



County of Monterey

Item No.55

Board Report

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

Legistar File Number: 24-752

December 03, 2024

Introduced: 11/14/2024

Current Status: Natividad Medical Center
- Consent

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 and Call Coverage Services Agreement with Andrew Wang, MD, Inc. to provide acute care surgical services, adding \$1,000,000 for a total not to exceed amount of \$1,200,000, but with no change to the original term of the agreement May 1, 2024 to June 30, 2026; and
- b. Authorize the CEO or his designee to sign up to three (3) future amendments to this agreement where the total amendments do not significantly change the scope of work, do not cause an increase of more than 10% (\$20,000) of the original contract amount and do not increase the total contract amount above \$1,220,000.

RECOMMENDATION:

- a. Authorize the Chief Executive Officer (CEO) for Natividad Medical Center (NMC) or his designee to execute the first amendment to the Professional and Call Coverage Services Agreement with Andrew Wang, MD, Inc. to provide acute care surgical services, adding \$1,000,000 for a total not to exceed amount of \$1,200,000, but with no change to the original term of the agreement May 1, 2024 to June 30, 2026; and
- b. Authorize the CEO or his designee to sign up to three (3) future amendments to this agreement where the total amendments do not significantly change the scope of work, do not cause an increase of more than 10% (\$20,000) of the original contract amount and do not increase the total contract amount above \$1,220,000.

SUMMARY/DISCUSSION:

Natividad received its designation as the Level II Trauma Center for Monterey County in January 2015. The American College of Surgeons requires acute critical care surgeons to be available in-house with a 15-minute response time for Level II Trauma Centers. In order to provide 24/7 care, it is necessary to maintain a core team of quality surgeons made up of employed and independent contract physicians to provide daily call coverage in the Emergency Department and follow-up care to patients in the Intensive Care Unit.

Natividad would like to amend its agreement with Andrew Wang MD, Inc., for which Dr. Wang, a board-certified fellowship trained trauma surgeon provides general and critical care surgical services as part of the comprehensive trauma services required for a Level II Trauma Center. Dr. Wang will participate in the on-call panel and will be paid a daily rate for the coverage services, which may increase due to availability and the need for coverage, but the rate of pay for services remains the same. 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.

Auditor-Controller has reviewed and approved this Amendment as to fiscal provisions. The Amendment has not been reviewed or approved by Natividad's Finance Committee ("FC") and Board of Trustees ("BoT"). Natividad lacks the time to obtain FC and BoT support of the amendment. Natividad is experiencing an unexpected and sustained demand for Dr. Wang's services, resulting in an urgent need to amend Dr. Wang's agreement to add needed funds to support the increase in services.

FINANCING:

The cost of this amendment is \$1,000,000. The total not to exceed amount of this agreement is \$1,200,000. The actual cost is contingent upon Dr. Wang's participation in the call panel which may fluctuate based on his availability. The remaining balance will be budgeted in subsequent fiscal years. Funding will be provided from NMC's Enterprise Fund 451-9600-6608.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The services rendered in this agreement are required for a Level II Trauma Center and provide Natividad 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 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, 783.2553

Attachments:

First Amendment
Agreement