



Board Report

File #: A 14-193, **Version:** 1

- a. Authorize and direct the Purchasing Manager for Natividad Medical Center (NMC) to execute the First Amendment to the Professional Services Agreement with Aurelio M. Gonzalez, M.D. to provide family medicine services at NMC, extending the term to December 31, 2015 and adding \$100,000 for a revised Agreement amount not to exceed \$200,000 in the aggregate (for the period August 1, 2013 to December 31, 2015); and
- b. Authorize the Purchasing Manager 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 and direct the Purchasing Manager for Natividad Medical Center (NMC) to execute the First Amendment to the Professional Services Agreement with Aurelio M. Gonzalez, M.D. to provide family medicine services at NMC, extending the term to December 31, 2015 and adding \$100,000 for a revised Agreement amount not to exceed \$200,000 in the aggregate (for the period August 1, 2013 to December 31, 2015); and
- b) Authorize the Purchasing Manager 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 operates two medical surgical units (35 beds) and one intensive care unit (10 beds) that provide 24 hours, 7 days a week direct patient care to acutely ill hospitalized patients. In order to efficiently staff these units and provide 24/7 patient care, it requires a team of internal medicine and family medicine physicians, known as hospitalists, made up of full-time employee and part-time independent contractor physicians.

NMC has an Agreement with Aurelio M. Gonzalez M.D., a board certified family medicine physician, to provide hospitalist services on the medical surgical unit. NMC wishes to amend the agreement with Dr. Gonzalez to extend the term so that Dr. Gonzalez may continue to provide family medicine services as needed.

Dr. Gonzalez is paid an hourly rate according to the terms of the Agreement. The amount of services may increase due to patient volume and need for services, but the rate of pay remains the same. NMC has obtained an independent opinion of fair market value supporting the payment terms of this Agreement.

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 Finance Committee on June 26, 2014 and Special Executive Committee on June 26, 2014.

FINANCING:

The cost of this Amendment \$100,000. The maximum not to exceed amount of this Agreement is \$200,000 for the period (August 1, 2013 to December 31, 2015). \$100,000 was included in the Fiscal Year 2013/2014 Adopted Budget of which \$71,692 was disbursed. \$50,000 is included in the Fiscal Year 2014/2015 Adopted Budget. The remaining \$50,000 will be budgeted in subsequent fiscal years. 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 Amendment; Agreement

Attachments on file at the Clerk of the Board