



County of Monterey

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

Board Report

File #: A 14-081, **Version:** 1

- a. Authorize and direct the Purchasing Manager for Natividad Medical Center (NMC) to execute the First Amendment to the Professional Services Agreement with Aimee S. Paik M.D. to provide dermatology services at NMC, extending the term to June 30, 2016 and adding \$150,000 for a revised Agreement amount not to exceed \$250,000 in the aggregate (for the period April 1, 2013 to June 30, 2016); 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 original contract amount, and do not significantly change the scope of work.

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 the Professional Services Agreement with Aimee S. Paik M.D. to provide dermatology services at NMC, extending the term to June 30, 2016 and adding \$150,000 for a revised Agreement amount not to exceed \$250,000 in the aggregate (for the period April 1, 2013 to June 30, 2016); 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 original contract amount, and do not significantly change the scope of work.

SUMMARY/DISCUSSION:

Natividad Medical Center offers outpatient specialty services to patients in the Specialty Clinic including dermatology. NMC entered into an agreement with Aimee S. Paik M.D, a Medical Corporation to provide dermatology services on April 1, 2013. The Agreement was assigned to Aimee S. Paik M.D., an individual on September 1, 2013 by way of an Assignment and Assumption Agreement. Dr. Paik sees patients in the Specialty Clinic one day a week. NMC wishes to amend the agreement with Dr. Paik to extend the term an additional twenty four (24) months in order to continue to provide dermatology services without interruption.

This amendment adds \$150,000 to the Agreement for services provided during the extended term. Dr. Paik is paid a daily rate according to the terms of the Agreement. The amount of services may increase due to patient volume in the clinic, but the rate of pay remains the same. 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 Amendment as to legal form and risk provisions. Auditor-Controller has reviewed and approved this 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. The Amendment has also been reviewed and approved by

Natividad Medical Center's Finance Committee (4-24-2014) and Board of Trustees (5-2-2014).

FINANCING:

The total cost for this Amendment \$250,000 for the period (April 1, 2013 to June 30, 2016). \$18,784 was disbursed in Fiscal Year 2012/2013 (3 months); \$70,000 is included in Fiscal Year 2013/2014 Adopted Budget, of which \$51,174 has been disbursed year to date. \$70,000 is included in the Fiscal Year 2014/2015 Recommended Budget. The remaining \$80,000 will be budgeted in Fiscal Year 2015/2016. 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: First Amendment; Agreement

Attachments on file at the Clerk of the Board