



Monterey County

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

Board Report

Legistar File Number: A 14-276

December 16, 2014

Introduced: 11/25/2014

Current Status: Agenda Ready

Version: 1

Matter Type: BoS Agreement

- a) Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) to execute the Second Amendment to Professional Medical Services Agreement with Kalle Varav M.D. to provide pain management services at NMC effective January 1, 2015, adding \$200,000 and extending the term of the Agreement to December 31, 2016 for a total amount not to exceed \$300,000 in the aggregate; and
- b) Authorize the Deputy Purchasing Agent for NMC to execute 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) Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) to execute the Second Amendment to Professional Medical Services Agreement with Kalle Varav M.D. to provide pain management services at NMC effective January 1, 2015, adding \$200,000 and extending the term of the Agreement to December 31, 2016 for a total amount not to exceed \$300,000 in the aggregate; and
- b) Authorize the Deputy Purchasing Agent for NMC to execute 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 Kalle Varav MD on January 1, 2013 to provide pain management services in outpatient surgery and the specialty clinic at NMC. The agreement was amended January 1, 2014 to extend the term. Since 2013, Dr. Varav has increased the number of outpatient surgery procedures and the number of days he sees patients in the specialty clinic. NMC wishes to enter into this Second Amendment to extend the term and add to the amount payable to so that Dr. Varav can continue to provide the same scope of services without interruption. This Amendment does not change the rate of pay for services. NMC has obtained an independent opinion of fair market value supporting the payment terms.

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. The Amendment has also been reviewed and approved by Natividad Medical Center's Finance Committee on October 23, 2014 and Board of Trustees on November 7, 2014.

FINANCING:

The cost for this Amendment is \$200,000. The total not to exceed amount of the Agreement is

\$300,000 for the period January 1, 2013 to December 31, 2016. \$100,000 is included in the Fiscal Year 2014/2015 Adopted Budget. The remaining \$146,462 will be budgeted for subsequent fiscal years. There is no impact to the General Fund.

Prepared by: Jeanne-Ann Balza, Management Analyst, 783.2506
Approved by: Kelly O'Keefe, Interim Executive Officer, 783.2553

Attachments:
Agreement; First-Second Amendment

Attachments on File at the Clerk of the Board

Kelly O'Keefe, M.D., PhD, F.C.A.P.
Interim CEO, Natividad Medical Center

Date