



# Monterey County

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## Board Report

Legistar File Number: A 17-124

May 23, 2017

**Introduced:** 4/24/2017

**Version:** 1

**Current Status:** Agenda Ready

**Matter Type:** BoS Agreement

- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute the Fourth Amendment to the Professional and Call Coverage Services Agreement (A-12095) with Monterey Bay GI Consultants Medical Group, Inc. to provide gastroenterology service, extending the term by twelve months (July 1, 2017 to June 30, 2018) for a revised full agreement term of September 1, 2011 to June 30, 2018, and adding \$200,000, for a revised not to exceed amount of \$870,000; and
- b. Authorize the Deputy Purchasing Agent for NMC or his designee to sign up to three (3) future amendments to this Agreement where the total amendments do not extend the term by more than twelve (12) months, do not significantly change the scope of work, and do not cause an increase of more than ten percent 10% (\$25,000) of the original contract amount per each amendment.

### 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 Fourth Amendment to the Professional and Call Coverage Services Agreement (A-12095) with Monterey Bay GI Consultants Medical Group, Inc. to provide gastroenterology service, extending the term by twelve months (July 1, 2017 to June 30, 2018) for a revised full agreement term of September 1, 2011 to June 30, 2018, and adding \$200,000, for a revised not to exceed amount of \$870,000; and
- b. Authorize the Deputy Purchasing Agent for NMC or his designee to sign up to three (3) future amendments to this Agreement where the total amendments do not extend the term by more than twelve (12) months, do not significantly change the scope of work, and do not cause an increase of more than ten percent 10% (\$25,000) of the original contract amount per each amendment.

### SUMMARY/DISCUSSION:

NMC must arrange for care and treatment of patients who present to the emergency department in need of medical care in the specialty of gastroenterology. NMC has an agreement, effective September 1, 2011, with Monterey Bay GI Consultants Medical Group, Inc., for which board certified gastroenterologists provide gastroenterology call coverage in the emergency department. NMC wishes to amend the agreement so that Monterey Bay GI Consultants can continue to provide the services without interruption.

Monterey Bay GI is paid according to the terms of this agreement for the actual number of call coverage provided, although the amount of services may increase due to the need for coverage, the rate of pay will stay 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 Amendment as to legal form and risk provisions. Auditor-Controller has reviewed and approved this Amendment as to fiscal provisions. The Amendment has also been reviewed and approved by Natividad Medical Center's Finance Committee on March 23, 2017 and the Executive Committee on April 11, 2017.

FINANCING:

The cost of this Amendment is \$200,000. The total cost for this Agreement is \$870,000 for the period September 1, 2011 to June 30, 2018. \$73,613 was disbursed in Fiscal Year 2011/2012 (10 months); \$102,811 was disbursed in Fiscal Year 2012/2013; \$113,440 was disbursed in Fiscal Year 2013/2014; \$120,530 was disbursed in Fiscal Year 2014/2015; \$121,948 was disbursed in Fiscal Year 2015/2016; and \$137,650 was budgeted in Fiscal Year 2016/2017 of which \$109,186 has been disbursed (8 months). \$170,000 is included in the Fiscal Year 2017/2018 Recommended Budget. 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

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

Attachments: Agreement; First-Third Amendment

Attachments on file at the Clerk of the Board