



Monterey County

Item No.

Board Report

Board of Supervisors
Chambers

168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legistar File Number: A 20-362

September 29, 2020

Introduced: 9/3/2020

Current Status: Agenda Ready

Version: 1

Matter Type: BoS Agreement

Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute the First Amendment to the Professional and Call Coverage Services Agreement (A-13737) with Precision Orthopedics, a Medical Group to provide orthopedic surgery services at NMC, extending the term by twelve months (October 1, 2020 to September 30, 2021) for a revised full agreement term of October 1, 2017 to September 30, 2021 and adding \$2,045,500 for a revised total not to exceed amount of \$8,618,800 in the aggregate.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute the First Amendment to the Professional and Call Coverage Services Agreement (A-13737) with Precision Orthopedics, a Medical Group to provide orthopedic surgery services at NMC, extending the term by twelve months (October 1, 2020 to September 30, 2021) for a revised full agreement term of October 1, 2017 to September 30, 2021 and adding \$2,045,500 for a revised total not to exceed amount of \$8,618,800 in the aggregate.

SUMMARY/DISCUSSION:

NMC must arrange for the provision of professional consultation and treatment of patients who present to the emergency department and outpatient specialty clinic in need of medical care or treatment in general orthopedic surgery and certain subspecialties (e.g. hand, spine and trauma) as required for a Level II Trauma Center.

NMC has an agreement with Precision Orthopedics, for which board certified orthopedic surgeons provide exclusive orthopedic services, including 24/7 dedicated emergency department call coverage; full-time orthopedic services in the specialty clinic; medical director services for general administration of the orthopedics department; and a physician liaison to the trauma program. NMC wishes to amend the agreement to extend the term so that the group can continue to provide these critical services without interruption. 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 also been reviewed and approved by Natividad's Finance Committee and Board of Trustees on September 11, 2020.

FINANCING:

The cost of this Amendment is \$2,045,500. The total not to exceed amount of this Agreement is \$8,618,800 for the period October 1, 2017 to September 30, 2021 (48 months). \$2,045,500 is included in the Fiscal Year 2020/2021 Adopted Budget. There is no impact to the General Fund.

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

Attachments:

First Amendment
Agreement

Dr. Gary R. Gray
Dr. Gary R. Gray, Chief Executive Officer

9/18/20
Date