



Monterey County

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

Board Report

Legistar File Number: A 14-138

June 24, 2014

Introduced: 6/5/2014

Current Status: Agenda Ready

Version: 1

Matter Type: BoS Agreement

- a) Authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute the Sixth Amendment to the Professional Services Agreement (A-11430) with Staff Care Inc. to provide locum tenens services at NMC extending the term to June 30, 2015. This Amendment does not increase the total Agreement amount not to exceed \$1,000,000 in the aggregate (for the period February 1, 2009 to June 30, 2015); 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 Sixth Amendment to the Professional Services Agreement (A-11430) with Staff Care Inc. to provide locum tenens services at NMC extending the term to June 30, 2015. This Amendment does not increase the total Agreement amount not to exceed \$1,000,000 in the aggregate (for the period February 1, 2009 to June 30, 2015); 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 Staff Care Inc. on February 1, 2009; as amended July 1, 2010; July 1, 2011; July 1, 2012; and July 1, 2013 to provide locum tenens services. Locum tenens (temporary) physicians are utilized during periods when its employed/contracted physicians are not available (e.g., vacation; illness; continuing medical education; etc.) to provide health care services vital to NMC's continued operation.

In order to find highly qualified temporary physicians that match the position we are trying to fill/cover and are available on sometimes a very short notice, it is necessary that NMC contract with multiple locum tenens companies with a combined annual maximum liability of \$1,000,000. The actual cost of each contract is contingent upon the need to cover services, which is unpredictable by nature. NMC is reviewing its use of locum tenens companies to determine if it is appropriate to solicit proposals from qualified organizations for locum tenens referral services through an RFP/RFQ process in Fiscal Year 2015/2016.

NMC wishes to amend the Agreement with Staff Care Inc. to extend the term an additional twelve months in order to continue to utilize locum tenens physicians in these patient care areas. The maximum liability of this Agreement has not been reached therefore no additional funds are being added with this Amendment. NMC negotiated new rates for some specialties, no more than 3%. Most rates remain the same for services provided by locum tenens physicians, which vary by specialty and are all-inclusive of travel, lodging and associated expenses.

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. The CAO-Budget and Analysis Division has advised to inform the BOS the spending authority (appropriations) associated with NMC's FY 2014 Adopted Budget has been exceeded and approval and authorization for modification of NMC's appropriation budget should be presented to the BOS. Since NMC is an Enterprise Fund, this does not present continued expenditures, but it is considered good public policy, transparency and fiscal management. The Amendment has also been reviewed and approved by Natividad Medical Center's Finance Committee on May 22, 2014 and Board of Trustees on June 6, 2014.

FINANCING:

There is no cost to this Amendment. The maximum not to exceed amount of this Agreement is \$1,000,000 for the period February 1, 2009 to June 30, 2015. \$73,200 was disbursed in Fiscal Year 2009/2010; \$156,175 was disbursed in Fiscal Year 2010/2011; \$150,902 was disbursed in Fiscal Year 2011/2012 and \$248,590 was disbursed in Fiscal Year 2012/2013. \$250,000 is included in the Fiscal Year 2013/2014 Adopted Budget of which \$55,115.63 has been disbursed. There is \$316,019 remaining and \$250,000 is included in the Fiscal Year 2014/2015 Recommended Budget. NMC is confirming its appropriations position and if its spending authority has been exceeded will return to the Board. 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

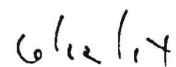
Attachments:

Agreement; First-Sixth Amendment

Attachments on file at the Clerk of the Board



Harry Weis, CEO



Date



Monterey County

Board Order

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

Agreement No.: A-11430

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

- a. Authorized the Purchasing Manager for Natividad Medical Center (NMC) to execute the Sixth Amendment to the Professional Services Agreement (A-11430) with Staff Care Inc. to provide locum tenens services at NMC extending the term to June 30, 2015. This Amendment does not increase the total Agreement amount not to exceed \$1,000,000 in the aggregate (for the period February 1, 2009 to June 30, 2015); 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 24th day of June 2014, 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 June 24, 2014.

Dated: June 27, 2014
File Number: A 14-138

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

By Denise Hancock
Deputy

SIXTH AMENDMENT TO PROFESSIONAL SERVICE AGREEMENT

THIS SIXTH AMENDMENT TO PROFESSIONAL SERVICE AGREEMENT (the "Amendment") is made and entered into as of July 1, 2013, by and between COUNTY OF MONTEREY ("County") on behalf of NATIVIDAD MEDICAL CENTER ("Hospital"), and STAFF CARE, INC. ("Contractor") with respect to the following:

RECITALS

A. County owns and operates Hospital, a general acute care teaching hospital facility located in Salinas, California and various outpatient clinics under its acute care license.

B. Contractor and Hospital have entered into that certain Professional Service Agreement dated February 1, 2009, as amended on July 1, 2010; March 1, 2011; July 1, 2011; July 1, 2012; and July 1, 2013 (collectively, the "Agreement") pursuant to which Contractor provides referrals for locum tenens physician services.

C. Hospital and Contractor desire to amend the Agreement to extend the term an additional twelve (12) months and to increase the amount payable by \$200,000 for services provided during the extended 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. **Amended Section 2.** The last sentence of Section 2 of the Agreement is hereby deleted and replaced with the following: "During the period of February 1, 2009 and June 30, 2015, the maximum obligation of the County for services provided hereunder shall not exceed one million dollars \$1,200,000."
3. **Amended Exhibit A.** Exhibit A is deleted and replaced in its entirety and attached hereto as Exhibit A.
4. **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.
5. **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.
6. **Reference.** After the date of this Amendment, any reference to the Agreement shall mean the Agreement as amended by this Amendment.

IN WITNESS WHEREOF, Hospital and Contractor have executed this Amendment as of the day and year first written above.

CONTRACTOR

STAFF CARE, INC.

Date: MAY 20TH, 2014

By: *Andrew P. Openhaw*
Its REGIONAL VICE PRESIDENT

By: *Lee Elkinson*
Its DVP

NATIVIDAD MEDICAL CENTER

By: *Jim Lee*
Contracts /Purchasing Manager

By: *JL*
Natividad Medical Center Representative

Purchase Order Number _____
Date: 6-26, 2014

Date: 6/9, 2014

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

Stacy Saetta
Stacy Saetta, Deputy County Counsel

Date: 6/11, 2014

Reviewed as to fiscal provisions

[Signature]
Auditor-Controller
County of Monterey 6-11-14

STAFF CARE INC

FEE SCHEDULE, ALL-INCLUSIVE RATES

7/01/2014 —6/30/2015.

For rates of Specialties not listed on this Rate Sheet refer to Exhibit A-1 of this Agreement

Specialty	Daily Rate 8 hr day	Premium Paid after 8 ho PEI/day	Weeknight call premium paid for MI hours worked	Weekend Call Premium paid for all hours worked	24 Hour Call (24 hr period) Includes 4 hours of patient contact	Reassignment Fee
Hospitalist	\$200/hr	\$200/hr	\$250	N/A	\$2500	\$25,000
General Surgery	\$2050	\$325	\$325	\$2050	\$2300	\$25,000
Pulmonology	\$2575	\$325	\$300	\$2500	\$2700	\$25,000
Pulmonology (outpatient)	\$2575	\$325	\$300	\$2500	\$2500	\$25,000
Acute Rehab	\$1750	\$300	\$300	\$1750	\$2250	\$25,000
Orthopedic Surgery	\$2100	\$375	\$350	\$2100	\$2700	\$25,000
Trauma Surgery	\$280/hr	\$380	\$350	\$2250	\$2800	\$25,000
ICU	\$280/hr	\$280	\$300	\$2250	\$2800	\$25,000
Cardiology – non – Invasive	\$2266	\$350	\$350	\$2200	\$2500	\$25,000
Cardiology – Invasive	\$2600	\$400	\$400	\$2600	\$3000	\$25,000
Cardiology – Interventional	\$3000	\$450	\$450	\$3000	\$3500	\$25,000
Gastroenterology	\$2600	\$340	\$340	\$2600	\$3000	\$25,000
Ped – Hospitalist	\$180/hr	\$180/hr	\$200	N/A	\$2,000	\$25,000
Pediatrics (outpatient)	\$1200	\$190	\$190	\$1200	\$1200	\$25,000
Family Practice (outpatient)	\$1200	\$190	\$190	\$1200	\$1200	\$25,000
Internal Medicine (outpatient)	\$1200	\$190	\$190	\$1200	\$1200	\$25,000

Definitions

Daily Rates: Charged daily rate as an 8 hour work day. Premium rate is charged for all hours of patient contact exceeding 8 hours.

Premium Rate: Hourly overtime rate.

Weeknight On-Call: Charged nightly to have PHYSICIAN on call. Premium is charged for all patient contact while on call.

Weekend On-Call: Charged per 24 hour period to have PHYSICIAN on call, Premium is charged for all patient contact while on call.

24 Hour Call: Used for call only assignments. Charged per 24 hour period. Rate includes 4 hours of patient contact. Premium rate is charged for all hours worked exceeding 4 hours per 24 hour period,