



County of Monterey

Item No.

Board Report

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

Legistar File Number: A 24-417

August 27, 2024

Introduced: 8/12/2024

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 First Amendment to the Professional Services Agreement (A-15977) with Claire Hartung MD, Inc. to provide hospitalist services extending the term of the agreement by twenty-four months (October 1, 2024 to September 30, 2026) for a revised full agreement term August 26, 2022 to September 30, 2026 and adding \$100,000 for a revised amount not to exceed \$400,000 in the aggregate; and
- b. Authorize the CEO for NMC or his designee to sign up to three (3) amendments to these agreements where the total amendments do not significantly change the scope of work, do not exceed 10% (\$30,000) of the original contract amount and do not increase the total contract amount above \$430,000.

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 First Amendment to the Professional Services Agreement (A-15977) with Claire Hartung MD, Inc. to provide hospitalist services extending the term of the agreement by twenty-four months (October 1, 2024 to September 30, 2026) for a revised full agreement term August 26, 2022 to September 30, 2026 and adding \$100,000 for a revised amount not to exceed \$400,000 in the aggregate; and
- b. Authorize the CEO for NMC or his designee to sign up to three (3) amendments to these agreements where the total amendments do not significantly change the scope of work, do not exceed 10% (\$30,000) of the original contract amount and do not increase the total contract amount above \$430,000.

SUMMARY/DISCUSSION:

NMC operates medical surgical units and an acute rehabilitation unit that provide direct patient care to hospitalized patients 24 hours a day, 7 days a week. In order to ensure sufficient staffing of these critical units with at least four physicians during the day and one physician at night who are immediately available to provide patient care, it requires a team of employee and independent contractor physicians, known as hospitalists. NMC wishes to amend its agreement with Claire Hartung MD Inc., for a which Dr. Claire Hartung, a board-certified family medicine physician, the hospitalist services. Dr. Hartung also provides patient care and the supervision of residents in the labor and delivery unit for the family medicine residency program from time to time as needed. 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. 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 \$100,000. The total not to exceed amount of the Agreement is \$400,000 for the period August 26, 2022 to September 30, 2026. The actual cost is contingent upon Dr. Hartung's level of participation in the panel which fluctuates based on patient volumes and her availability. \$150,000 is included in the Fiscal Year 2024/2025 Adopted Budget. Funding will be provided from NMC's Enterprise Fund 451-9600-6608.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The services rendered in this agreement provide NMC with the additional support it needs to delivery 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:

First Amendment

Agreement

Attachments on file at the Clerk of the Board

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

08/16/2024
Date