



Monterey County

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

Board Report

Legistar File Number: A 14-131

June 24, 2014

Introduced: 6/5/2014

Current Status: Agenda Ready

Version: 1

Matter Type: BoS Agreement

- a) Authorize and direct the Purchasing Manager for Natividad Medical Center (NMC) to execute the Tenth Amendment to the Professional Services Agreement (A-11427) with Medical Doctor Associates (MDA) to provide locum tenens services at NMC extending the term to June 30, 2015 and adding \$500,000, for a revised total Agreement amount not to exceed \$2,800,000 in the aggregate (for the period February 1, 2009 to June 30, 2015); and
- b) Authorize the Purchasing Manager for NMC 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 and direct the Purchasing Manager for Natividad Medical Center (NMC) to execute the Tenth Amendment to the Professional Services Agreement (A-11427) with Medical Doctor Associates (MDA) to provide locum tenens services at NMC extending the term to June 30, 2015 and adding \$500,000, for a revised total Agreement amount not to exceed \$2,800,000 in the aggregate (for the period February 1, 2009 to June 30, 2015); and
- b) Authorize the Purchasing Manager for NMC 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 MDA on February 1, 2009; as amended March 1, 2010; July 1, 2010; March 1, 2011; July 1, 2011; December 1, 2011; July 1, 2012; May 1, 2013; July 1, 2013; and December 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.

Medical Doctor Associates has a history of providing reliable physicians to fill NMC's coverage needs. In Fiscal Year 2013/2014, NMC utilized such physicians who already had

privileges to practice medicine at NMC, to provide patient care in units where physicians were on a leave of absence and to provide extra staffing during the hospital's implementation of Computerized Physician Order Entry (CPOE).

NMC wishes to amend the Agreement with MDA to extend the term an additional twelve months and to increase the maximum liability of the Agreement in order to continue utilize locum tenens physicians as needed. The annual rate sheet is also replaced in this Amendment, some of the rates have increased, no more than 3%, most of the rates remain the same. NMC has negotiated rates which are 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 expenditure, 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:

The cost of this Amendment is \$500,000. The maximum not to exceed amount of this Agreement is \$2,800,000 for the period February 1, 2009 to June 30, 2015. The cost of this Amendment is \$500,000 the actual cost is dependent on the need for services and the frequency of use; however the cost for this service will not exceed \$1,000,000 annually, which is included in the Fiscal Year 2014/2015 Recommended Budget. \$530,706.93 was disbursed in Fiscal Year 2009/2010; \$300,224.50 was disbursed in Fiscal Year 2010/2011; \$284,325.75 was disbursed in Fiscal Year 2011/2012 and \$384,742.82 was disbursed in Fiscal Year 2012/2013. \$800,000 is included in the Fiscal Year 2013/2014 Adopted Budget of which \$602,087 has been disbursed year to date. 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:

First-Tenth Amendment, Agreement

Attachments on file at the Clerk of the Board



Harry Weis, CEO



Date



Monterey County

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

Board Order

Agreement No.: A-11427

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

- a. Authorized and directed the Purchasing Manager for Natividad Medical Center (NMC) to execute the Tenth Amendment to the Professional Services Agreement (A-11427) with Medical Doctor Associates (MDA) to provide locum tenens services at NMC extending the term to June 30, 2015 and adding \$500,000, for a revised total Agreement amount not to exceed \$2,800,000 in the aggregate (for the period February 1, 2009 to June 30, 2015); and
- b. Authorized the Purchasing Manager for NMC 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 14-131

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

By  Deputy

TENTH AMENDMENT TO PROFESSIONAL SERVICE AGREEMENT

THIS TENTH AMENDMENT TO PROFESSIONAL SERVICE AGREEMENT (the "Amendment") is made and entered into as of July 1, 2014, the Effective Date, by and between COUNTY OF MONTEREY ("County") on behalf of NATIVIDAD MEDICAL CENTER ("Hospital"), and MEDICAL DOCTOR ASSOCIATES ("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 March 1, 2010; July 1, 2010; March 1, 2011; July 1, 2011; December 1, 2011; July 1, 2012; May 1, 2013; July 1, 2013; and December 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 \$500,000 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 two million six hundred thousand dollars ~~\$2,600,000~~." *DM 9/3 16209/3*
3. **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.
4. **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.
5. **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

MEDICAL DOCTOR ASSOCIATES

Date: MAY 19, 2014

By: [Signature]
Its Darren Montgomery - Vice President

By: [Signature]
Its PRESIDENT

NATIVIDAD MEDICAL CENTER

By: [Signature]
Contracts /Purchasing Manager

Purchase Order Number

Date: 6-26, 2014

By: [Signature]
Natividad Medical Center Representative

Date: 5/19, 2014

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

[Signature]
Stacy Saetta, Deputy County Counsel

Date: 5/27, 2014

Reviewed as to fiscal provisions

[Signature]
Auditor/Controller
County of Monterey 5-27-14

MEDICAL DOCTOR ASSOCIATES -July 1, 2014 to June 30th, 2015 RATES ARE ALL INCLUSIVE OF TRAVEL EXPENSES							
Specialty	Hourly	Daily (8 hr day unless otherwise specified)	Overtime	Holiday/ Premium	24 Hour Call Only Weekday	24 Hour Call Only Weekend	Placement Fee
Anesthesiology	\$ 235.00	\$ 1,880.00	\$ 235.00	\$ 1,880.00	\$ 1,000.00	\$ 815.00	\$ 25,000.00
Cardiac Anesthesiology	\$ 250.00	\$ 2,000.00	\$ 250.00	\$ 2,000.00	\$ 1,200.00	\$ 900.00	\$ 25,000.00
Cardiology	\$ 370.00	\$ 2,950.00	\$ 370.00	\$ 3,550.00	\$ 375.00	\$ 3,250.00	\$ 25,000.00
Cardiology, Interventional	\$ 490.00	\$ 3,900.00	\$ 490.00	\$ 4,500.00	\$ 490.00	\$ 4,200.00	\$ 25,000.00
Cardiology, Invasive	\$ 425.00	\$ 3,400.00	\$ 425.00	\$ 4,000.00	\$ 425.00	\$ 3,700.00	\$ 25,000.00
Critical Care (12 hour day)		\$ 3,500.00				\$ 3,300.00	\$ 25,000.00
Certified Registered Nurse Anesthetist	\$ 156.25	\$ 1,250.00	\$ 156.25	\$ 1,250.00	\$ 700.00	\$ 1,120.00	\$ 18,000.00
Dermatology		\$ 2,200.00		\$ 400.00	\$ 350.00		\$ 25,000.00
Emergency Medicine	\$ 230.00	N/A	\$ 230.00	\$ 330.00	N/A	N/A	\$ 25,000.00
Family Practice , Ambulatory Care	\$ 170.00	\$ 1,360.00	\$ 240.00	\$ 240.00	\$ 300.00	\$ 600.00	\$ 25,000.00
Family Practice	\$ 160.00	\$ 1,280.00	\$ 160.00	\$ 240.00	\$ 300.00	\$ 600.00	\$ 25,000.00
Family Practice with OB	\$ 186.00	\$ 1,488.00	\$ 186.00	\$ 279.00	\$ 300.00	\$ 680.00	\$ 25,000.00
Gastroenterology		\$ 2,500.00		\$ 400.00	\$ 350.00		\$ 25,000.00
General Surgery	\$ 159.00	\$ 1,880.00	\$ 159.00	\$ 2,820.00	\$ 159.00	\$ 1,880.00	\$ 25,000.00
Hematology/Oncology		\$ 1,700.00		\$ 195.00	\$ 195.00	\$ 800.00	\$ 25,000.00
Hospitalist - Primary Care	\$ 225.00	N/A	\$ 225.00	\$ 300.00	N/A	N/A	\$ 25,000.00
Internal Medicine	\$ 170.00	\$ 1,360.00	\$ 160.00	\$ 256.00	\$ 160.00	\$ 480.00	\$ 25,000.00
Infectious Disease		\$ 2,200.00		\$ 2,925.00		\$ 2,395.00	\$ 25,000.00
Medical Oncology		\$ 1,700.00		\$ 2,550.00	\$ 195.00	\$ 800.00	\$ 25,000.00
Medical Dosimetrist	\$ 125.00		\$ 125.00				\$ 10,000.00
Medical Physicist	\$ 205.00		\$ 205.00				\$ 12,000.00
Neonatology (includes beeper, OT after 12 hrs)		\$ 4,346.00	\$ 328.00	\$ 6,519.00	N/A	N/A	\$ 32,000.00
Nephrology	\$ 370.00	\$ 2,950.00	\$ 370.00	\$ 3,550.00	\$ 370.00	\$ 3,250.00	\$ 25,000.00
Neurological Surgery	\$ 450.00	\$ 3,950.00	\$ 450.00	\$ 5,925.00	\$ 450.00	\$ 3,600.00	\$ 25,000.00
Neurology		\$ 2,100.00			\$ 300.00	\$ 900.00	\$ 18,000.00
Nurse Practitioner	\$ 111.00	\$ 888.00	\$ 120.00	\$ 186.00	\$ 246.00	\$ 492.00	\$ 18,000.00
Obstetrics and Gynecology (9 hour day)	\$ 250.00	\$ 1,995.00	\$ 250.00	325 hourly	N/A	N/A	\$ 25,000.00
Occupational Medicine	\$ 140.00	\$ 1,080.00	\$ 140.00	170 hourly	N/A	N/A	\$ 25,000.00
Ophthalmology (Surgery)	\$ 225.00	\$ 1,800.00	\$ 225.00	\$ 2,700.00	\$ 225.00	\$ 900.00	\$ 25,000.00
Orthopedic Surgery	\$ 285.00	\$ 2,280.00	\$ 285.00	\$ 3,420.00	\$ 285.00	\$ 2,280.00	\$ 25,000.00
Otolaryngology	\$ 250.00	\$ 1,950.00	\$ 250.00	\$ 2,925.00	\$ 250.00	\$ 975.00	\$ 25,000.00
Pathology		\$ 1,191.00	\$ 195.00	NA	\$ 125.00	\$ 500.00	\$ 22,500.00
Pediatrics (0-8 hrs: OT after 5pm)		\$ 1,919.00	\$ 265.00	\$ 2,879.00	N/A	N/A	\$ 25,000.00
Pediatric Hospitalist (Includes beeper, OT after 5pm)		\$ 2,731.00	\$ 273.00	\$ 4,097.00	N/A	N/A	\$ 25,000.00
Pediatric Critical Care (includes bpr, OT <12 hrs)		\$ 4,346.00	\$ 328.00	\$ 6,519.00	N/A	N/A	\$ 32,000.00
Pediatric Cardiology (OT after 5pm)		\$ 2,600.00	\$ 325.00	\$ 3,900.00	N/A	N/A	\$ 30,000.00
Physical Medicine and Rehabilitation	\$ 225.00	\$ 1,800.00	\$ 225.00	\$ 2,700.00	\$ 225.00	\$ 900.00	\$ 25,000.00
Physicians Assistant	\$ 109.00	\$ 848.00	\$ 106.00	\$ 186.00	\$ 246.00	\$ 492.00	\$ 18,000.00
Psychiatry inpatient	\$ 179.00	\$ 1,432.00	\$ 202.00	205 hourly		\$ 525.00	\$ 25,000.00
Psychiatry Outpatient	\$ 179.00	\$ 1,432.00	\$ 202.00	205 hourly	\$ 162.00	N/A	\$ 25,000.00
Psychiatry Child & Adolescent Inpatient	\$ 189.00	\$ 1,512.00	\$ 216.00	218 hourly	\$ 172.00	\$ 600.00	\$ 25,000.00
Psychiatry Child & Adolescent Outpatient	\$ 189.00	\$ 1,512.00	\$ 216.00	218 hourly	\$ 172.00	\$ 600.00	\$ 25,000.00
Pulmonology /Pulm. CC		\$ 3,500.00		\$ 5,025.00		\$ 3,500.00	\$ 25,000.00
Radiation Oncology		\$ 1,700.00		\$ 195.00	N/A	\$ 800.00	\$ 25,000.00
Radiation Therapist	\$ 91.00		\$ 91.00				\$ 8,000.00
Radiology Diagnostics		\$ 1,741.00		250 hourly	\$ 900.00	\$ 1,575.00	\$ 18,000.00
Radiology Interventional Urology		\$ 2,250.00		325 hourly	\$ 1,200.00	\$ 2,448.00	\$ 20,000.00
Trauma Surgery	\$210.00	N/A	\$210.00	\$390.00	N/A	N/A	\$25,000.00
Urology	\$ 243.75	\$ 1,950.00	\$ 250.00	\$ 2,820.00	\$ 300.00	\$ 1,880.00	\$ 25,000.00