



Monterey County

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Board Report

Legistar File Number: A 17-231

June 20, 2017

Introduced: 6/2/2017

Version: 1

Current Status: Agenda Ready

Matter Type: BoS Agreement

- a. Authorize Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute the Second Amendment to the Professional and Call Coverage Services Agreement (A-12727) with Neurorescue, a Medical Corporation to provide neurosurgery services, extending the term by twenty-four (24) months (July 1, 2017 to June 30, 2019) for a revised full agreement term of July 1, 2014 to June 30, 2019 and adding \$200,000 for a revised amount not to exceed \$900,000 in the aggregate; and
- b. Authorize the Deputy Purchasing Agent for NMC to sign up to three (3) future amendments to this agreement where the total amendments do not exceed the term by more than twelve (12) months, do not significantly change the scope of work, and do not cause an increase of more than ten percent 10% (\$50,000) of the original contract amount per each amendment.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Authorize Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute the Second Amendment to the Professional and Call Coverage Services Agreement (A-12727) with Neurorescue, a Medical Corporation to provide neurosurgery services, extending the term by twenty-four (24) months (July 1, 2017 to June 30, 2019) for a revised full agreement term of July 1, 2014 to June 30, 2019 and adding \$200,000 for a revised amount not to exceed \$900,000 in the aggregate; and
- b. Authorize the Deputy Purchasing Agent for NMC to sign up to three (3) future amendments to this agreement where the total amendments do not exceed the term by more than twelve (12) months, do not significantly change the scope of work, and do not cause an increase of more than ten percent 10% (\$50,000) of the original contract amount per each amendment.

SUMMARY/DISCUSSION:

Natividad Medical Center (NMC) received its designation as the Level II Trauma Center for Monterey County in January 2015. The American College of Surgeons requires neurosurgeons provide dedicated call coverage with a 30 minute response time for Level II Trauma Centers. In order to provide 24/7 care, it is necessary to develop and sustain a core team of quality neurosurgeons 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 and Specialty Clinic.

NMC has an agreement with Neurorescue, a Medical Corporation, for which M. Mohsin Shah, M.D., a board certified neurosurgeon, provides neurosurgery services at NMC as part of the comprehensive trauma services required for the Level II Trauma Center activation. NMC wishes to amend the agreement to extend the term an additional 24 months and to add to the amount payable for services provided during the extended term so that Dr. Shah can continue to provide services without interruption. Dr. Shah is paid a daily rate for coverage services and

an hourly rate for Director Services. 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 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 May 25, 2017 and Board of Trustees on June 2, 2017.

FINANCING:

The cost for this Amendment is \$200,000. The total not to exceed amount of this Agreement is \$900,000 for the period July 1, 2014 to June 30, 2019. The actual cost is contingent upon Dr. Shah's level of participation, in the call panel which may fluctuate based on his availability. \$149,250 was disbursed in Fiscal Year 2014/2015; \$199,000 was disbursed in Fiscal Year 2015/2016; and \$122,000 has been disbursed in Fiscal Year 2016/2017 (5 months). NMC has agreements with multiple providers to ensure sufficient coverage of this service for which the total expenditure will not exceed \$1,300,000 annually and is included in the Fiscal Year 2017/2018 Recommended Budget. 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 patients and their families.

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

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

Attachments: Agreement; First-Second Amendment