



Monterey County

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Board Report

Legistar File Number: A 16-154

June 14, 2016

Introduced: 5/25/2016

Version: 1

Current Status: Agenda Ready

Matter Type: BoS Agreement

Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute a Letter of Agreement with The Advisory Board Company for a three year membership in an amount not to exceed \$204,922 for a retroactive term of December 31, 2015 through December 30, 2018.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute a Letter of Agreement with The Advisory Board Company for a three year membership in an amount not to exceed \$204,922 for a retroactive term of December 31, 2015 through December 30, 2018.

SUMMARY/ DISCUSSION:

The Advisory Board is the leading provider of comprehensive performance improvement services to the health care sector-including operational best practices and insights, performance technologies and analytic tools, management training, unbiased technology evaluation, and consulting support.

The Advisory Board Company has over 3,800 organizations as clients including hospitals, physician groups, health systems and academic medical centers. Their commitment to best-practice standards and insistence on continual improvement comes from their experiences over 30 years in the industry. NMC will utilize one membership which will allow staff to learn from other medical institutions regarding best and worst practices and to review and have access to research findings and briefs.

The Advisory Board has agreed to the County's standard insurance terms and limits. The agreement has a limitation of liability set at the aggregate amount in excess of two times the fees paid during the first year.

The Letter of Agreement is dated February 18, 2016 and has a retroactive term as negotiations took longer than anticipated; however, allowing the agreement to be retroactive allows NMC to secure significant discounts to The Advisory Board Company's standard rates. Due to the length of negotiations, The Advisory Board Company is honoring their offer to waive the delayed invoicing fee of \$1,000 for the first year.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved this Agreement as to legal form and risk provisions, and the Auditor-Controller has reviewed and approved as to payment provisions.

The Agreement has also been reviewed and approved by NMC's Finance Committee on February 25, 2016 and by its Board of Trustees on March 4, 2016.

FINANCING:

The cost for this Agreement is \$204,922 of which \$32,500 is included in the Fiscal Year 2015-16 Adopted Budget and \$66,630 is included in the Fiscal Year 2016-17 Recommended Budget. Amounts for remaining years of the Agreement will be included in those budgets as appropriate. There is no impact to the General Fund.

Prepared by: Daniel Leon, Chief Financial Officer, 783-2561

Approved by: Gary R. Gray, DO, Chief Executive Officer, 783-2504

Attachments:

Original Letter of Agreement with The Advisory Board Company

Attachments on file with the Clerk of the Board



Dr. Gary R. Gray, Chief Executive Officer



Date