



County of Monterey

Item No.

Board Report

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

Legistar File Number: A 24-285

June 25, 2024

Introduced: 6/3/2024

Current Status: Agenda Ready

Version: 1

Matter Type: BoS Agreement

- a. Authorize the Chief Executive Officer (CEO) for Natividad Medical Center (NMC) or his designee to execute the Fourth Amendment to the Professional Services Agreement (A-13218) with CEP America-California, d.b.a. Vituity to provide emergency medicine services, extending the term by twenty-four months (July 1, 2024 to June 30, 2026) for a revised full agreement term of July 2016 to June 30, 2026, adding \$4,400,000, for a revised amount not to exceed \$18,426,277 in the aggregate; and
- b. Authorize the CEO for NMC or his designee to sign up to three (3) amendments to this Agreement where the total amendments do not significantly change the scope of work, do not exceed 10% (\$301,266) of the original contract amount and do not increase the total contract amount above \$18,727,543.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Authorize the Chief Executive Officer (CEO) for Natividad Medical Center (NMC) or his designee to execute the Fourth Amendment to the Professional Services Agreement (A-13218) with CEP America-California, d.b.a. Vituity to provide emergency medicine services, extending the term by twenty-four months (July 1, 2024 to June 30, 2026) for a revised full agreement term of July 2016 to June 30, 2026, adding \$4,400,000, for a revised amount not to exceed \$18,426,277 in the aggregate; and
- b. Authorize the CEO for NMC or his designee to sign up to three (3) amendments to this Agreement where the total amendments do not significantly change the scope of work, do not exceed 10% (\$301,266) of the original contract amount and do not increase the total contract amount above \$18,727,543.

SUMMARY/DISCUSSION:

NMC must arrange for the professional consultation and treatment of those patients who present to its Emergency Department (ED) in need of medical care for general illnesses and disease to life-threatening conditions, 24 hours a day. Vituity (formerly known as California Emergency Physicians Medical Group) offers a team of providers including emergency medicine physicians, physician assistants and nurse practitioners to provide exclusive medical director and comprehensive provider services coverage in the ED.

NMC would like to amend the Agreement so that Vituity can provide the same services critical to NMC's operation without interruption. NMC has obtained an independent opinion of fair market value supporting the payment terms of this Agreement.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved this Amendment as to legal form and the 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 \$4,400,000. The total not to exceed amount for this Agreement is \$18,426,277 for the period July 1, 2016 to June 30, 2026. \$1,466,667 is included in the Fiscal Year 2024/2025 Adopted Budget. The remaining amount will be budgeted in subsequent fiscal years. Funding will be provided by NMC's Enterprise Fund 451-9600-6608.

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, 783.2551

Attachments:

- Fourth Amendment
- Third Amendment
- Second Amendment
- First Amendment
- Agreement

Attachments on file at the Clerk of the Board

Charles R Harris

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

6/14/2024

Date