



# County of Monterey

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

## Board Report

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**File #:** A 14-094, **Version:** 1

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Authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute Renewal and Amendment No. 10 to the Agreement (A-10169/MYA579) with HFS Consultants for Consulting Services at NMC, extending the Agreement to June 30, 2015 for a total Agreement amount not to exceed \$7,354,000 in the aggregate; no increase from the previously approved amount.

### **RECOMMENDATION:**

It is recommended the Board of Supervisors authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute Renewal and Amendment No. 10 to the Agreement (A-10169/MYA579) with HFS Consultants for Consulting Services at NMC, extending the Agreement to June 30, 2015 a total Agreement amount not to exceed \$7,354,000 in the aggregate; no increase from the previously approved amount.

### **SUMMARY/DISCUSSION:**

Natividad Medical Center has had a long standing relationship with HFS Consultants since 2005. We initially contracted with them to provide medical records scanning, archiving, coding and OSHPD (Office of Statewide Health and Planning Department) reporting services. Through time and various amendments (as listed on the table) HFS' scope of work has increased to include interim management services, productivity analysis, efficiency analysis and other consulting services. NMC has chosen to continue to work with HFS because of their reputation in the healthcare community and proven track record as well as the vast variety of healthcare consulting services they are able to provide at a competitive price.

NMC desires to renew and amend its existing agreement (amendment #10) with HFS consultants to increase the term of the agreement to June 30, 2015 and clarify the language including terms and conditions in the previous agreement and amendments. NMC recognizes the considerable number of amendments to this agreement and plans to go out for Request for Proposal (RFP) for these services during Fiscal Year 2015. As there have been numerous amendments to this agreement, NMC would like to point out the exhaustive list of services listed in previously approved Amendment #4 of the HFS Consultants agreement. See attachment 1.

### **OTHER AGENCY INVOLVEMENT:**

County Counsel has reviewed and approved this Amendment No. 10 as to legal form and risk provisions. Auditor-Controller has reviewed and has not approved this Amendment No. 10 as to fiscal provisions. The CAO-Budget and Analysis Division has advised NMC to inform the Board of Supervisors that the spending authority (appropriations) associated with NMC's FY 2013-14 Adopted Budget has been exceeded and approval and authorization for modification of NMC's appropriation budget should be presented to the Board of Supervisors. 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. The Amendment has also been reviewed and approved by Natividad Medical Center's Finance Committee 4.24.14 and Board of Trustees 5.2.14.

**FINANCING:**

There is no cost for this Amendment No. 10. NMC is confirming its appropriations position and if its spending authority has been exceeded will return to the Board.

As a result of Renewal and Amendment No. 9 in Fiscal Year 2013-2014, the Board of Supervisors approved an increase of \$1,000,000. Remaining funds will be rolled over for Fiscal Year 2014-2015. There is no impact to the General Fund.

Prepared by: Daniel Leon, Chief Financial Officer 783-2561

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

Attachments: Amendment No. 10, Attachment 1, Original Agreement, Amendment Nos. 1 through 9, Spend Sheet