



Monterey County

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066

Board Report

Legistar File Number: A 15-079

April 28, 2015

Introduced: 4/7/2015

Current Status: Agenda Ready

Version: 1

Matter Type: BoS Agreement

Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) to execute the Eleventh Amendment to the Professional Services Agreement (A-11427) with Medical Doctor Associates (MDA) to provide locum tenens services at NMC adding \$200,000, for a revised total Agreement amount not to exceed \$3,000,000 in the aggregate (for the period February 1, 2009 to June 30, 2015); and

Authorize the Deputy Purchasing Agent for NMC to sign up to three (3) amendments to this Agreement where the total amendments do not exceed 10% of the original contract amount and do not significantly change the scope of work.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) to execute the Eleventh Amendment to the Professional Services Agreement (A-11427) with Medical Doctor Associates (MDA) to provide locum tenens services at NMC adding \$200,000, for a revised total Agreement amount not to exceed \$3,000,000 in the aggregate (for the period February 1, 2009 to June 30, 2015); and

Authorize the Deputy Purchasing Agent for NMC to sign up to three (3) amendments to this Agreement where the total amendments do not exceed 10% of the original contract amount and do not significantly change the scope of work.

SUMMARY/DISCUSSION:

NMC entered into an agreement with MDA on February 1, 2009; as amended March 1, 2010; July 1, 2010; March 1, 2011; July 1, 2011; December 1, 2011; July 1, 2012; May 1, 2013; July 1, 2013; December 1, 2013; and July 1, 2014 to provide locum tenens services. Locum tenens (temporary) physicians are utilized during periods when its employed/contracted physicians are not available (e.g., vacation; illness; continuing medical education; etc.) to provide health care services vital to NMC's continued operation.

NMC has a current Request for Proposal (RFP) for locum tenens services with an anticipated award date of July 1, 2015. In the meantime, NMC continues to utilize locum tenens physicians to fill its coverage needs. In Fiscal Year 2014/2015, NMC utilized MDA's physicians who already had privileges to practice medicine at NMC, to provide patient care in units with at least one vacant position (hospitalist; pediatric hospitalist) which caused the need to add funds to the amendment during the fiscal year with this Eleventh Amendment. The estimate additional cost of locum tenens physicians to cover critical patient care areas of the hospital is \$200,000. This Amendment does not change the rate of pay, which varies by specialty and is all-inclusive of travel, lodging and associated expenses

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved this Agreement as to legal form and risk provisions. Auditor-Controller has reviewed and approved this Agreement as to fiscal provisions. The Agreement has also been reviewed and approved by Natividad Medical Center's Finance Committee on March 26, 2015 and Board of Trustees on April 3, 2015.

FINANCING:

In order to find highly qualified temporary physicians that match the position we are trying to fill/cover and are available on sometimes a very short notice, it is necessary that NMC contract with multiple locum tenens companies with a combined annual maximum liability of \$1,000,000. The actual cost of each contract is contingent upon the need to cover services, which is unpredictable by nature. The cost for this Amendment is \$200,000. The total not to exceed amount is \$3,000,000 for the period February 1, 2009 to June 30, 2015. \$530,706.93 was disbursed in Fiscal Year 2009/2010; \$300,224.50 was disbursed in Fiscal Year 2010/2011; \$284,325.75 was disbursed in Fiscal Year 2011/2012 and \$384,742.82 was disbursed in Fiscal Year 2012/2013. \$800,000 is included in the Fiscal Year 2013/2014 Adopted Budget of which \$602,087 has been disbursed. \$500,000 is included in the Fiscal Year 2014/2015 Adopted Budget for this Agreement. There is no impact to the General Fund.

Prepared by: Jeanne-Ann Balza, Management Analyst, 783.2506
Approved by: Gary Gray D.O., Interim Chief Executive Officer, 783.2553

Attachments:
First-Eleventh Amendment, Agreement

Attachments on file at the Clerk of the Board



Gary Gray D.O., Interim Chief Executive Officer



Date



Monterey County

168 West Alisal Street,
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Board Order

Agreement No.: A-11427

Upon motion of Supervisor Parker, seconded by Supervisor Armenta and carried by those members present, the Board of Supervisors hereby:

- a. Authorized the Deputy Purchasing Agent for Natividad Medical Center (NMC) to execute the Eleventh Amendment to the Professional Services Agreement (A-11427) with Medical Doctor Associates (MDA) to provide locum tenens services at NMC adding \$200,000, for a revised total Agreement amount not to exceed \$3,000,000 in the aggregate (for the period February 1, 2009 to June 30, 2015); and
- b. Authorized the Deputy Purchasing Agent for NMC to sign up to three (3) amendments to this Agreement where the total amendments do not exceed 10% of the original contract amount and do not significantly change the scope of work.

PASSED AND ADOPTED on this 28th day of April 2015, by the following vote, to wit:

AYES: Supervisors Armenta, Phillips, Salinas, Parker and Potter

NOES: None

ABSENT: None

I, Gail T. Borkowski, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 78 for the meeting on April 28, 2015.

Dated: April 29, 2015
File ID: A 15-079

Gail T. Borkowski, Clerk of the Board of Supervisors
County of Monterey, State of California

By Denise Hancock
Deputy

ELEVENTH AMENDMENT TO PROFESSIONAL SERVICE AGREEMENT

THIS ELEVENTH AMENDMENT TO PROFESSIONAL SERVICE AGREEMENT (the “**Amendment**”) is made and entered into as of May 1 2015, the Effective Date, by and between COUNTY OF MONTEREY (“**County**”) on behalf of NATIVIDAD MEDICAL CENTER (“**Hospital**”), and **MEDICAL DOCTOR ASSOCIATES** (“**Contractor**”) with respect to the following:

RECITALS

A. County owns and operates Hospital, a general acute care teaching hospital facility located in Salinas, California and various outpatient clinics under its acute care license.

B. Contractor and Hospital have entered into that certain Professional Service Agreement dated February 1, 2009; as amended on March 1, 2010; July 1, 2010; March 1, 2011; July 1, 2011; December 1, 2011; July 1, 2012; May 1, 2013; July 1, 2013; December 1, 2013 and July 1, 2014 (collectively, the “**Agreement**”) pursuant to which Contractor provides referrals for locum tenens physician services.

C. Hospital and Contractor desire to amend the Agreement to add Two Hundred Thousand Dollars (\$200,000) to the not to exceed amount for the provision of additional services during the term of the Agreement.

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. **Amended Section 2.** The last sentence of Section 2 of the Agreement is hereby deleted and replaced with the following: “During the period of February 1, 2009 and June 30, 2015, the maximum obligation of the County for services provided hereunder shall not exceed two million eight hundred thousand dollars \$2,800,000.”
3. **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.
4. **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.
5. **Reference.** After the date of this Amendment, any reference to the Agreement shall mean the Agreement as amended by this Amendment.

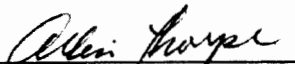
IN WITNESS WHEREOF, Hospital and Contractor have executed this Amendment as of the day and year first written above.

CONTRACTOR

MEDICAL DOCTOR ASSOCIATES

Date: March 26, 2015

By: 
Its Executive Vice President

By: 
Its Staffing Consultant

NATIVIDAD MEDICAL CENTER


Deputy Purchasing Agent

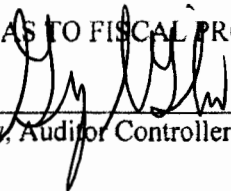
Date: 5/1, 2015

APPROVED AS TO LEGAL FORM:
CHARLES J. McKEE, County Counsel


Stacy Saetta, Deputy County Counsel

Date: 4/1, 2015

APPROVED AS TO FISCAL PROVISIONS:


Gary Giboney, Auditor Controller's Office

Date: 4-1, 2015