



Monterey County

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

Board Report

Legistar File Number: A 14-297

January 27, 2015

Introduced: 12/19/2014

Current Status: Agenda Ready

Version: 1

Matter Type: BoS Agreement

- a. Approve and authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) to execute the Third Amendment to the Professional Services Agreement with Salinas Pathology Services Medical Group, Inc. to provide pathology services at NMC, effective February 1, 2015, extending the term to June 30, 2016 and adding \$150,000 for a revised Agreement amount not to exceed \$250,000 in the aggregate; and
- b. 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:

- a. Approve and authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) to execute the Third Amendment to the Professional Services Agreement with Salinas Pathology Services Medical Group, Inc. to provide pathology services at NMC, effective February 1, 2015, extending the term to June 30, 2016 and adding \$150,000 for a revised Agreement amount not to exceed \$250,000 in the aggregate; and
- b. 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 offers anatomic and clinical pathology services for which it requires one full time equivalent (FTE) physician. It is necessary to contract with multiple independent contractors, such as Salinas Pathology Services, to utilize their physician services during periods when NMC's employed physicians are not available (e.g., vacation; illness; continuing medical education; etc.) to provide health care services vital to NMC's continued operation.

NMC wishes to amend the Agreement before its term to add to the amount payable due to increased utilization to cover the service, but the rate of pay remains the same. Salinas Pathology Services is paid a coverage services rate according to the terms of the Agreement. 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 risk provisions. Auditor-Controller has reviewed and approved this Amendment as to fiscal provisions. This Amendment was also reviewed and approved by NMC's Finance Committee on November 25, 2014 and Board of Trustees on December 5, 2014.

FINANCING:

The cost for this Amendment is \$150,000. The total not to exceed amount of this Agreement is \$250,000 for the period July 1, 2011 to June 30, 2016. \$25,950 was disbursed in Fiscal Year 2011/2012; \$30,700 was disbursed in Fiscal Year 2012/2013; \$36,150 was disbursed in Fiscal Year 2013/2014; and \$7,200 has been disbursed year to date in Fiscal Year 2014/2104. \$50,000 is included in Fiscal Year 2014/2015 Adopted Budget. The remaining amount will be budgeted in Fiscal Year 2015/2016. There is no impact to the General Fund.

Prepared by: Jeanne-Ann Balza, Management Analyst, 783.2506

Approved by: Kelly O'Keefe, Interim Chief Executive Officer, 783.2553

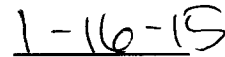
Attachments:

First-Third Amendment; Agreement

Attachments on file at the Clerk of the Board



for Dr. Kelley O'Keefe, Interim Chief Executive Officer



Date