



Monterey County

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Board Report

Legistar File Number: A 18-175

June 26, 2018

Introduced: 5/10/2018

Version: 1

Current Status: Agenda Ready

Matter Type: BoS Agreement

- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute the Third Amendment to the Professional and Call Coverage Services Agreement (A-12844) with Yu-Chuan Liu M.D., effective June 1, 2018, to provide cardiology services at NMC extending the term by twenty-four months (July 1, 2018 to June 30, 2020) for a revised full agreement term of July 1, 2016 to June 30, 2020 and adding \$800,000, for a revised amount not to exceed of \$2,200,000 in the aggregate; and
- b. Authorize the Deputy Purchasing Agent for NMC or his designee to sign up to three (3) future amendments to this Agreement which do not significantly alter the scope of work and do not cause an increase of more than ten percent (10%) (\$60,000) of the original cost of the Agreement.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute the Third Amendment to the Professional and Call Coverage Services Agreement (A-12844) with Yu-Chuan Liu M.D., effective June 1, 2018, to provide cardiology services at NMC extending the term by twenty-four months (July 1, 2018 to June 30, 2020) for a revised full agreement term of July 1, 2016 to June 30, 2020 and adding \$800,000, for a revised amount not to exceed of \$2,200,000 in the aggregate; and
- b. Authorize the Deputy Purchasing Agent for NMC or his designee to sign up to three (3) future amendments to this Agreement which do not significantly alter the scope of work and do not cause an increase of more than ten percent (10%) (\$60,000) of the original cost of the Agreement.

SUMMARY/DISCUSSION:

NMC must arrange for the care and treatment of patients who present to the emergency department or hospital clinics in need of medical care in the specialty of cardiology. Dr. Liu participates in a panel of cardiology physicians who provide 24/7 cardiology call coverage in the emergency department, daily outpatient cardiology clinic and clinical interpretation services to its cardiology patients.

During the period July 1, 2017 to May 31, 2018, Dr. Liu provided more services than originally anticipated due to the unexpected death of one of the cardiologists in the department, causing a Second Amendment, effective June 1, 2018, to increase the not to exceed amount to pay for those additional services.

NMC would like to enter into this Third Amendment, effective July 1, 2018 extend the term an additional twenty-four months so that Dr. Liu can continue to provide the cardiology 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 and the 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 April 26, 2018 and Board of Trustees on May 4, 2018.

FINANCING:

The cost of this Amendment is \$800,000. The total not to exceed amount of this Agreement is \$2,260,000. \$400,000 is included in the Fiscal Year 2018/2019 Recommended Budget and the remaining \$400,000 will be budgeted in Fiscal Year 2019/2020. There is no impact to the General Fund.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The services rendered in this agreement provide NMC 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 Monterey County residents and their families.

- ☐ Economic Development
- ☐ Administration
- ☒ Health and Human Services
- ☐ Infrastructure
- ☐ Public Safety

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

Approved by: Gary Gray D.O., Chief Executive Officer, 783.2553

Attachments: First-Third Amendment; Agreement

Attachments on file at the Clerk of the Board