



Legislation Details (With Board Report)

**File #:** A 12-045      **Name:** CEP FIRST AMENDMENT  
**Type:** BoS Agreement      **Status:** Passed  
**File created:** 4/18/2012      **In control:** Board of Supervisors  
**On agenda:** 6/19/2012      **Final action:** 6/19/2012  
**Title:** Authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute the First Amendment to the Professional Services Agreement with California Emergency Physicians Medical Group to provide Emergency Medicine Services at NMC, extending the Agreement to June 30, 2014 and adding \$2,664,270 (\$1,332,135 for fiscal year 2013), for a revised total Agreement amount not to exceed \$3,996,405 in the aggregate.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. CEP FIRST AMENDMENT, 2. Completed Board Order

| Date      | Ver. | Action By            | Action   | Result |
|-----------|------|----------------------|----------|--------|
| 6/19/2012 | 1    | Board of Supervisors | approved |        |

Authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute the First Amendment to the Professional Services Agreement with California Emergency Physicians Medical Group to provide Emergency Medicine Services at NMC, extending the Agreement to June 30, 2014 and adding \$2,664,270 (\$1,332,135 for fiscal year 2013), for a revised total Agreement amount not to exceed \$3,996,405 in the aggregate.

**RECOMMENDATION:**

It is recommended that the Board of Supervisors:

Authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute the First Amendment to the Professional Services Agreement with California Emergency Physicians Medical Group to provide Emergency Medicine Services at NMC, extending the Agreement to June 30, 2014 and adding \$2,664,270 (\$1,332,135 for fiscal year 2013), for a revised total Agreement amount not to exceed \$3,996,405 in the aggregate.

**SUMMARY/DISCUSSION:**

NMC currently has an agreement with California Emergency Physicians Medical Group (CEP), a general partnership consisting of Emergency Department (ED) providers (physicians, physician assistants and nurse practitioners) to provide complete and exclusive medical director and provider services coverage in the ED. The ED accepts patients 24 hours per day, 7 days a week delivering care to approximately 45,000 patients per year. NMC wishes to amend the agreement with CEP to extend the term of the agreement for an additional twenty four (24) months, with an option for either party to terminate with sixty (60) days written notice, in order to continue to provide emergency medicine services to emergency department patients without interruption.

NMC has obtained an independent opinion of fair market value supporting the payment terms of this Agreement. The scope of services and compensation for FY13 and FY14 is the same as it was in FY12. The maximum liability of this agreement includes the current compensation for professional services and the maximum allowable incentive compensation based on emergency department patient satisfaction and visit growth for the period July 1, 2012 to June 30, 2014.

**OTHER AGENCY INVOLVEMENT:**

County Counsel has reviewed and approved this Agreement as to legal form and risk provisions. Auditor-Controller has reviewed and approved this Agreement as to fiscal provisions. The Agreement has also been reviewed and approved by Natividad Medical Center's Board of Trustees.

**FINANCING:**

The total cost of this Agreement is not to exceed \$3,966,405 and \$1,332,135 is included in the fiscal year 2013 recommended budget, the remaining balance of \$1,332,135 will be budgeted for fiscal year 2014. 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 Amendment, Agreement

Attachments are on file at the Clerk of the Board