



## Monterey County Board of Supervisors

### Board Order

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1st Floor  
Salinas, CA 93901  
831.755.5066  
www.co.monterey.ca.us

A motion was made by Supervisor Luis A. Alejo, seconded by Supervisor Mary L. Adams to:

**Agreement No.: A-14280; Amendment No. 3**

Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute an amendment No. 3 to the agreement (A-14280) with Optuminsight, Inc. for perioperative (surgery) consulting services to improve the number of surgical procedures and patients satisfaction, extending the agreement an additional two (2) years (April 1, 2023 through March 31, 2025) for a revised full agreement term of March 26, 2019 through March 31, 2025 and adding \$540,000 for a revised full agreement amount not to exceed \$ 2,220,000.

PASSED AND ADOPTED on this 23<sup>rd</sup> day of February 2021, by roll call vote:

AYES: Supervisors Alejo, Phillips, Lopez, Askew and Adams  
NOES: None  
ABSENT: None  
(Government Code 54953)

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting February 23, 2021.

Dated: February 26, 2021  
File ID: A 21-038  
Agenda Item No.: 19

Valerie Ralph, Clerk of the Board of Supervisors  
County of Monterey, State of California

  
Julian Lorenzana, Deputy

**AMENDMENT NO. THREE  
TO THE  
CONSULTING SERVICES AGREEMENT**

This Amendment No. Three, dated March 1, 2021, is made to the Consulting Services Agreement, dated April 1, 2019 (the "Schedule"), between Natividad Medical Center ("Customer" or "Natividad") and OptumInsight, Inc. ("Optum"). The Schedule, as amended, is incorporated into and made a part of the Master Services and License Agreement ("Agreement"), dated May 13, 2019, between Optum and Customer.

NOW, THEREFORE, in consideration of the mutual covenants hereinafter set forth, the parties agree to amend the Schedule as follows:

1. **Existing Agreement.** Except as set forth in this Amendment No. Three, all terms and conditions of the Schedule and Agreement remain in full force and effect. In the event of any conflict between the terms of this Amendment No. Three, the Schedule, and the Agreement, this Amendment No. Three shall control.
2. **Additional OR Performance:** Optum will provide additional consulting services by providing OR performance consulting. Optum will conduct periodic meetings with a Natividad Executive Steering Committee ("ESC"), which will be comprised of members of Natividad's executive and administrative leadership, among others deemed pertinent by Natividad. The purpose of these meetings is to discuss Optum's findings and work collaboratively with Natividad to determine the most viable opportunities, action plan and timeline for OR improvements.
  - a. **Project Kickoff:** The Optum team will collaborate with Natividad leaders to perform remote and virtual meetings with the ESC members to define Optum's OR efficiency approach and data requirements. This period will allow Optum to create the project plan to implement the SPC tools at the hospital.
    - i. **Data and Information Analyses:** Optum will continue to load monthly Natividad OR data and Optum's support team will perform OR efficiency and utilization analyses to present the highest-level opportunities for improvement.
    - ii. **Areas of Focus:** Optum will perform the following list of *Centralized Analytic Services* to support Natividad's OR improvement program:
      - A. Continue monthly OR data download into Optum's analytic tools
      - B. Define Natividad efficiency and utilization metrics and tracking reports
      - C. Create monthly Key Performance Indicator dashboards
      - D. Create monthly OR block holder utilization compliance monitoring reports and individual physician dashboards
      - E. Create annual utilization and efficiency opportunity analysis strategic planning reports

- F. Provide benchmarking (internal and external)
  - G. Support hospital perioperative governance committee meetings with dashboards and KPIs
- b. Through Optum's *Remote Subject Matter Advisor Program*, Optum will provide:
- i. Every other week meetings with Natividad leaders to uncover barriers and opportunities for the program
  - ii. Monthly stakeholder meetings with Optum analytic experts
  - iii. Drill down into efficiency and utilization opportunities
  - iv. Training/Coaching for Natividad leaders on analytic use
  - v. Real time meeting support for up to 1 monthly leadership meeting per hospital
  - vi. On call analytic support for targeted needs
  - vii. Monthly meetings with Optum Subject Matter Advisors (SMAs)
  - viii. Clinical advice around OR opportunities
  - ix. Clinician coaching/training for targeted physician or service line leaders at each hospital
- c. Key deliverables to be provided include:
- i. Natividad OR optimization program metrics and tracking reports across hospitals
  - ii. Monthly Key Performance Indicator dashboards
  - iii. Monthly block utilization compliance monitoring reports and individual physician dashboards
  - iv. Annual OR efficiency opportunity analysis strategic planning reports
  - v. Master annual project plan
3. **Timeline.** Given Optum's mutual upfront investment in tool installation and support, Optum partners with organizations for at least three years to create lasting value. Optum allows organizations to "opt out" of the three-year program after the second year, based upon the Schedule or the Agreement.
4. **Fees.** Customer shall pay Optum a fixed fee of \$540,000 for the additional OR performance consulting. Based on this initial approach, the estimated Total 3-year fees for this engagement will be \$540,000 broken down over the entire three years as follows:

AMENDMENT

	Year 1	Year 2	Year 3
Estimated Fees	\$180,000	\$180,000	\$180,000

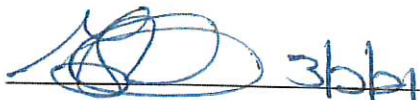
a. **Billing.** Optum will invoice Natividad for the Fees in thirty-six (36) payments of \$15,000 each. The first invoice will be sent upon execution of this Amendment No. Three. The remaining thirty-five (35) invoices will be sent the first day of the following month. The invoice will set forth the amounts for the previous month, with an itemized basis for the amounts listed, and other information pertinent to the invoice. Natividad shall certify the invoice, either in the requested amount or in such other amount as Natividad approves in conformity with this Amendment No. Three, and shall promptly submit such invoice to the County Auditor Controller for payment. The County Auditor-Controller shall pay the amount certified within thirty (30) days of receiving the certified invoice.

IN WITNESS WHEREOF, the parties have accepted and agreed to this Amendment No. Three.


OptumInsight, Inc.

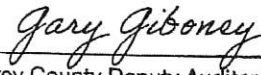
Natividad Medical Center

DocuSigned by:  
 Signature: John D. Simon  
 Print Name: John D. Simon  
 Print Title: Sr VP

Signature:   
 Print Name: Gary R. Gray  
 Print Title: CEO

Agreement No. 00556063.3

  
 Monterey County Deputy County Counsel  
 Date: 2/09/2021

  
 Monterey County Deputy Auditor/Controller  
 Date: 2-10-2021