



Legislation Details (With Board Report)

File #:	A 12-014	Name:	Aureus Radiology Amendment #4
Type:	BoS Agreement	Status:	Passed
File created:	4/4/2012	In control:	Board of Supervisors
On agenda:	6/12/2012	Final action:	6/12/2012

Title: Authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute Amendment No. 4 to the Agreement (A-10289) with Aureus Radiology for Ancillary Registry Services at NMC in an amount not to exceed \$900,000 in the aggregate (an increase of \$100,000) for the period April 1, 2012 to December 31, 2012.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Aureus Radiology, 2. Completed Board Order

Date	Ver.	Action By	Action	Result
6/12/2012	1	Board of Supervisors	approved	

Authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute Amendment No. 4 to the Agreement (A-10289) with Aureus Radiology for Ancillary Registry Services at NMC in an amount not to exceed \$900,000 in the aggregate (an increase of \$100,000) for the period April 1, 2012 to December 31, 2012.

RECOMMENDATION:

It is recommended the Board of Supervisors authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute Amendment No. 4 to the Agreement (A-10289) with Aureus Radiology for Ancillary Registry Services at NMC in an amount not to exceed \$900,000 in the aggregate (an increase of \$100,000) for the period April 1, 2012 to December 31, 2012.

SUMMARY/DISCUSSION:

On October 4, 2005 the Board authorized the Purchasing Manager for Monterey County to execute an Agreement with multiple vendors; including Aureus Radiology LLC (Agreement No. A-10289). Aureus Radiology is a registry company that provides Natividad Medical Center with clinical ancillary staff (diagnostic imaging, sonographers, technologists, nuclear medicine technologists, rehabilitation therapists, pharmacists, and licensed respiratory therapists) on an as needed basis. Originally the only departments using this vendor were Diagnostic Imaging and Cardiopulmonary. Since this time the growth of services provided by Aureus Radiology include the following clinical departments' personnel: Occupational/Physical Therapists, Nuclear Medicine Technologists, and Pharmacists.

In November 2011, The Board of Supervisors approved Amendment Number 3 to increase the agreement with Aureus Radiology by \$200,000. NMC recently learned that there was a six (6) month billing delay from Aureus Radiology from July 2011 through December 2011 due to an electronic transmission error (Aureus Radiology was sending electronic invoices to NMC to an invalid email account). This delay resulted in approximately \$180,000 of past due invoices from July 2011 through December 2011. As a result of the significant invoice delay, NMC did not request a large enough increase in November 2011. Therefore, NMC needs to request approval of Amendment Number 4 with Aureus Radiology which will increase the amount by an additional \$100,000. NMC recognizes that it should have done a better job internally tracking the spend amount of this agreement. As a result, the clinical ancillary departments with the accounts payable department have implemented an internal tracking system for this vendor to make sure this problem does not occur again in the future.

NMC has had great success over the last year in hiring permanent and per diem staff in hard to fill positions that were historically filled with registry staff. Unfortunately, in September 2011 NMC's Nuclear Medicine Technologist went out on a Worker's

Compensation claim, leaving the service to be covered by a registry technologist. Nuclear Medicine is a specialized hospital service that is critical to the success of our cardiac program. NMC staffs the Nuclear Medicine Department with one FTE, as the volume of this service does not warrant more FTEs. Therefore, NMC must utilize registry when the FTE is on vacation or on leave. NMC will continue to utilize a registry technologist until the permanent employee returns to work.

NMC must have the flexibility to bring in registry services when critical hard to fill staffing needs arise. These hard to fill positions are essential in order for NMC to meet clinical service needs, and to comply with regulations as established by The Joint Commission; a regulatory agency that sets standards of care for hospitals and ancillary clinical services. This action by the Board of Supervisors will allow NMC to continue to provide appropriate staffing to cover the clinical ancillary departments until the time that employees return from their leaves of absence or until the time where permanent replacements are hired.

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 the Natividad Medical Center Board of Trustees' Finance Committee and the Natividad Medical Center Board of Trustees.

FINANCING:

The cost for this Amendment is \$100,000. \$30,000 is included in the Fiscal Year 2011/2012 Adopted Budget. \$70,000 is included in the 2012/2013 Recommended Budget. There is no impact to the General Fund.

Prepared by: Tom Burnside, Director of Radiology, 772-7616

Approved by: Harry Weis, Chief Executive Officer, 783-2124

Attachments: Agreement, Amendments 1, 2, and 3.