



# Monterey County

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

## Board Report

December 3, 2013

Legistar File Number: A 13-276

Introduced: 11/8/2013

Current Status: Agenda Ready

Version: 1

Matter Type: BoS Agreement

- a) Authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute the Second Amendment to Professional Medical Services Agreement Laurel J. Grimm M.D. to provide Hospitalist Services at NMC, adding \$200,000 and extending the term of the Agreement to December 31, 2014 for a total amount not to exceed \$400,000 in the aggregate (for the period October 1, 2012 to December 31, 2014); and
- b) Authorize the Purchasing Manager for NMC to execute to sign 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 Purchasing Manager for Natividad Medical Center (NMC) to execute the Second Amendment to Professional Medical Services Agreement Laurel J. Grimm M.D. to provide Hospitalist Services at NMC, adding \$200,000 and extending the term of the Agreement to December 31, 2014 for a total amount not to exceed \$400,000 in the aggregate (for the period October 1, 2012 to December 31, 2014); and
- b) Authorize the Purchasing Manager for NMC to execute to sign 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 entered into an agreement with Dr. Grimm on October 1, 2012 to provide hospitalist services as needed on the medical surgical unit. The agreement was amended May 1, 2013 to increase the amount of the agreement due to an unexpected increase of services to cover for an absent provider. NMC wishes to enter into a Second Amendment to add to the amount of the agreement in order to continue to utilize hospitalist services and to cover for a vacant position in family medicine. The amendment does not change the rate of pay for services. NMC has obtained an independent opinion of fair market value supporting the payment terms.

### OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved this Amendment/Agreement as to legal form and risk provisions. Auditor-Controller has reviewed and approved this Amendment/Agreement as to fiscal provisions. The Amendment/Agreement has also been reviewed and approved by

Natividad Medical Center's Board of Trustees.

FINANCING:

The total cost for this Amendment/Agreement is \$400,000 for the period October 1, 2012 to December 31, 2014. \$162,105 was disbursed in Fiscal Year 2012/2013; \$137,895 is included in the Fiscal Year 2013/2014 Adopted Budget and the remaining \$124,210 will be included in subsequent fiscal years. There is no impact to the General Fund.

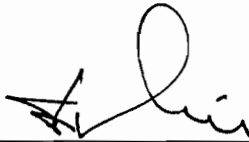
Prepared by: Jeanne-Ann Balza, Management Analyst, 783.2506

Approved by: Harry Weis, Chief Executive Officer, 783.2553

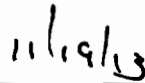
Attachments:

First-Second Amendment, Agreement

Originals on File at the Clerk of the Board



\_\_\_\_\_  
Harry Weis, CEO



\_\_\_\_\_  
Date



# Monterey County

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831.755.5066

## Board Order

### Agreement No. A-12443

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

- a. Authorized the Purchasing Manager for Natividad Medical Center (NMC) to execute the Second Amendment to Professional Medical Services Agreement Laurel J. Grimm M.D. to provide Hospitalist Services at NMC, adding \$200,000 and extending the term of the Agreement to December 31, 2014 for a total amount not to exceed \$400,000 in the aggregate (for the period October 1, 2012 to December 31, 2014); and
- b. Authorized the Purchasing Manager for NMC to execute to sign 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.

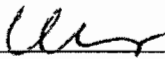
PASSED AND ADOPTED on this 3rd day of December 2013, by the following vote, to wit:

AYES: Supervisors Armenta, Calcagno, 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 77 for the meeting on December 3, 2013.

Dated: December 5, 2013  
File Number: A 13-276

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

By   
Deputy

## SECOND AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT

THIS FIRST AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT (the “**Amendment**”) is made and entered into as of January 1, 2014, by and between COUNTY OF MONTEREY (“**County**”) on behalf of NATIVIDAD MEDICAL CENTER (“**Hospital**”), and Laurel J. Grimm, M.D., an individual (“**Contractor**”) with respect to the following:

### RECITALS

- A. County owns and operates Hospital, a general acute care teaching hospital facility located in Salinas, California under its acute care license.
- B. Contractor and Hospital have entered into that certain Professional Services Agreement dated effective as of October 1, 2012 and amended effective as of May 1, 2013 (collectively, the “**Agreement**”), pursuant to which Contractor provides Specialty services.
- C. Hospital and Contractor desire to amend the Agreement to increase the amount payable for services provided under the Agreement by Two Hundred Thousand Dollars (\$200,000) and extend the term of the Agreement.

### AGREEMENT

IN CONSIDERATION of the foregoing recitals and the mutual promises and covenants contained herein, Hospital and Contractor agree as follows:

1. **Defined Terms.** Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Agreement.
2. **Section 1.16.** Subsection (f) of Section 1.16 to the Agreement is hereby amended to read in its entirety as follows:

“(f) Contractor voluntarily or involuntarily retires from the practice of medicine;”
3. **Section 2.1.** Section 2.1 to the Agreement is hereby amended to read in its entirety as follows:

“**2.1 Compensation.** Hospital shall pay to Contractor the amount determined in accordance with **Exhibit 2.1** (the “**Compensation**”), upon the terms and conditions set forth therein. The amount payable by Hospital to Contractor under this Agreement shall not exceed Four Hundred Thousand Dollars (\$400,000) for the full term of the Agreement.”
4. **Section 5.1.** Section 5.1 to the Agreement is hereby amended to read in its entirety as follows:

**“5.1 Term.** This Agreement shall become effective on October 1, 2012 (the **“Effective Date”**), and shall continue until December 31, 2014 (the **“Expiration Date”**), subject to the termination provisions of this Agreement.”

5. **Counterparts.** This Amendment may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

6. **Continuing Effect of Agreement.** Except as herein provided, all of the terms and conditions of the Agreement remain in full force and effect from the Effective Date of the Agreement.

7. **Reference.** After the date of this Amendment, any reference to the Agreement shall mean the Agreement as amended by this Amendment.

*[signature page follows]*

**CONTRACTOR**

LAUREL J. GRIMM M.D., an individual

Date: October 25, 2013

By: [Signature]  
Its \_\_\_\_\_

~~By: \_\_\_\_\_  
Its \_\_\_\_\_~~

~~Tax I.D. No. \_\_\_\_\_~~

NATIVIDAD MEDICAL CENTER

\_\_\_\_\_  
Purchase Order Number

By: [Signature]  
Contracts /Purchasing Manager

Date: 12-18, 2013

By: [Signature]  
Natividad Medical Center Representative

Date: 10/29, 2013

APPROVED AS TO LEGAL FORM:  
CHARLES J. McKEE, County Counsel

[Signature]  
Stacy Saetta, Deputy County Counsel

Date: 10/30, 2013

Reviewed as to fiscal provisions

[Signature]  
Auditor-Controller  
County of Monterey 10-31-13