



County of Monterey

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

Board Report

File #: A 24-178, **Version:** 1

Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute amendment No. 2 to the agreement with Pinnacle Healthcare Consulting LLC for physician fair market value analysis and consulting services, extending the agreement an additional two (2) year period (January 1, 2025 through December 31, 2026) for a revised full agreement term of January 1, 2022 through December 31, 2026, and adding \$350,000 for a revised total agreement amount not to exceed \$550,000.

RECOMMENDATION:

It is recommended the Board of Supervisors:

Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute amendment No. 2 to the agreement with Pinnacle Healthcare Consulting LLC for physician fair market value analysis and consulting services, extending the agreement an additional two (2) year period (January 1, 2025 through December 31, 2026) for a revised full agreement term of January 1, 2022 through December 31, 2026, and adding \$350,000 for a revised total agreement amount not to exceed \$550,000.

SUMMARY/DISCUSSION:

Pinnacle Healthcare Consulting, LLC supports the analysis of Fair Market Value (FMV) for physician compensation in compliance with state and federal guidelines. This agreement supplies in depth analysis in hard to recruit positions allowing NMC to negotiate physician contracts based on data analysis to comparable salaries in similar market areas.

OTHER AGENCY INVOLVEMENT:

The Office of County Counsel has reviewed and approved this amendment No.2 as to form, and the Auditor-Controller has reviewed and approved as to payment provisions. The amendment No. 2 has also been reviewed and approved by NMC's Finance Committee and by its Board of Trustees on April 12, 2024.

FINANCING:

The cost for this amendment No. 2 is \$350,000 of which \$60,000 is included in the FY 2023-24 Adopted Budget. Amounts for remaining years of the agreement will be included in those budgets as appropriate.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The services rendered in this agreement are required for Level II Trauma Centers and provide NMC with the additional support it needs in order to deliver reliable and high-quality patient care which improves the health and quality of life for patients and their families.

☐ Economic Development
☐ Administration
☒ Health and Human Services

___ Infrastructure
___ Public Safety

Prepared by: Jeanne-Ann Balza, Director of Physician Services, 783-2506
Approved by: Charles R. Harris, Chief Executive Officer, 783-2551

Attachments:

Pinnacle Healthcare Consulting, LLC Amendment 2
Pinnacle Healthcare Consulting, LLC Amendment 1
Pinnacle Healthcare Consulting, LLC Agreement

Attachments on file with the Clerk of the Board