



County of Monterey

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

Board Report

File #: A 15-079, Version: 1

- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) to execute the Eleventh Amendment to the Professional Services Agreement (A-11427) with Medical Doctor Associates (MDA) to provide locum tenens services at NMC adding \$200,000, for a revised total Agreement amount not to exceed \$3,000,000 in the aggregate (for the period February 1, 2009 to June 30, 2015); and
- b. Authorize the Deputy Purchasing Agent 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 the Deputy Purchasing Agent for Natividad Medical Center (NMC) to execute the Eleventh Amendment to the Professional Services Agreement (A-11427) with Medical Doctor Associates (MDA) to provide locum tenens services at NMC adding \$200,000, for a revised total Agreement amount not to exceed \$3,000,000 in the aggregate (for the period February 1, 2009 to June 30, 2015); and
- b) Authorize the Deputy Purchasing Agent 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:

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; July 1, 2013; December 1, 2013; and July 1, 2014 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.

NMC has a current Request for Proposal (RFP) for locum tenens services with an anticipated award date of July 1, 2015. In the meantime, NMC continues to utilize locum tenens physicians to fill its coverage needs. In Fiscal Year 2014/2015, NMC utilized MDA's physicians who already had privileges to practice medicine at NMC, to provide patient care in units with at least one vacant position (hospitalist; pediatric hospitalist) which caused the need to add funds to the amendment during the fiscal year with this Eleventh Amendment. The estimate additional cost of locum tenens physicians to cover critical patient care areas of the hospital is \$200,000. This 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 Agreement as to legal form and risk provisions. Auditor-Controller has reviewed and approved this Agreement as to fiscal provisions. The Agreement has also been reviewed and approved by Natividad Medical Center's Finance Committee on March 26, 2015 and Board of Trustees on April 3, 2015.

FINANCING:

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 cost for this Amendment is \$200,000. The total not to exceed amount is \$3,000,000 for the period February 1, 2009 to June 30, 2015. \$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 of which \$602,087 has been disbursed. \$500,000 is included in the Fiscal Year 2014/2015 Adopted Budget for this Agreement. There is no impact to the General Fund.

Prepared by: Jeanne-Ann Balza, Management Analyst, 783.2506

Approved by: Gary Gray D.O., Interim Chief Executive Officer, 783.2553

Attachments:

First-Eleventh Amendment, Agreement

Attachments on file at the Clerk of the Board