



County of Monterey

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legislation Details (With Board Report)

File #:	A 14-132	Name:	MONTEREY BAY ONCOLOGY FIRST AMENDMENT
Type:	BoS Agreement	Status:	Passed
File created:	6/5/2014	In control:	Board of Supervisors
On agenda:	6/24/2014	Final action:	6/24/2014
Title:	a. Authorize and direct the Purchasing Manager for Natividad Medical Center (NMC) to execute the First Amendment to the Professional Services Agreement with Monterey Bay Oncology Associates dba Pacific Cancer Care to provide hematology oncology and business consulting services at NMC extending the term to June 30, 2016 adding \$360,000 for a revised amount not to exceed \$660,000 in the aggregate (for the period May 1, 2013 to June 30, 2016); 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.		

Sponsors:

Indexes:

Code sections:

Attachments: 1. MONTEREY BAY ONCOLOGY FIRST AMENDMENT.pdf, 2. Completed Board Order

Date	Ver.	Action By	Action	Result
6/24/2014	1	Board of Supervisors	approved	

- a. Authorize and direct the Purchasing Manager for Natividad Medical Center (NMC) to execute the First Amendment to the Professional Services Agreement with Monterey Bay Oncology Associates dba Pacific Cancer Care to provide hematology oncology and business consulting services at NMC extending the term to June 30, 2016 adding \$360,000 for a revised amount not to exceed \$660,000 in the aggregate (for the period May 1, 2013 to June 30, 2016); 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 and direct the Purchasing Manager for Natividad Medical Center (NMC) to execute the First Amendment to the Professional Services Agreement with Monterey Bay Oncology Associates dba Pacific Cancer Care to provide hematology oncology and business consulting services at NMC extending the term to June 30, 2016 adding \$360,000 for a revised amount not to exceed \$660,000 in the aggregate (for the period May 1, 2013 to June 30, 2016); 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 has an agreement with Monterey Bay Oncology Associates to provide outpatient specialty clinic services (including non-chemotherapy infusion services), call coverage, inpatient rounding, medical consultation, medical director (including resident education) services and business consulting services. NMC wishes to

amend the Agreement to extend the term additional twenty four months in order to provide the same services without interruption.

The additional \$360,000 is equal to the rate of pay for the maximum number of projected outpatient clinic sessions, call coverage days, inpatient rounding hours, medical consultations, medical director services hours, business consulting services hours that will all be provided during the extended term of the agreement which may increase due to patient care and need for coverage, but will not increase the rate of pay or exceed the maximum liability of this agreement. 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 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 and is not a legal requirement, 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 \$360,000. The total not to exceed amount for this Agreement is \$660,000. \$46,200 was disbursed in Fiscal Year 2012/2013 (2 months); \$180,000 is included in the Fiscal Year 2013/2014 Adopted Budget of which \$131,900 has been disbursed year to date (9 months). \$180,000 is included in the Fiscal Year 2014/2015 Recommended Budget. The remaining \$253,800 will be budgeted in subsequent fiscal years. 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 Amendment