



Monterey County Board of Supervisors

Board Order

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A motion was made by Supervisor John M. Phillips, seconded by Supervisor Luis A. Alejo to:

Agreement No. A-14453 ; Amendment No. 3

- a. Authorize the Chief Executive Officer for Natividad or his designee to execute the Third Amendment to the Professional and Call Coverage Services Agreement (A-14453) with Advanced Gastroenterology of Monterey County to provide gastroenterology services extending the term by twelve months (August 1, 2022 to July 31, 2023) for a revised full agreement term of August 1, 2019 to July 31, 2023, and adding \$650,000 for a revised total not to exceed amount of \$2,600,000 in the aggregate; and
- b. Authorize the Chief Executive Officer for Natividad 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% (\$65,000) of the original contract amount.

PASSED AND ADOPTED on this 26th day of July 2022, by roll call vote:

AYES: Supervisors Alejo, Phillips, Lopez, Askew and Adams
NOES: None
ABSENT: None
(Government Code 54953)

I, Valerie Ralph, 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 82 for the meeting July 26, 2022.

Dated: August 3, 2022
File ID:
Agenda Item No.:

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

Emmanuel H. Santos, Deputy

THIRD AMENDMENT TO PROFESSIONAL AND CALL COVERAGE SERVICES AGREEMENT

THIS THIRD AMENDMENT TO PROFESSIONAL AND CALL COVERAGE SERVICES AGREEMENT (the "Amendment") is made and entered into as of August 1, 2022, by and between COUNTY OF MONTEREY ("County") on behalf of NATIVIDAD MEDICAL CENTER ("Hospital"), and ADVANCED GASTROENTEROLOGY OF MONTEREY COUNTY MEDICAL CORPORATION, a California professional corporation ("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 (collectively, the "Clinic") under its acute care license.

B. Contractor and Hospital have entered into that certain Professional and Call Coverage Services Agreement dated effective as of August 1, 2019, and as amended effective August 1, 2020, and August 1, 2021 (collectively, the "Agreement"), pursuant to which Contractor provides Specialty professional services, coverage services, teaching services and additional services to Patients of Hospital and Clinics.

C. Hospital and Contractor desire to amend the Agreement to update the Professional Liability Reimbursement to reflect the then-current rates, extend the term by ~~twenty-four (24)~~ ^{twelve (12)} months and add ~~One Million Three Hundred Thousand Dollars (\$1,300,000)~~ ^{Six hundred fifty thousand dollars} to the aggregate compensation amount payable to Contractor.

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 2.1.** Section 2.1 to the Agreement is hereby amended and restated 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 total amount payable by Hospital to Contractor under this Agreement shall not exceed the aggregate amount of ~~Three Million Two Hundred Fifty Thousand Dollars (\$3,250,000)~~ ^{Six hundred fifty thousand dollars}. The Hospital's maximum obligation under this Agreement shall not exceed Six Hundred Fifty Thousand Dollars (\$650,000) per contract year."

3. **Section 5.1.** Section 5.1 to the Agreement is hereby amended and restated to read in its entirety as follows:

Handwritten signatures: MT and CAH with 'x' marks.

Handwritten signatures: MT and CAH with 'x' marks.

“5.1 Term. This Agreement shall become effective on August 1, 2019 (the “Effective Date”), and shall continue until July 31, 2024 (the “Expiration Date”), subject to the termination provisions of this Agreement.”

x MT
x Qth

4. **Exhibit 2.1.** Exhibit 2.1 to the Agreement shall be deleted and replaced in its entirety as attached hereto as **Exhibit 2.1**.

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]

Exhibit 2.1

COMPENSATION

1. **Professional Services.** Hospital shall pay to Contractor the amount of Two Hundred Fifty Dollars (\$250) per hour for those Professional Services provided to Patients (the “**Professional Services**”) rendered by Contractor under this Agreement; provided, however, that Contractor is in compliance with the terms and conditions of this Agreement.

2. **Coverage Services.** Hospital shall pay to Contractor an amount equal to Eight Hundred Dollars (\$800) per Shift for Coverage Services provided pursuant to this Agreement (the “**Coverage Stipend**”); provided, however, that Contractor is in compliance with the terms and conditions of this Agreement. For avoidance of doubt, a “**Shift**” shall mean a shift that commences on 8:00 am and ends at 7:59 am the next day, regardless of the day of the week.

3. **Response Payments.** Hospital shall pay to Contractor, in addition to the Coverage Stipend, an amount equal to Two Hundred Fifty Dollars (\$250) per hour for each hour that Contractor is required to be physically present to provide professional consultation or treatment in the ED pursuant to this Agreement (the “**Response Payments**”). The sum of the Coverage Stipend and the aggregate Response Payments shall not to exceed Two Thousand Eight Hundred (\$2,800) per day.

4. **Professional Liability Reimbursement.** In the event that Contractor does not purchase the professional liability insurance set forth in Article III of the Agreement, Hospital will deduct Two Hundred Thirty-Nine Dollars and Forty-One Cents (\$239.41) per month from Contractor’s invoice to compensate for Hospital’s payment of professional liability insurance premiums on behalf of Contractor’s Group Physician. This rate represents the then-current rate and is subject to change.

5. **Timing.** Hospital shall pay the compensation due for Services performed by Contractor after Contractor’s submission of the monthly invoice of preceding month’s activity and time report in accordance with this Agreement; provided, however, that if Contractor does not submit an invoice and time sheet within sixty (60) days of the end of the month during which Services were performed, Hospital shall not be obligated to pay Contractor for Services performed during that month. The County of Monterey Standard Payment Terms for contracts/PSAs and paying invoices is “30 days after receipt of the certified invoice in the Auditor-Controller’s Office”.