



County of Monterey

Item No.

Board Report

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

Legistar File Number: A 23-293

July 25, 2023

Introduced: 6/12/2023

Current Status: Agenda Ready

Version: 1

Matter Type: BoS Agreement

- a. Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute the Renewal and Second Amendment to the Professional and Call Coverage Services Agreement (A-15368) with Salinas Valley Memorial Healthcare System, dba Salinas Valley Medical Clinic to provide hematology oncology services, extending the term by twenty-four months (July 1, 2023 to June 30, 2025) for a revised term July 1, 2019 to June 30, 2025, and adding \$360,000 for a revised not to exceed amount of \$1,080,000 in the aggregate; and
- b. Authorize the Chief Executive Officer for NMC 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, do not exceed ten percent 10% (\$36,000) of the original contract amount and do not increase the total contract amount above \$1,116,000.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute the Renewal and Second Amendment to the Professional and Call Coverage Services Agreement (A-15368) with Salinas Valley Memorial Healthcare System, dba Salinas Valley Medical Clinic to provide hematology oncology services, extending the term by twenty-four months (July 1, 2023 to June 30, 2025) for a revised term July 1, 2019 to June 30, 2025, and adding \$360,000 for a revised not to exceed amount of \$1,080,000 in the aggregate; and
- b. Authorize the Chief Executive Officer for NMC 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, do not exceed ten percent 10% (\$36,000) of the original contract amount and do not increase the total contract amount above \$1,116,000.

SUMMARY/DISCUSSION:

NMC operates the D'Arrigo Family Specialty Services Outpatient Clinic offering over fifteen different specialty care services including hematology oncology. NMC must also arrange for the care and treatment of hospitalized patients and patients who present to the emergency department and outpatient clinic in need of medical care in the specialty of hematology oncology. NMC has an agreement with Salinas Valley Memorial Healthcare System, dba Salinas Valley Medical Clinic, whose board-certified hematology oncology physicians provide 24/7/365 call coverage and one half day a week in the outpatient clinic. The Agreement expired by its own terms on June 30, 2023 and NMC wishes to enter into this Renewal and Second Amendment so that the group can continue to provide the same services 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.
Auditor-Controller has reviewed and approved this Amendment as to fiscal provisions. The Amendment has also been reviewed and approved by NMC's Finance Committee and Board of Trustees.

FINANCING:

The cost of this amendment is \$360,000. The total not to exceed amount of this agreement is \$1,080,00 for the period July 1, 2019 to June 30, 2025. \$180,000 is included the Fiscal Year 2023/2024 Adopted Budget. The remaining balance will be budget in subsequent fiscal years. 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, 783.2551

Attachments:

Renewal and 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

7/11/2023

Date