



# County of Monterey

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

## Board Report

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**File #:** A 14-028, **Version:** 1

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- a. Approve and direct the Purchasing Manager for Natividad Medical Center (NMC) to execute the Second Amendment to Professional Services Agreement (A-12615) with Jackson & Coker Locum Tenens to provide referrals of locum tenens physicians at NMC, extending the term of the Agreement from April 1, 2014 to June 30, 2015 and adding \$200,000 for a revised amount not to exceed \$400,000 in the aggregate (for the period April 1, 2012 to June 30, 2015); and
- b. Authorize the Purchasing Manager for NMC to execute 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. Approve and direct the Purchasing Manager for Natividad Medical Center (NMC) to execute the Second Amendment to Professional Services Agreement (A-12615) with Jackson & Coker Locum Tenens to provide referrals of locum tenens physicians at NMC, extending the term of the Agreement from April 1, 2014 to June 30, 2015 and adding \$200,000 for a revised amount not to exceed \$400,000 in the aggregate (for the period April 1, 2012 to June 30, 2015); and
- b. Authorize the Purchasing Manager for NMC to execute 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 has an Agreement with Jackson & Coker Locum Tenens to provide the referrals of locum tenens physicians. NMC utilizes locum tenens (temporary) physicians 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.

NMC wishes to amend the Agreement with Jackson & Coker Locum Tenens to extend the term an additional fifteen months, update the rate sheet and increase the maximum liability of the Agreement in order to continue to utilize locum tenens physicians in these patient care areas. NMC negotiated new rates for some specialties, no more than 5% greater than they were in the first year of the Agreement (April 2012 to March 2013). Some of the rates remain the same for services provided by locum tenens physicians, which vary by specialty and are 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 Board of Trustees. 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 of this Agreement is \$400,000; \$200,000 is included in the Fiscal Year 2013/2014 adopted budget, of which \$53,580 has been disbursed. For the period July 2013 thru January 2014 (seven months), NMC is fiscally performing at a profit. NMC is confirming its appropriations position and if its spending authority has been exceeded will return to the Board. The remaining amount is included in the Fiscal Year 2014/2015 requested 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:**

Second-First Amendment; Agreement

Attachments on File at the Clerk of the Board