



County of Monterey

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

Board Report

File #: A 17-096, **Version:** 1

- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) to execute an Agreement with RehabCare Group Management Services, Inc. for Rehabilitation Program Management Services at NMC for an amount not to exceed \$1,000,000 annually and an agreement term of May 1, 2017 through April 30, 2022 for a total Agreement amount not to exceed \$5,000,000.
- b. Authorize the Deputy Purchasing Agent for NMC or his designee to execute up to three (3) future amendments to the agreement which do not significantly alter the scope of work and do not cause an increase of more than ten percent (10%) (\$500,000) of the original cost of the agreement across all amendments in total.

RECOMMENDATION:

It is recommended the Board of Supervisors:

- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) to execute an Agreement with RehabCare Group Management Services, Inc. for Rehabilitation Program Management Services at NMC for an amount not to exceed \$1,000,000 annually and an agreement term of May 1, 2017 through April 30, 2022 for a total Agreement amount not to exceed \$5,000,000.
- b. Authorize the Deputy Purchasing Agent for NMC or his designee to execute up to three (3) future amendments to the agreement which do not significantly alter the scope of work and do not cause an increase of more than ten percent (10%)(\$500,000) of the original cost of the agreement across all amendments in total.

SUMMARY/DISCUSSION:

The County of Monterey, on behalf of NMC, has had an agreement with RehabCare Group Management Services, Inc. (RehabCare) in place for approximately fourteen years. RehabCare is a premier provider of rehabilitation services and post- acute care services including a specialty focus on inpatient rehabilitation. The Sam Karas Acute Rehabilitation Center at NMC is the major provider of inpatient rehabilitation in Monterey County.

RehabCare manages NMC's Acute Rehab Unit under the direction of the NMC Medical Director providing rehabilitation services for NMC patients. For the last fourteen years, pursuant to the parties' agreement, RehabCare has provided and continues to provide management and therapy services for NMC's Acute Rehabilitation Unit ("ARU"), a specialized clinical unit that serves patients with a multitude of diagnoses including stroke, orthopedic conditions, arthritis and traumatic brain injuries (trauma patients). The main goal of the ARU is to assist individuals in restoring functional status and resuming the highest possible quality of life post injury or post significant adverse medical events.

This agreement replaces an older agreement from 2010 and includes updated terms. NMC has transitioned to employed inpatient Acute Rehabilitation Unit therapy and social worker staff through a recruitment process beginning July, 2016. RehabCare will continue to provide management services for the NMC Acute Rehabilitation Unit but as noted all therapy staff and a social worker will transition to NMC employment

beginning January 1, 2017. As such, NMC expects the cost for this agreement to decrease by over \$1,000,000 annually as compared to previous years.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved this Agreement as to legal form and risk provisions, and the Auditor-Controller has reviewed and approved as to payment provisions. The Agreement has also been reviewed and approved by NMC's Finance Committee on October 27, 2016 and by its Board of Trustees on November 4, 2016.

FINANCING:

The cost for this Agreement is \$5,000,000 of which \$1,000,000 is included in the Fiscal Year 2016-17 Adopted Budget. There is no impact to the General Fund.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

Economic Development

Administration

This vendor has a proven history of running the Acute Rehabilitation Center in an effective and efficient manner under the oversight of NMC. This agreement ensures that this working relationship continues and contributes to a more efficient use of resources within the organization.

Health and Human Services

The services rendered in this agreement provide NMC with the additional support it needs to be able to provide reliable and quality patient care which improves the health and quality of life for patients and their families.

Infrastructure

Public Safety

Prepared by: Nancy Buscher, Chief Nursing Officer, 783-2560

Approved by: Gary R. Gray, DO, Chief Executive Officer, 783-2504

Attachments:

RehabCare Group Management Services, Inc. Agreement

Attachments on file with the Clerk of the Board