



County of Monterey

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

Board Report

File #: A 16-201, **Version:** 1

Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) to execute Amendment No. 4 to the Agreement (A-09333) with RehabCare Group Management Services, Inc. for Rehabilitation Program Management Services at NMC, extending the term of the Agreement for six additional months for a revised full term of July 1, 2010 through December 31, 2016, and increasing the amount by an additional \$2,000,000 for a revised total Agreement amount of \$14,757,720.

RECOMMENDATION:

It is recommended the Board of Supervisors:

Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) to execute Amendment No. 4 to the Agreement (A-09333) with RehabCare Group Management Services, Inc. for Rehabilitation Program Management Services at NMC, extending the term of the Agreement for six additional months for a revised full term of July 1, 2010 through December 31, 2016, and increasing the amount by an additional \$2,000,000 for a revised total Agreement amount of \$14,757,720.

SUMMARY/DISCUSSION:

The County of Monterey, on behalf of NMC, has an agreement with RehabCare Group Management Services, Inc, a premier provider of rehabilitation services and post- acute care services including a specialty focus on inpatient rehabilitation. The Sam Karas Acute Rehabilitation Center at NMC is the major provider of inpatient rehabilitation in Monterey County. The unit has maintained an average occupancy rate over 90% in 2015, and the need for inpatient rehabilitation services continues to expand.

RehabCare manages NMC's Acute Rehab Unit under the direction of the NMC Medical Director providing rehabilitation services for NMC patients. For the last thirteen years, pursuant to the parties' agreement, RehabCare has provided and continues to provide management and therapy services for NMC's Acute Rehabilitation Unit ("ARU"), a specialized clinical unit that serves patients with a multitude of diagnoses including stroke, orthopedic conditions, arthritis and traumatic brain injuries (trauma patients). The main goal of the ARU is to assist individuals in restoring functional status and resuming the highest possible quality of life post injury or post significant adverse medical events.

An adjunct to inpatient services includes a shared staffing relationship between NMC and RehabCare group to provide services by Speech Language Pathologists, in addition to augmenting services provided by Occupational Therapy and Physical Therapy until successful recruitment and hire is achieved. NMC ultimately desires to bring Speech Therapy services in house, but as an interim step will work with RehabCare group to provide these services. NMC has historically contracted Speech Therapy services out to a contractor since 2006.

NMC will transition to employed inpatient Acute Rehabilitation Unit therapy staff through a recruitment process beginning July, 2016. The current contract will extend until December 31st, 2016 in order to ensure a

transition period for recruitment of adequate staff and completion of a new contract.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved this Amendment No. 4 as to legal form and risk provisions, and the Auditor-Controller has reviewed and approved as to payment provisions. The Amendment No. 4 has also been reviewed and approved by NMC's Finance Committee on May 26, 2016 and by its Board of Trustees on June 3, 2016.

FINANCING:

The cost for this Amendment No. 4 is \$2,000,000 all of which is included in the Fiscal Year 2016-17 Adopted Budget. There is no impact to the General Fund.

Prepared by: Nancy Buscher, Chief Nursing Officer, 783-22560

Approved by: Gary R. Gray, DO, Chief Executive Officer, 783-2504

Attachments:

RehabCare Amendment No. 4

RehabCare Amendment No. 3

RehabCare Amendment No. 2

RehabCare Amendment No. 1

RehabCare Amended and Restated Agreement

Spend Sheet

Attachments on file with the Clerk of the Board