



County of Monterey

Item No.

Board Report

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legistar File Number: A 25-170

June 10, 2025

Introduced: 5/9/2025

Current Status: Agenda Ready

Version: 1

Matter Type: BoS Agreement

- a. Authorize the Chief Executive Officer (CEO) for Natividad Medical Center (NMC) or his designee to execute the Third Amendment to the Professional and Call Coverage Services Agreement (A-15368) with Salinas Valley Memorial Healthcare System, dba Salinas Valley Medical Clinic to provide hematology oncology services, extending the term by twenty-four months (July 1, 2025 to June 30, 2027) for a revised full agreement term of July 1, 2019 to June 30, 2027, and adding \$360,000 for a revised not to exceed amount of \$1,440,000 in the aggregate; and
- b. Authorize the CEO for NMC or his designee to sign up to three (3) future amendments to this Agreement where the total amendments do not significantly change the scope of work, do not cause an increase of more than ten percent (\$36,000) of the original contract amount and do not increase the total contract amount above \$1,476,000.

RECOMMENDATION:

- a. Authorize the Chief Executive Officer (CEO) for Natividad Medical Center (NMC) or his designee to execute the Third Amendment to the Professional and Call Coverage Services Agreement (A-15368) with Salinas Valley Memorial Healthcare System to provide hematology oncology services, extending the term by twenty-four months (July 1, 2025 to June 30, 2027) for a revised full agreement term of July 1, 2019 to June 30, 2027, and adding \$360,000 for a revised not to exceed amount of \$1,440,000 in the aggregate; and
- b. Authorize the CEO for NMC or his designee to sign up to three (3) future amendments to this Agreement where the total amendments do not significantly change the scope of work, do not cause an increase of more than ten percent (\$36,000) of the original contract amount and do not increase the total contract amount above \$1,476,000.

SUMMARY/DISCUSSION:

NMC operates a the D'Arrigo Family Specialty Services Outpatient Clinic offering fifteen different specialty care services including hematology oncology. NMC must also arrange for the care and treatment of hospitalized patients and patients who present to the emergency department and outpatient clinic in need of medical care in the specialty of hematology oncology. NMC has an agreement with Salinas Valley Memorial Healthcare System, dba Salinas Valley Medical Clinic, whose board-certified hematology oncology physicians provide 24/7/365 call coverage and one half day a week in the outpatient clinic. NMC wishes to amend the Agreement so that the group can continue to provide the same services without interruption. NMC has obtained an independent opinion of fair market value supporting the payment of this agreement.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved this amendment as to legal form and the 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.

FINANCING:

The cost of this amendment is \$360,000. The total not to exceed amount of this agreement is \$1,440,000 for the period July 1, 2019 to June 30, 2027. \$180,000 is included in the Fiscal Year 2025/2026 Recommended Budget. The remaining balance will be budgeted in subsequent fiscal years. Funding will be provided from NMC's Enterprise Fund 451-9600-6608.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The services rendered in this agreement 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: Dr. Charles R. Harris, Chief Executive Officer, 783.2551

Attachments:

Third Amendment
Second Amendment
First Amendment
Agreement

Attachments on file at the Clerk of the Board