



# Monterey County

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## Board Report

Legistar File Number: A 14-245

October 28, 2014

**Introduced:** 10/10/2014

**Current Status:** Agenda Ready

**Version:** 1

**Matter Type:** BoS Agreement

- a) Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) to execute the Third Amendment to the Professional and Call Coverage Services Agreement with Central Coast Head & Neck Surgeons to provide otolaryngology and audiology services at NMC, extending the term of the Agreement from November 1, 2014 to June 30, 2016 and adding \$850,000 for an amount not to exceed \$2,450,000 in the aggregate; and
- b) Authorize the Deputy Purchasing Agent for NMC to execute up to three (3) amendments to this agreement where the total amendments do not exceed 10% of the original contract amount, and do not significantly change the scope of work.

### RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a) Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) to execute the Third Amendment to the Professional and Call Coverage Services Agreement with Central Coast Head & Neck Surgeons to provide otolaryngology and audiology services at NMC, extending the term of the Agreement from November 1, 2014 to June 30, 2016 and adding \$850,000 for an amount not to exceed \$2,450,000 in the aggregate; and
- b) Authorize the Deputy Purchasing Agent for NMC to execute up to three (3) amendments to this agreement where the total amendments do not exceed 10% of the original contract amount, and do not significantly change the scope of work.

### SUMMARY/DISCUSSION:

NMC has an agreement, effective July 1, 2011, with Central Coast Head and Neck Surgeons to provide 24 hours a day, 7 days a week otolaryngology, also known as ear, nose and throat (ENT), call coverage in the emergency department and to provide audiology services to hospital inpatients, and outpatients in the specialty clinic. The agreement was amended July 1, 2012 and July 1, 2013 to extend the term.

NMC now wishes to amend the Agreement with this Third Amendment, effective November 1, 2014 to increase the call coverage stipend in consideration of the full breadth of services that the group will be providing upon activation of the Level II Trauma Center at NMC. ENT call coverage services include facial plastics, oral-maxillofacial, head and neck and dental surgery.

Central Coast Head & Neck Surgeons is paid a daily rate for coverage services and an hourly rate for audiology services according to the terms of this Agreement. The number of audiology services provided may increase due to patient volume, but will not to exceed the maximum liability of the agreement. 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. NMC's CEO approved forwarding the Amendment to the Board of Trustees without being reviewed by NMC's Finance Committee due to September's regularly scheduled meeting being cancelled. The Amendment was reviewed and approved by NMC's Board of Trustees on October 9, 2014.

**FINANCING:**

The cost of this Amendment is \$850,000. The total not to exceed amount of this Agreement is \$2,450,000 for the period July 1, 2011 to June 30, 2016. \$379,170 was disbursed in Fiscal Year 2011/2012; \$362,491 was disbursed in Fiscal Year 2012/2013; \$360,043 was disbursed in Fiscal Year 2013/2014; \$607,000 is included in the Fiscal Year 2014/2015 Adopted Budget; and the remaining \$741,295 will be budgeted in subsequent fiscal years. There is no impact to the General Fund.

Prepared by: Jeanne-Ann Balza, Management Analyst, 783.2506

Approved by: Kelly O'Keefe, Interim Chief Executive Officer, 783.2553

Attachments: Agreement; First-Third Amendments

Attachments on file at the Clerk of the Board

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Kelly O'Keefe, M.D., PhD, FCAP  
Interim CEO, Natividad Medical Center

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Date