



County of Monterey

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

Board Report

File #: A 15-020, **Version:** 1

Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) to execute an Agreement with the Natividad Medical Foundation (NMF) to provide philanthropic support for NMC and NMC (non-philanthropic) specially requested services with a retroactive start date of January 1, 2015 through December 31, 2015, and for a total amount not to exceed \$876,019.

RECOMMENDATION:

It is recommended the Board of Supervisors:

Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) to execute an Agreement with the Natividad Medical Foundation (NMF) to provide philanthropic support for NMC and NMC (non-philanthropic) specially requested services with a retroactive start date of January 1, 2015 through December 31, 2015, and for a total amount not to exceed \$876,019.

SUMMARY/DISCUSSION:

Natividad Medical Foundation (NMF) philanthropically supports programs that continually improve the health status of the people in Monterey County through access to affordable, high-quality healthcare services at Natividad Medical Center (NMC). Philanthropic services include donor cultivation and solicitation (e.g., The Agricultural Leadership Council); special events; annual giving programs; community outreach in connection with fundraising; preparing and submitting foundation and government grant applications; administering 26 current funds and future foundation gifts; and capital campaign planning and fundraising. NMC specially requested services include supporting critical patient care services at NMC.

In calendar year 2014, NMF raised and secured over \$2M in philanthropic contributions and grant contracts to support NMC patient programs and services. Last year's contributions directly impacted patient care programs vital to the continuing operation of NMC, such as medical equipment for the Emergency Department, Intensive Care Unit (ICU), Maternal and Infant Unit and Neonatal Intensive Care Unit (NICU). Contributions also support ongoing multiple year programs such as CHOICE, a hospital-linked violence intervention and prevention program, and NMF's Patient Greatest Needs Fund that provides assistance to meet the basic, desperate health needs of more than 2,000 patients each year. NMF operates a philanthropically-supported language access program that provides interpreting services for indigenous language-speaking patients. This language access program substantially contributed to NMC's Category I - Enhance Interpreter Services DSRIP performance outcomes, resulting in \$3,892,500 in DSRIP payments to Natividad Medical Center to date.

NMF's total projected revenue goal for calendar year 2015 is \$2,788,875, including an estimated \$2,080,000 in philanthropic contributions and \$708,875 in anticipated state government grants for continued support of NMC, including, but not limited to, language access services; cross-cultural initiatives; palliative care; medical equipment; the Family Medicine Residency Program, diabetes prevention education and other NMC services.

Additionally, NMF has initiated a Feasibility Study by formally engaging fundraising counsel to test the feasibility of a \$10M Capital Campaign goal that will contribute to Diagnostic Imaging, Acute Rehabilitation Unit and other hospital services that support NMC's Level II Trauma Center. Originally initiated in 2014, NMC's CEO directed NMF to revise the proposed Feasibility Study timeline until fundraising conditions were

more strategically advantageous following approval of the hospital's large capital projects by the Monterey County Board of Supervisors and official Level II Trauma Center designation. NMF continued its capacity-building activities, including board development, community engagement, such as TALC's milestone of reaching more than \$1.3 million in philanthropic donations to NMC with recognition as National Philanthropy Day's 2014 Philanthropic Services Organization of the Year, donor cultivation and solicitation and donor base expansion in preparation for a Feasibility Study that may launch a successful capital campaign.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved this Agreement as to legal form and risk provisions. The Auditor-Controller has reviewed and approved this Agreement as to fiscal provisions. The Agreement has also been reviewed and approved by NMC's Finance Committee on November 25, 2014 and NMC's Board of Trustees on December 5, 2014.

FINANCING:

The total not to exceed amount of this Agreement is \$876,019 for the period January 1, 2015 to December 31, 2015. \$876,019 includes \$666,995 to fund NMF salaries and benefits; \$137,975 for other NMC specially requested support services [\$35,000 for joint NMF/NMC community relations; \$92,475 for the position of Medical Director of Health Promotion and Education at NMC; and \$10,500 for a Peer Supporter for the Natividad Immunology Division Outpatient (NIDO) Clinic]; and \$71,049 for the feasibility study and planning and coordination in preparation for NMC's capital campaign. Half of this cost is included in the Fiscal Year 2014-15 Adopted Budget and the other half shall be budgeted within the FY2015-16 budget. 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: Agreement

Attachment on file at the Clerk of the Board