatric Evaluation Services are scheduled by the Bariatric Clinic, Monday through Friday, 8:00 A.M. to 5:00 P.M." Contractor will provide Hospital with scheduling options and Hospital shall ensure Contractor has at least two weeks from the time of Hospital's notice of referral to the schedule of each psychiatric diagnostic evaluation of any Patient in the Bariatric Clinic.

3. **Section 1.6.** Section 1.6 to the Agreement is hereby amended and restated to read in its entirety as follows:

**"1.6 Additional Services.** Contractor shall provide to Hospital those additional services set forth in **Exhibit 1.6** (the "**Additional Services**"), upon the terms and subject to the conditions set forth in this Agreement. The Professional Services, the Tele-Psychiatry Services, the Coverage Services, the Director Services, the Teaching Services, the Bariatric Evaluation Services, and the Additional Services are sometimes referred to collectively in this Agreement as the "**Services.**"

4. **Section 2.1.** Section 2.1 to the Agreement is hereby amended and restated to read in its entirety as follows:

**"2.1 Compensation.** Hospital shall pay to Contractor the amount determined in accordance with **Exhibit 2.1** (the "**Compensation**"), upon the terms and conditions set forth therein. The total amount payable by Hospital to Contractor under this Agreement shall not exceed the aggregate amount of Eighteen Million Six Hundred Thirty-Six Thousand Five Hundred Dollars (\$18,636,050)."

5. **Section 5.1.** Section 5.1 to the Agreement is hereby amended and restated to read in its entirety as follows:

**"5.1 Term.** This Agreement shall become effective on June 1, 2021 (the "**Effective Date**"), and shall continue until May 31, 2027 (the "**Expiration Date**"), subject to the termination provisions of this Agreement."

6. **Exhibit 1.6.** Attachment A to Exhibit 1.6 is hereby deleted and replaced in its entirety and incorporated by reference as attached **Attachment A** to **Exhibit 1.6.**

7. **Exhibit 1.14.** Exhibit 1.14 is hereby deleted and replaced in its entirety and incorporated by reference as attached **Exhibit 1.14.**

8. **Exhibit 2.1.** Exhibit 2.1 is hereby deleted and replaced in its entirety and incorporated by reference as attached **Exhibit 2.1.**

9. **Counterparts.** This Amendment may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

10. **Continuing Effect of Agreement.** Except as herein provided, all of the terms and conditions of the Agreement remain in full force and effect from the Effective Date of the Agreement.

11. **Reference.** After the date of this Amendment, any reference to the Agreement shall mean the Agreement as amended by this Amendment.

*[signature page follows]*

IN WITNESS WHEREOF, Hospital and Contractor have executed this Amendment as of the day and year first written above.

**CONTRACTOR**

CEP AMERICA-PSYCHIATRY, PC , a California professional corporation, DBA VITUITY

DocuSigned by:  
*David Birdsall*  
By: David Birdsall  
Its COO

Date: 5/7/2024

DocuSigned by:  
*David Birdsall*  
By: David Birdsall  
Its COO

Date: 5/7/2024

**NATIVIDAD MEDICAL CENTER**

\_\_\_\_\_  
Deputy Purchasing Agent

Date: \_\_\_\_\_

**APPROVED AS TO LEGAL PROVISIONS:**

\_\_\_\_\_  
Stacy Saetta, Deputy County Counsel

Date: \_\_\_\_\_

**APPROVED AS TO FISCAL PROVISIONS:**

\_\_\_\_\_  
Deputy Auditor/Controller

Date: \_\_\_\_\_

**Attachment A**

**ADDITIONAL OBLIGATIONS**

The quality program developed, implemented and monitored by Hospital and Contractor shall require:

1. Group Physicians committed to Hospital and Department Patient population;
2. Group Physician driven treatment planning and discharge coordination: true ownership of Department Patients' care plan;
3. Improved care and reduced treatment delays with dedicated physician focus - Elimination of private practice distractions;
4. Group Physicians available for family and case management meetings, improving Patient and family satisfaction;
5. Group Physician available for legal issues regarding inpatients, including required documentation and testimony;
6. Reduction in denials and reimbursements due to appropriate, daily documentation;
7. Focus on appropriate admissions, LOS, and accelerated dispositions;
8. Optimization of CMS quality measures for Hospital Based Inpatient Psychiatry Services (HBIPS); and
9. A belief that "disposition planning begins at admission", with emphasis on the options for the next level of care, driving treatment and communication.

Parties will meet and develop a quality program that addresses the following quality measures:

1. Follow up at 7 days after hospitalization;
2. Code MAB's reduction;
3. Restraints in seclusion reduction;
4. Improve recidivism in ED; and
5. Average Length of Stay (ALOS).

**Exhibit 1.14**



**MEDICAL STAFF POLICY**

<b>Title:</b> Practitioner Code of Conduct	<b>Number:</b> MSP004-2 BOT Approval: 1/2023
<b>Standard:</b>  Medical Staff (MS)	MEC Approval: 12/22 Responsible: Medical Staff Services Manager

As a member of the Medical Staff or an Advanced Practice Professional ( APP) of Natividad (collectively Practitioners), you must acknowledge that the ability of Practitioners and Natividad employees to jointly deliver high quality health care depends significantly upon their ability to communicate well, collaborate effectively, and work as a team, recognizing that patients, family members, visitors, colleagues and Natividad staff members must be treated in a dignified and respectful manner at all times.

**POLICY**

In keeping with the accepted standards of the health care profession as evidenced by the Hippocratic Oath, the Code of Ethics of the American Medical Association (AMA) and other professional societies, and the values of Natividad, Practitioners are leaders in maintaining professional standards of behavior. In keeping with this responsibility to maintain professional standards of behavior at Natividad, Practitioners:

1. Facilitate effective patient care by consistent, active, and cooperative participation as members of the Natividad health care team.
2. Recognize the individual and independent responsibilities of all other members of the Natividad health care team and their right to independently advocate on behalf of the patient.
3. Maintain respect for the dignity and sensitivities of patients and families, as well as colleagues, Natividad employees, and all other health care professionals.
4. Participate in the Medical Staff quality assessment and peer review activities, and in organizational performance improvement activities.
5. Reflect positively upon the reputation of the health care profession, the Medical Staff, and Natividad in their language, action, attitude, and behavior.

6. Commit and contribute to the overall educational mission of Natividad and promote an effective, inclusive, equitable and supportive clinical learning environment.

Behaviors of Practitioners which do not meet the professional behavior standards established in this Code of Conduct (Code) shall be referred to as Disruptive or Unprofessional Behavior.

Disruptive or Unprofessional Behavior by Practitioners exhibited on the premises of Natividad, whether or not the Practitioner is on duty or functioning in his/her professional capacity, are subject to this Code.

## **EXAMPLES OF PROFESSIONAL BEHAVIOR**

Practitioners are expected to exhibit professional behavior at Natividad, consistent with this Code, as follows:

1. Be consistently available with cooperative and timely responsiveness to appropriate requests from physicians, nurses, and all other members of the Natividad health care team in patient care and other professional responsibilities.
2. Provide for and communicate alternate coverage arrangements to assure the continuity and quality of care.
3. Demonstrate language, action, attitude, and behavior which consistently convey to patients, families, colleagues, and all other members of the Natividad health care team a sense of compassion and respect for human dignity.
4. Understand and accept individual cultural differences.
5. Maintain appropriate, timely, and legible medical record entries which enable all Natividad professionals to understand and effectively participate in a cohesive plan of management to assure continuity, quality, and efficiency of care and effective post- discharge planning and follow-up.
6. Respect the right of patients, families, or other designated surrogates to participate in an informed manner in decisions pertaining to patient care.
7. Treat patients and all persons functioning in any capacity within Natividad with courtesy, respect, and human dignity.
8. Conduct one's practice at Natividad in a manner that will facilitate timely commencement of medical/surgical procedures at Natividad, including but not limited to, timely arrival at the hospital, pre-ordering all needed special equipment and/or supplies, and timely notification of required staff.

## **EXAMPLES OF DISRUPTIVE OR UNPROFESSIONAL BEHAVIOR**

Disruptive or Unprofessional Behavior, as characterized in this Code, includes but is not limited to:

1. Misappropriation or unauthorized removal or possession of Natividad owned property.
2. Falsification of medical records, including timekeeping records and other Natividad documents.
3. Working under the influence of alcohol or illegal drugs.
4. Working under the influence of prescription or over-the-counter medications when use of such medications significantly affects the practitioner's level of cognitive functioning.
5. Possession, distribution, purchase, sale, transfer, transport, or use of illegal drugs in the workplace.
6. Possession of dangerous or unauthorized materials such as explosives, firearms, or other weapons in the workplace.
7. Writing derogatory and/or accusatory notes in the medical record which are not necessary for the provision of quality patient care services. Concerns regarding the performance of other Practitioners or Natividad employees should generate an Occurrence Report in Verge and submit pursuant to Natividad policy and should not be entered into the patient's medical record.
8. Harassment
  - a. Harassment is verbal or physical contact that denigrates or shows hostility or aversion toward an individual based on race, religion, color, national origin, ancestry, age, disability, marital status, gender, sexual orientation, or any other basis protected by federal, state, or local law or ordinance, and that:
    1. Has the purpose or effect of creating an intimidating, hostile, or offensive working environment, or;
    2. Has the purpose or effect of unreasonably interfering with an individual's work performance, or;
    3. Otherwise adversely affects an individual's employment opportunity.
  - b. Harassing conduct includes, but is not limited to:
    1. Epithets, slurs, negative stereotyping, threatening, intimidating, or hostile acts that relate to race, religion, color, national origin, ancestry, age, disability, marital status, gender, or sexual orientation.
    2. Written material or illustrations that denigrate or show



hostility or aversion toward an individual or group because of race, religion, color, national origin, ancestry, age, disability, marital status, gender, or sexual orientation, and is placed on walls; bulletin boards, or elsewhere on Natividad's premises or circulated in the workplace.

9. Physical behavior that is harassing, intimidating, or threatening, from the viewpoint of the recipient, including touching, obscene or intimidating gestures, or throwing of objects.
10. Passive behaviors, such as refusing to perform assigned tasks or to answer questions, return phone calls, or pages.
11. Language that is a reasonable adult would consider to be foul, abusive, degrading, demeaning, or threatening, such as crude comments, degrading jokes or comments, yelling, or shouting at a person, or threatening violence or retribution.
12. Single incident of egregious behavior, such as an assault or other criminal act.
13. Criticism of Natividad staff in front of patients, families, or other staff.

## **PROCEDURE**

1. Any person who functions in any capacity at Natividad who observes Practitioner language, action, attitude, or behavior which may be unprofessional, harassing, or disruptive to the provision of quality patient care services should document the incident via an Occurrence Report in Verge.
2. Identified incidents involving Practitioners shall be reviewed pursuant to the current Road Map for Handling Reports of Disruptive or Unprofessional Behavior or the County Sexual Harassment Policy, as determined by the nature of the behavior and the person who exhibits it.



**MEDICAL STAFF POLICY**

<b>Title:</b> Practitioner Code of Conduct	<b>Effective:</b> 05/09 <b>Reviewed/Revised:</b> 12/22
<b>Standard:</b> MSP004-2	<b>Approved: MEC</b> 12/22 <b>BOT</b> 1/23

I acknowledge that I have received and read this Practitioner Code of Conduct. I acknowledge that hospitals are required to define and address disruptive and inappropriate conduct to comply with The Joint Commission standards for accreditation. I agree to adhere to the guidelines in this Code and conduct myself in a professional manner. I further understand that failure to behave in a professional fashion may result in disciplinary actions set forth in the RoadMap for Handling Reports of Disruptive or Unprofessional Behavior or as determined by the Medical Executive Committee pursuant to the Medical Staff Bylaws.

Printed name \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

## **Exhibit 2.1**

### **COMPENSATION**

1. **Coverage Services.** Hospital shall pay to Contractor an annual amount equal to Three Million Two Hundred Seventy-Seven Thousand Eight Hundred One Dollars (\$3,277,801) for the Coverage Services provided under this Agreement, such compensation shall be paid monthly in the amount of Two Hundred Seventy-Three Thousand One Hundred Fifty Dollars (\$273,150); provided, however, that Contractor is in compliance with the terms and conditions of this Agreement. Should the amount of Coverage Services increase or decrease, the Parties agree to meet and discuss in good faith a reasonable adjustment to the Coverage Services. Any such adjustment shall be documented by the Parties in the form of an amendment hereto.

2. **Tele-Psychiatry Services.** Hospital shall pay to Contractor an annual amount equal to One Hundred Forty-Six Thousand Dollars (\$146,000) for the Tele-Psychiatry Services provided under this Agreement, such compensation shall be paid monthly in the amount of Twelve Thousand One Hundred Sixty-Seven Dollars (\$12,167). In the event that Contractor provides more than thirty (30) initial consults per month (the “**Tele-Psychiatry Initial Consult Minimum**”), Hospital shall pay Contractor and additional Three Hundred Twenty-Five Dollars (\$325) per initial tele-psychiatry consult in excess of the Tele-Psychiatry Initial Consult Minimum and One Hundred Fifty Dollars (\$150) per tele-psychiatry follow-up consultation provided by Contractor during such month. Should the volume of consults increase or decrease by twenty-five percent (25%) for three (3) consecutive months, the Parties agree to meet and discuss in good faith, a reasonable adjustment to the Tele-Psychiatry Initial Consult Minimum. Any such adjustment shall be documented by the Parties in the form of an amendment hereto. In addition, the parties will meet to review current Tele-Psychiatry volumes and operations at the earliest mutually-agreeable time from the Amendment effective date and may agree to renegotiate the annual amount due for Tele-Psychiatry Services if information provided during such meeting results in a determination that Contractor will not be sufficiently compensated at the current rate set forth herein.

3. **Bariatric Evaluation Services Compensation.** Hospital shall pay to Contractor Three Hundred Twenty-Five Dollars (\$325) per Bariatric Evaluation rendered by Group Physician according to the terms and conditions of this Agreement.

4. **Timing.** Hospital shall pay the compensation due for Services performed by Contractor after Contractor’s submission of the monthly invoice of preceding month’s activity and time report in accordance with this Agreement; provided, however, that if Contractor does not submit an invoice and time sheet within sixty (60) days of the end of the month during which Services were performed, Hospital shall not be obligated to pay Contractor for Services performed during that month. The County of Monterey Standard Payment Terms for contracts/PSAs and paying invoices is “30 days after receipt of the certified invoice in the Auditor-Controller’s Office”.