



County of Monterey

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

Board Report

File #: A 13-292, **Version:** 1

- a. Consider authorizing the Purchasing Manager for Natividad Medical Center (NMC) to execute the Ninth Amendment to the Professional Services Agreement (A-11427) with Medical Doctor Associates (MDA) to provide locum tenens services at NMC adding \$500,000, for a revised total Agreement amount not to exceed \$2,300,000 in the aggregate (for the period February 1, 2009 to June 30, 2014); and
- b. Authorize the Purchasing Manager for NMC to execute 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 the Purchasing Manager for Natividad Medical Center (NMC) to execute the Ninth Amendment to the Professional Services Agreement (A-11427) with Medical Doctor Associates (MDA) to provide locum tenens services at NMC adding \$500,000, for a revised total Agreement amount not to exceed \$2,300,000 in the aggregate (for the period February 1, 2009 to June 30, 2014); and
- b. Authorize the Purchasing Manager for NMC to execute 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:

NMC entered into an agreement with MDA on February 1, 2009; as amended March 1, 2010; July 1, 2010; March 1, 2011; July 1, 2011; December 1, 2011; July 1, 2012; May 1, 2013 and July 1, 2013 to provide locum tenens services. Locum tenens (temporary) physicians are utilized during periods when its employed/contracted physicians are not available (e.g., vacation; illness; continuing medical education; etc.) to provide health care services vital to NMC's continued operation.

In order to find highly qualified temporary physicians that match the position we are trying to fill/cover and are available on sometimes a very short notice, it is necessary that NMC contract with multiple locum tenens companies with a combined annual maximum liability of \$1,000,000. The actual cost of each contract is contingent upon the need to cover services, which is unpredictable by nature.

The liability added to the Agreement by the Eighth Amendment, \$300,000, has been reached during the first six months of Fiscal Year 2013/2014 due to the increased need for locum tenens physicians to cover a vacant position; a physician on leave of absence and the unanticipated departure of a physician in critical patient care units at NMC. NMC wishes to amend the Agreement with MDA to increase the maximum liability of the Agreement to continue to utilize locum tenens physicians to cover the physician vacancies. Although the usage rate has increased, the Amendment does not change the rate of pay, which varies by specialty and is all-inclusive of travel, lodging and associated expenses.

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 Amendment has also been

reviewed and approved by Natividad Medical Center's Board of Trustees.

FINANCING:

The total cost for this Amendment is \$2,300,000 for the period February 1, 2009 to June 30, 2014. \$530,706.93 was disbursed in Fiscal Year 2009/2010; \$300,224.50 was disbursed in Fiscal Year 2010/2011; \$284,325.75 was disbursed in Fiscal Year 2011/2012 and \$384,742.82 was disbursed in Fiscal Year 2012/2013. \$800,000 is included in the Fiscal Year 2013/2014 Adopted Budget. 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-Ninth Amendment, Agreement

Originals on file at the Clerk of the Board