



## Monterey County Board of Supervisors

168 West Alisal Street,  
1st Floor  
Salinas, CA 93901  
831.755.5066

### Board Order

#### Resolution No.: 16-093

Upon motion of Supervisor Salinas, seconded by Supervisor Phillips and carried by those members present, the Board of Supervisors hereby:

Conducted a public hearing to consider:

- a. Adopting a Resolution No. 16-093 finding that the expenditure of funds from the Natividad Medical Center (NMC) Fiscal Year 2015/2016 Budget to support a Funding Agreement with Healthcare Foundation of Northern and Central California ("Healthcare Foundation"), a California corporation, assisting Healthcare Foundation in meeting the direct costs of a Medical Respite Program ("MRP") for homeless persons in Monterey County, has a direct and primary public purpose, benefiting Monterey County, in general, and NMC, in particular;
- b. Authorizing the Deputy Purchasing Agent for NMC or his designee to execute a Funding Agreement with Healthcare Foundation, to provide funding to Hospital Foundation in an amount not to exceed \$105,000 to assist in meeting the direct costs of the MRP, for a term beginning April 19, 2016 through April 18, 2017; and
- c. Authorizing the Deputy Purchasing Agent for NMC or his designee to execute up to three (3) future amendments to the Funding Agreement, each of which does not exceed twelve (12) months or significantly alter the scope of work, and which in the aggregate do not cause an increase of more than ten percent (10%) (\$10,500) of the original cost of the Agreement.

PASSED AND ADOPTED on this 19th day of April 2016, by the following vote, to wit:

AYES: Supervisors Armenta, Phillips, Salinas, Parker and Potter

NOES: None

ABSENT: None

I, Gail T. Borkowski, 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 79 for the meeting on April 19, 2016.

Dated: April 21, 2016  
File ID: 16-421

Gail T. Borkowski, Clerk of the Board of Supervisors  
County of Monterey, State of California

By  Deputy

**Before the Board of Supervisors in and for the  
County of Monterey, State of California**

**Resolution No. 16-093**

Expenditure of funds from the Natividad )  
Medical Center ("NMC") Fiscal Year )  
2015/2016 Budget to support the Funding )  
Agreement with Healthcare Foundation of )  
Northern and Central California has a direct )  
and primary public purpose, benefiting )  
Monterey County, in general, and NMC, in )  
particular..... )

**WHEREAS**, the Medical Respite Program ("MRP") Monterey County is intended to provide a clean, safe place for homeless persons, following hospitalization for injury or illness, to continue recuperation and self-care outside the hospital, thereby reducing readmissions and Emergency Department visits and improving the health of homeless persons living in Monterey County;

**WHEREAS**, the MRP is a collaborative effort of area hospitals and Community Homeless Solutions ("CHS"), a local shelter provider that would operate the MRP on a day-to-day basis, Hospital Council of Northern and Central California, Inc. as lead agency, and Healthcare Foundation as fiscal agent;

**WHEREAS**, the partnering area hospitals NMC, Salinas Valley Memorial Healthcare System, and Community Hospital of the Monterey Peninsula would contribute funds to meet the direct costs of operating the MRP;

**WHEREAS**, the planned location of the MRP is scheduled to open in April 2016 at 780 Hamilton Avenue, Seaside, California, 93955;

**WHEREAS**, NMC seeks to enter into a Funding Agreement with Healthcare Foundation of Northern and Central California ("Healthcare Foundation") to provide funding to Hospital Foundation in an amount not to exceed \$105,000 to assist in meeting the direct costs of the MRP for homeless persons in Monterey County, for a term beginning April 19, 2016 through April 18, 2017;

**WHEREAS**, expenditures under the Funding Agreement shall provide funds to provide a clean, safe place for homeless persons, following hospitalization for injury or illness, to continue recuperation and self-care outside the hospital, thereby reducing readmissions and Emergency Department visits and improving the health of homeless persons living in Monterey County; **NOW, THEREFORE**

**BE IT RESOLVED**, by the Board of Supervisors in and for the County of Monterey, that the expenditure of funds from the Natividad Medical Center ("NMC") Fiscal Year 2015/2016 Budget to underwrite the Funding Agreement with Healthcare Foundation of Northern and Central California has a direct and primary public purpose, benefiting Monterey County, in general, and NMC, in particular.

**PASSED AND ADOPTED** upon motion of Supervisor Salinas, seconded by Supervisor Phillips carried this 19th day of April 2016, by the following vote, to wit:

**AYES:** Supervisors Armenta, Phillips, Salinas, Parker and Potter

**NOES:** None

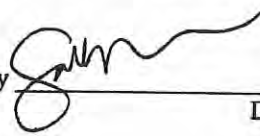
**ABSENT:** None

I, Gail T. Borkowski, 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 79 for the meeting on April 19, 2016.

Dated: April 21, 2016  
File Number: 16-421

Gail T. Borkowski, Clerk of the Board of Supervisors  
County of Monterey, State of California

By



Deputy

FUNDING AGREEMENT BETWEEN  
COUNTY OF MONTEREY,  
ON BEHALF OF NATIVIDAD MEDICAL CENTER,  
AND  
HEALTHCARE FOUNDATION OF NORTHERN AND CENTRAL CALIFORNIA

This Funding Agreement ("Agreement") is made and entered into as of April 19, 2016 ("Effective Date"), by and between the County of Monterey ("County"), a political subdivision of the State of California, on behalf of Natividad Medical Center ("NMC"), an acute care facility owned and operated by County, and Healthcare Foundation of Northern and Central California ("Healthcare Foundation"), a California corporation (herein referred to collectively as the "Parties"), to provide funding to support the Medical Respite Program for homeless persons in Monterey County.

This Agreement is made with reference to the following facts:

- A. Healthcare Foundation is a supporting organization of Hospital Council. Hospital Council is a nonprofit hospital and health system trade association established in 1961, representing 185 hospitals and health systems in 50 of California's 58 counties. Hospital Council delivers services geographically through sections, each with specially designated staff. The structure provides members with opportunities to pursue common goals and efforts that may be county-specific and/or regional in nature. Section meetings occur routinely to timely address local issues. The Hospital Council supports the implementation of patient safety and quality initiatives through collaboratives, education, peer-to-peer networking, and sharing of best practices.
- B. The purpose of Healthcare Foundation is to help hospitals provide high quality health care and to improve the health status of the communities they serve. Healthcare Foundation operates exclusively for charitable purposes and has been designated by the IRS as a 501(c)(3) tax-exempt corporation and a Type 1 supporting organization under section 509(a)(3).
- C. County has determined and established the existence in Monterey County of a need for recuperative services for homeless persons discharged from hospitals to improve health outcomes and reduce costly hospital re-admissions and prolonged stays.
- D. The Medical Respite Program ("MRP") in Monterey County is proposed as a collaborative program among area hospitals, including currently, NMC, Salinas Valley Memorial Healthcare System, and Community Hospital of the Monterey Peninsula, Community Homeless Solutions ("CHS"), a local shelter provider that would operate the MRP on a day-to-day basis, Hospital Council as lead agency, and Healthcare Foundation

as fiscal agent. The MRP would provide a clean, safe place for homeless persons, following hospitalization for injury or illness, to continue recuperation and self-care outside the hospital, thereby reducing readmissions and Emergency Department visits and improving the health of homeless persons. Funding for the MRP would come from various funding streams. The partnering hospitals would contribute funds to meet the direct costs of operating the MRP.

- E. NMC desires to provide funds to Healthcare Foundation so as to sustain the MRP and facilitate the provision of recuperative services to homeless persons living in Monterey County (the "Funding").

NOW, THEREFORE, it is agreed between the Parties as follows:

1. Incorporation of Recitals. The foregoing recitals are hereby incorporated and made part of the Agreement.
2. Healthcare Foundation's Responsibilities. Healthcare Foundation agrees
  - A. To serve as fiscal agent for the MRP, and
  - B. To provide oversight responsibility for the fiscal administration of the MRP and to monitor the MRP's adherence to any federal, state, and local laws and regulations governing fiscal accountability.
3. Purpose of Funding. The purpose of the Funding by County to Healthcare Foundation is to provide funding for Healthcare Foundation's use in meeting the direct costs of the MRP, so as to help sustain and support the program. The Funding may be used for the following specific purposes:
  - A. To fund the leasing of patient beds for the MRP.
  - B. In addition, to fund administrative costs of the MRP, as described in Section 7, Special Fund Account, below.
  - C. In addition, to fund care coordination and support services provided by the MRP.

The Funding may not be used for any other purpose without prior written approval from County.

4. Amount of Funding. The Funding from County that is available to Healthcare Foundation under this Agreement for the Term (as defined in Section 11 below) is in the amount of One Hundred Five Thousand Dollars (\$105,000). The Funding shall be made available in accordance with the terms set forth herein.

5. Payment of Funding. The Healthcare Foundation Accounting Department shall generate an invoice to County in the amount of \$105,000 no later than 30 days after this Agreement has been fully executed. The invoice shall set forth the amounts claimed by Healthcare Foundation, together with an itemized basis for the amounts claimed, and such other information pertinent to the invoice. The County shall certify the invoice, either in the requested amount or in such other amount as the County approves in conformity with this Agreement, and shall promptly submit such invoice to the County Auditor-Controller for payment. The County Auditor-Controller shall pay the amount certified within 30 days of receiving the certified invoice.
6. Special Fund Account. The Funding shall be maintained in a Special Fund Account established specifically for the MRP. Interest accruing in the Special Use Fund shall be used to offset administrative costs incurred by Hospital Council or Healthcare Foundation.
7. Accounting of Expenditures of the Funding. Once per month during the Term of this Agreement, Healthcare Foundation shall submit to County for its review (at the NMC contact and address shown in Section 17, below) a detailed accounting of expenditures of the Funding provided to Healthcare Foundation (as described in Section 5 above) for the MRP, showing how the Funding is used and distributed. Healthcare Foundation acknowledges and agrees that all distributions and uses of the Funding are at all times subject to the ultimate approval of County and its Board of Supervisors.
8. Return of Unused or Improperly Used Funds. Upon the expiration or earlier termination of this Agreement, if there are any funds paid by County to Healthcare Foundation that have not been used or are not committed for a specific use, such funds shall be returned to County. In addition, to the extent Healthcare Foundation has used Funding for purposes not specifically intended by this Agreement, and not otherwise specifically approved by County (in advance of such use, and in writing), Healthcare Foundation shall refund such amounts to County.
9. Other Available Funding. Healthcare Foundation shall immediately report to County any funds received by Healthcare Foundation from other parties to support the same items of the MRP as are financially supported by County hereunder. The Parties agree that if an additional hospital is added to the MRP collaboration at any time during the Term of this Agreement, this Agreement shall be amended to reduce County's funding contribution accordingly.
10. Term of Agreement. The Term of this Agreement shall commence on the April 19, 2016 and continue for a period through and including April 18, 2017 ("Term").
11. Termination by Notice. During the Term of this Agreement, County may terminate the Agreement for any reason by giving written notice of termination to Healthcare Foundation at least thirty (30) days prior to the effective date of termination. Such notice shall set forth the effective date of termination. In the event of such termination,

the amount payable under this Agreement shall be reduced in proportion to the services provided prior to the date of termination.

12. Immediate Termination.

- A. Termination in Response to Non-Compliance with Reimbursement or Payor Programs. If any party determines in good faith that the performance of any provision of this Agreement should jeopardize any licensure of a party, its participation in any reimbursement or payment programs, any accreditation by any state or nationally recognized accreditation organization, or if for any other reason said performance should be in violation of law or be deemed illegal by any recognized body, agency, or association in the hospital or respite care fields, that party may at its option terminate this Agreement immediately upon written notice. Effective upon such termination, Healthcare Foundation shall repay all Funding to the extent County determines, in its sole discretion, that such repayment is required to avoid or mitigate any of the foregoing jeopardy events.
- B. Termination in Response to Non-Appropriation of County Funding. Notwithstanding any other provision of this Agreement, County shall not be obligated for Healthcare Foundation's performance hereunder or by any provision of this Agreement during any of County's future fiscal years unless and until the Monterey County Board of Supervisors appropriates funds for this Agreement in County's Budget for each such future fiscal year. In the event that funds are not appropriated for this Agreement, then this Agreement shall terminate as of June 30 of the last fiscal year for which funds were appropriated. County shall notify Healthcare Foundation in writing of any such non-allocation of funds at the earliest possible date.

13. Indemnification.

- A. By County. County shall defend, indemnify and hold Healthcare Foundation, its officers, employees and agents harmless from any claim, liability, loss, injury or damage arising out of, or in connection with, performance of this Agreement by County, its officers, employees, or agents, excepting only loss, injury or damage caused by the negligence or willful misconduct of Healthcare Foundation and Hospital Council, their officers, employees, agents, or sub-contractors. It is the intent of the parties to this Agreement to provide the broadest possible coverage for Healthcare Foundation. County shall reimburse Healthcare Foundation for all costs, attorneys' fees, expenses, and liabilities incurred with respect to any litigation in which County is obligated to indemnify, defend and hold harmless Healthcare Foundation under this Agreement.
- B. By Healthcare Foundation. Healthcare Foundation shall defend, indemnify and hold County, its officers, employees, and agents harmless from any claim, liability, loss, injury or damage arising out of, or in connection with, performance

of this Agreement by Healthcare Foundation, its officers, employees, agents, or sub-contractors, excepting only loss, injury or damage caused by the negligence or willful misconduct of County, its officers, employees, or agents. It is the intent of the parties to this Agreement to provide the broadest possible coverage for County. Healthcare Foundation shall reimburse County for all costs, attorneys' fees, expenses, and liabilities incurred with respect to any litigation in which Healthcare Foundation is obligated to indemnify, defend and hold harmless County under this Agreement.

14. Prohibition Against Discrimination. No party to this Agreement shall discriminate against any individual applying or admitted to the MRP because of sex, race, color, religion, ancestry, national origin, disability, medical condition, marital status, or sexual orientation as provided by law.
15. Cooperation in Disposition of Claims. The Parties mutually agree to cooperate with each other in the timely investigation and disposition of audits, disciplinary actions and third-party liability claims that arise out of any and all activities encompassed by this Agreement, or in the operation of the Funding. The Parties shall notify one another as soon as possible of any issue that may result in liability to the other party. Cooperation between the Parties may include, but is not limited to, timely notice, joint investigation, defense, disposition of third party claims arising with respect to this Agreement, and making witnesses available.
16. Notice. Any notice required or permitted under this Agreement to any party shall be deemed sufficiently made and given if personally delivered, sent by overnight delivery service, return receipt requested, or deposited in the United States mail, postage paid (certified mail, return receipt requested), as follows:

**If to COUNTY:**

Daniel Leon  
Chief Financial Officer  
Natividad Medical Center  
1441 Constitution Blvd.  
Salinas, CA. 93906  
Phone: 831.783.2561

**If to HEALTHCARE FOUNDATION:**

Art Sponseller  
President and CEO  
Healthcare Foundation of Nth/Ctrl CA  
1215 K Street, Suite 730  
Sacramento, CA 95814

17. Amendment. This Agreement may be amended only in writing signed by the authorized representatives of the Parties.



18. Governing Laws. The laws of the State of California shall govern this Agreement.
19. Entire Agreement. This document constitutes the entirety of the Agreement between the Parties and supersedes all prior agreements and understandings regarding the subject matter hereof.
20. Compliance with Law. The Parties acknowledge and agree that nothing in this Agreement shall be construed to require or permit any activity that would constitute a violation of any applicable law or regulation.
21. Disputes; Mediation; General Reference. The Parties hereto agree that any controversy, claim, action or dispute arising out of or relating to this Agreement, shall be heard by a general referee pursuant to the provision of Code of Civil Procedure §§ 638 through 645.1, inclusive, in Monterey County, California, according to the following procedures; provided however, that any controversy, claim, action or dispute arising out of or relating to this Agreement, shall first be the subject of non-binding mediation in Salinas, California. The Parties shall promptly and diligently cooperate with one another and the referee, and shall perform such acts as may be necessary to obtain a prompt and expeditious resolution of the dispute or controversy in accordance with the terms hereof.
22. Severability. If any provision of this Agreement is held to be illegal, invalid, or unenforceable under present or future laws or regulations effective during the term hereof, such provision shall be fully severable. This Agreement shall be construed and enforced as if such illegal, invalid, or unenforceable provision had never been a part of the Agreement, and the remaining provisions shall remain in full force and effect unaffected by such severance.
23. Waiver. Waiver by Party of any breach of any provision of this Agreement or warranty or representation herein set forth shall not be construed as a waiver of any subsequent breach of the same or any other provision. The failure to exercise any right hereunder shall not operate as a waiver of such right. All rights and remedies provided for herein are cumulative.
24. Counterparts. This Agreement may be executed in separate counterparts, none of which need contain the signatures of both parties, and each of which, when so executed, shall be deemed to be an original, and such counterparts shall together constitute and be one and the same instrument.

25.

**IN WITNESS WHEREOF**, the parties hereto are in agreement with this Agreement on the basis set forth in this document and have executed this Agreement on the day and year set forth herein.

**County of Monterey on behalf of Natividad  
Medical Center**

By: \_\_\_\_\_

*Gary R. Gray, DO, CEO*

Date: \_\_\_\_\_

Approved as to Legal Provisions:

By: *[Signature]*  
*Monterey County Deputy County-Counsel*

Date: 4 4 2016

Approved as to Fiscal Provisions:

By: *[Signature]*  
*Monterey County Deputy Auditor-Controller*

Date: 4-4-16

**Healthcare Foundation of Northern and  
Central California**

By: \_\_\_\_\_

*Art Sponseller, President and CEO*

Date: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**County of Monterey Signature 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 and individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement (one signature required)

25.

IN WITNESS WHEREOF, the parties hereto are in agreement with this Agreement on the basis set forth in this document and have executed this Agreement on the day and year set forth herein.

**County of Monterey on behalf of Natividad  
Medical Center**

By: \_\_\_\_\_

*Gary R. Gray, DO, CEO*

Date: 4/26/16

Approved as to Legal Provisions:

By: \_\_\_\_\_

*Monterey County Deputy County-Counsel*

Date: \_\_\_\_\_

Approved as to Fiscal Provisions:

By: \_\_\_\_\_

*Monterey County Deputy Auditor-Controller*

Date: \_\_\_\_\_

**Healthcare Foundation of Northern and  
Central California**

By: \_\_\_\_\_

*Art Sponseller, President and CEO*

Date: 4-8-16

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

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