



County of Monterey

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

Board Report

File #: A 14-058, **Version:** 1

Authorize and direct the Purchasing Manager for Natividad Medical Center (NMC) to execute Amendment No. 8 to the Agreement (A-11938) with Cynthia Harlowe for the Joint Commission and Quality Assurance Consulting Services at NMC, extending the Agreement to June 30, 2015 and adding \$157,000 for a revised total Agreement amount not to exceed \$422,000 in the aggregate (for the period July 1, 2009 to June 30, 2015).

RECOMMENDATION:

Authorize and direct the Purchasing Manager for Natividad Medical Center (NMC) to execute Amendment No. 8 to the Agreement (A-11938) with Cynthia Harlowe for the Joint Commission and Quality Assurance Consulting Services at NMC, extending the Agreement to June 30, 2015 and adding \$157,000 for a revised total Agreement amount not to exceed \$422,000 in the aggregate (for the period July 1, 2009 to June 30, 2015).

SUMMARY/DISCUSSION:

NMC is accredited by the Joint Commission, a non-profit organization that accredits over 18,000 healthcare organizations and programs in the United States. Approximately 82 percent of the nation's hospitals are currently accredited by The Joint Commission. The Joint Commission has deemed status with the Centers for Medicare and Medicaid Services (CMS) which means that the Joint Commission will enforce standards of compliance with the federal Conditions of Participation for receiving reimbursement under the Medicare and Medicaid programs in addition to Joint Commission standards. The accreditation process includes: 1) ongoing compliance with the standards of care, treatment and services, 2) an annual self-assessment for compliance with all standards, and 3) an onsite survey every three years.

NMC has had an Agreement with Cynthia Harlowe to provide onsite consulting services for Joint Commission survey preparation and during the actual survey for NMC for over 17 years. NMC has performed well in all six onsite surveys where she provided consultation services. Her current agreement provides for onsite consulting services to assist NMC in completing and scoring the annual self-assessment and in providing input on establishing action plans for maintaining compliance with all standards.

NMC wishes to amend the Agreement with Cynthia Harlowe to continue to provide consulting services at NMC without interruption. The \$70,000 increase in Fiscal Year 2013/2014 is due to a recent vacancy in NMC's position of Hospital Director of Engineering and Safety resulting in an acute need for the contractor to assist individuals in the Engineering Department implement process changes to assure complete compliance with the Joint Commission standards. The additional \$87,000 is equal to the projected number of services that will be provided during the extended term of the Agreement.

Worker's Compensation Insurance Exemption: Contractor is the sole provider of services with no permanent or temporary workers. Accordingly, Worker's Compensation Insurance is not required.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved this Amendment as to legal form and risk provisions. Auditor-Controller has reviewed this Amendment and approved this 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 prevent continued expenditures and is not a legal requirement, but it is considered good public policy, transparency and fiscal management. This Amendment has also been reviewed and approved by Natividad Medical Center's Board of Trustees.

FINANCING:

The total cost for this Agreement is \$422,000. \$50,000 was disbursed in Fiscal Year 2009/2010; \$100,000 was disbursed in Fiscal Year 2010/2011; \$53,000 was disbursed in Fiscal Year 2011/2012; \$11,000 was disbursed in Fiscal Year 2012/2013; \$51,000 was disbursed in Fiscal year 2013/2014. This Amendment adds \$70,000 to Fiscal Year 2013/2014. The additional \$87,000 is included in the Fiscal Year 2014/2015 Recommended Budget. 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: Jane Finney, Quality/Compliance Administrator, 783-2502

Approved by: Harry Weis, Chief Executive Officer, 783-2553

Attachments: Agreement; Amendments 1-8

Attachments on file with the Clerk to the Boards Office