



County of Monterey

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

Board Report

File #: A 14-042, **Version:** 1

- a. Authorize and direct the Purchasing Manager for Natividad Medical Center (NMC) to execute the First Amendment to Professional Services Agreement with Mohamed Kerala Serio M.D. to provide cardiology services at NMC, extending the term to June 30, 2015 and adding \$825,000 for a revised amount not to exceed \$1,575,000 in the aggregate (for the period February 1, 2013 to June 30, 2015); and
- b. Authorize the Purchasing Manager for NMC to sign up to three (3) amendments to this Agreement where the total amendments do not exceed 10% of the contract amount and do not significantly change the scope of work. (ADDED VIA ADDENDUM)

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Authorize and direct the Purchasing Manager for Natividad Medical Center (NMC) to execute the First Amendment to Professional Services Agreement with Mohamed Kerala Serio M.D. to provide cardiology services at NMC, extending the term to June 30, 2015 and adding \$825,000 for a revised amount not to exceed \$1,575,000 in the aggregate (for the period February 1, 2013 to June 30, 2015); and
- b. Authorize the Purchasing Manager for NMC to sign up to three (3) amendments to this Agreement where the total amendments do not exceed 10% of the contract amount and do not significantly change the scope of work.

SUMMARY/DISCUSSION:

On February 1, 2013, NMC entered into an Agreement with Mohamed Kerala Serio M.D. to provide at least half of the annual cardiology call coverage in the emergency department, daily cardiology services in the outpatient clinic and clinical interpretation services. In order to continue to provide cardiology services to patients without interruption, NMC would like to amend the Agreement before the original term date in order to add to the amount payable to Dr. Serio for services provided due to an increased need for services.

The additional \$825,000 is equal to the projected amount of services provided during the fifteen month period (May 1, 2014 to June 30, 2015) times the rate of pay for services. 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 First Amendment as to legal form and risk provisions. The Auditor-Controller has reviewed and approved this First Amendment 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.

FINANCING:

The total cost for this Agreement is \$1,575,000 (for the period February 1, 2013 to June 30, 2015). \$243,790

was disbursed in Fiscal Year 2012/2013 (5 months); \$506,210 is included in the Fiscal Year 2013/14 Adopted Budget and this Amendment adds \$110,000. The remaining \$715,000 is included in the Fiscal Year 2014/2015 requested 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: Jeanne-Ann Balza, Management Analyst, 783.2506

Approved by: Harry Weis, Chief Executive Officer, 783.2553

Attachments: Agreement; First Amendment

Attachments on file a the Clerk of the Board