



Monterey County

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

Board Report

Legistar File Number: A 19-202

June 25, 2019

Introduced: 5/30/2019

Current Status: Agenda Ready

Version: 1

Matter Type: BoS Agreement

- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute the Professional and Call Coverage Services Agreement with Brian Lugo MD, Medical Corp. to provide general and acute care surgical services at Natividad for an amount not to exceed \$500,000 for the period July 1, 2019 to June 30, 2021; and
- b. Authorize the Deputy Purchasing Agent 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 and do not cause an increase of more than ten percent 10% (\$50,000) of the original contract amount.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute the Professional and Call Coverage Services Agreement with Brian Lugo MD, Medical Corp. to provide general and acute care surgical services at Natividad for an amount not to exceed \$500,000 for the period July 1, 2019 to June 30, 2021; and
- b. Authorize the Deputy Purchasing Agent 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 and do not cause an increase of more than ten percent 10% (\$50,000) of the original contract amount.

SUMMARY/DISCUSSION:

NMC received its designation as the Level II Trauma Center for Monterey County in January 2015. The American College of Surgeons requires acute critical care surgeons to be available in-house with a 15 minute response time for Level II Trauma Centers. In order to provide 24/7 care, it is necessary to maintain a core team of quality surgeons made up of employed and independent contract physicians to provide daily call coverage in the Emergency Department and follow-up care to patients in the Intensive Care Unit.

NMC would like to enter into an agreement with Brian Lugo MD, Medical Corp, for which Dr. Lugo, a board certified fellowship trained trauma surgeon provides general and critical care surgical services as part of the comprehensive trauma services required for a Level II Trauma Center. Dr. Lugo will participate in the on-call panel and will be paid a daily rate for the coverage services, which may increase due to availability and the need for coverage, but the rate of pay for services remains the same. 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 Agreement as to legal form. Auditor-Controller has

reviewed and approved this Agreement as to fiscal provisions. The Agreement has also been reviewed and approved by NMC's Finance Committee and Board of Trustees on June 7, 2019.

FINANCING:

The total cost of this Agreement is \$500,000. The actual cost is contingent upon Dr. Lugo's participation in the call panel which may fluctuate based on his availability. NMC has agreements with multiple providers to ensure sufficient coverage of the trauma services where the total expenditure will not exceed \$1,300,000 annually which is included in Fiscal Year 2019/2020 recommended budget. The remaining balance will be budgeted in subsequent fiscal years. There is no impact to the General Fund.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The services rendered in this agreement provide NMC 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, Management Analyst, 783.2506

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

Attachments: Agreement

Attachments on file at the Clerk of the Board