

hospitalist services as needed on the medical surgical unit. The maximum liability was nearly reached in the first six months of the agreement due to an unanticipated absence of another hospitalist and we needed Dr. Grimm to cover the service. NMC wishes to enter into a First Amendment, effective May 1, 2013, to increase the maximum liability of the agreement in order to continue utilize Dr. Grimm's services without interruption. The quantity of services may increase due to patient volume 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/Agreement as to legal form and risk provisions. Auditor-Controller has reviewed and approved this Amendment/Agreement as to fiscal provisions. The Amendment/Agreement has also been reviewed and approved by Natividad Medical Center's Board of Trustees.

FINANCING:

The total cost for this Amendment/Agreement is \$200,000 for the period October 1, 2012 to June 30, 2014. \$120,000 is included in the Fiscal Year 2012/2013 Adopted Budget; \$60,000 is included the Fiscal Year 2012/2014 Recommended Budget; and the remaining \$20,000 will be budgeted in subsequent fiscal years. 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

Originals on File at the Clerk of the Board