

**AMENDMENT NO. 3
TO SERVICES AGREEMENT
BETWEEN PINNACLE HEALTHCARE CONSULTING, LLC AND
NATIVIDAD MEDICAL CENTER
FOR
PHYSICIAN FAIR MARKET VALUE ANALYSIS AND CONSULTING SERVICES**

This Amendment No. 3 to the Services Agreement (“Agreement”) which was effective on January 1, 2016 is entered into by and between the County of Monterey, on behalf of Natividad Medical Center (hereinafter “NMC”), and Pinnacle Healthcare Consulting, LLC (hereinafter “CONTRACTOR”); (collectively, the County, NMC and CONTRACTOR are referred to as the “Parties”), with respect to the following:

RECITALS

WHEREAS, the County of Monterey on behalf of Natividad Medical Center and Pinnacle Healthcare Consulting, LLC entered into an Agreement for physician fair market value analysis and consulting services with a term January 1, 2016 through December 31, 2018 and a total Agreement amount not to exceed \$50,000; and

WHEREAS, the County of Monterey on behalf of Natividad Medical Center and Pinnacle Healthcare Consulting, LLC amended the Agreement via Amendment No. 1 to extend the term for an additional two (2) year period through December 31, 2020 for a revised full Agreement term of January 1, 2016 through December 31, 2020 to allow for services to continue with added services to include annual Fair Market Value (FMV) Reports as per the revised Scope of Services attached hereto as “Exhibit A-1 as per Amendment No. 1”, and to include an updated Business Associate Agreement as an attachment to the Agreement with no change to the original Agreement amount; and

WHEREAS, the County of Monterey on behalf of Natividad Medical Center and Pinnacle Healthcare Consulting, LLC amended the Agreement via Amendment No. 2 to add an additional \$50,000, thereby increasing the total Agreement amount not to exceed \$100,000 with no changes to the scope of work, billing rates or term of the Agreement January 1, 2016 through December 31, 2020; and

WHEREAS, the County of Monterey on behalf of Natividad Medical Center and Pinnacle Healthcare Consulting, LLC currently wish to amend the Agreement via Amendment No. 3 to extend the term for an additional one (1) year period through December 31, 2021 to allow for services to continue with revisions to the scope of work attached hereto as “Exhibit A-3 per Amendment No. 3” with a \$100,000 increase for a total Agreement amount not to exceed \$200,000.

AGREEMENT

NOW, THEREFORE, the Parties agree to amend the Agreement as follows:

The Agreement is hereby renewed on the terms and conditions as set forth in the Original Agreement and in Renewal and Amendment No 1, Amendment No. 2. incorporated herein by this reference, except as specifically set forth below.

1. Paragraph titled, “PAYMENTS BY NMC” shall be amended to the following:

“NMC shall pay the CONTRACTOR in accordance with the payment provisions set forth in EXHIBIT A-3 as per Amendment No. 3. The total amount payable by NMC to CONTRACTOR under this Agreement shall not exceed the sum of \$200,000.”

2. **The first sentence of Paragraph titled, "TERM OF AGREEMENT" shall be amended to the following:**
"The term of this Agreement is from January 1, 2016 through December 31, 2021 unless sooner terminated pursuant to the terms of this Agreement."
3. **Paragraph titled, "SCOPE OF SERVICES AND ADDITIONAL PROVISIONS/EXHIBITS" shall be amended by removing the following:**
"The following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:
Exhibit A-1: Revised Scope of Services/Payment Provisions as per Amendment No. 1.
Exhibit B: Business Associate Agreement"

And replacing it with:
"The following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:
Exhibit A-3: Revised Scope of Services/Payment Provisions as per Amendment No. 3.
Exhibit B: Business Associate Agreement"
4. Except as provided herein, all remaining terms, conditions and provisions of the Agreement are unchanged and unaffected by this Amendment No. 3 and shall continue in full force and effect as set forth in the Agreement and in Amendment No. 1 and Amendment No. 2.
5. A copy of this Amendment No. 3 shall be attached to the Agreement.
6. This Amendment No. 3 shall be effective when signed by both Parties.

The remainder of this page was intentionally left blank.

~ Signature page to follow ~

IN WITNESS WHEREOF, the Parties hereto are in agreement with this Amendment No. 3 on the basis set forth in this document and have executed this Amendment No. 3 on the day and year set forth herein.

NATIVIDAD MEDICAL CENTER

By: _____
Gary R. Gray, DO, CEO

Date: _____

APPROVED AS TO LEGAL PROVISIONS

By:  _____
Monterey County Deputy County Counsel

Date: _____ 7/13/2020

APPROVED AS TO FISCAL PROVISIONS

By:  _____
Monterey County Deputy Auditor/Controller

Date: _____ 7/13/2020

CONTRACTOR

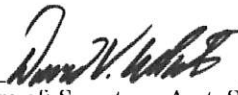
Pinnacle Healthcare Consulting, LLC

CONTRACTOR's Business Name
See instructions below

By: **Anthony Long** Digitally signed by Anthony Long
Date: 2020.06.18 14:39:22 -06'00' _____
(Signature of: Chair, President, or Vice-President)

Anthony Long
Name and Title

Date: _____ 06/18/20

By:  _____
(Signature of: Secretary, Asst. Secretary, CFO,
Treasurer, or Asst. Treasurer)

David V. White, Treasurer
Name and Title

Date: _____ 06/18/20

*****Instructions*****

If CONTRACTOR is a corporation; including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers (two signatures required).

If CONTRACTOR is a partnership; the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership (two signatures required).

If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement (one signature required).

EXHIBIT A-3 Revised Scope of Services/Payment Provisions as per Amendment No. 3

**To Agreement by and between
NATIVIDAD MEDICAL CENTER
and
PINNACLE HEALTHCARE CONSULTING, LLC**

I. Description of All Services to be Rendered by CONTRACTOR:

- a. During the term of this Agreement, CONTRACTOR shall be available to provide hourly consultative services to NMC upon request in the following areas:
 - i. Business and compensation valuation
 - ii. Service line strategy and physician alignment
 - iii. Cost reduction strategy/supply chain and operations improvement
 - iv. Physician practice management and compensation planning
 - v. Medical billing/coding audit and compliance support

- b. During the term of this Agreement, CONTRACTOR shall provide a Fair Market Value Report (“Report”) to support NMC management in assessing fair market value for physician and advanced practice clinician (“APC”) compensation arrangements. Participation is backed by a team of physician compensation experts and the FMV report will be updated annually.

II. Pricing/Fees:

- a. For services provided by CONTRACTOR pursuant to Exhibit A-3, Section I a. of this Agreement, NMC shall pay CONTRACTOR according to the following fee schedule:

TITLE	HOURLY RATE
Principal	\$375
Director	\$290 to \$375
Manager	\$275
Consultant	\$225 to \$290
Analyst	\$190 to \$225

- b. For the annual Fair Market Value Report (“Report”) provided by CONTRACTOR pursuant to Exhibit A-3, Section I b. of this Agreement, NMC shall pay CONTRACTOR an **annual fee of \$4,500.**
- c. CONTRACTOR warrants that the cost charged for services under the terms of this contract are not in excess of those charged any other client for the same services performed by the same individuals.
- d. Payment may be based upon satisfactory acceptance of each deliverable, payment after completion of each major part of the Agreement, payment at conclusion of the Agreement, etc.
- e. County may, in its sole discretion, terminate the contract or withhold payments claimed by CONTRACTOR for services rendered if CONTRACTOR fails to satisfactorily comply with any term or condition of this Agreement.
- f. No payments in advance or in anticipation of services or supplies to be provided under this Agreement shall be made by County.
- g. There is no travel costs associated with these services.