



County of Monterey

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

Board Report

File #: A 17-110, **Version:** 1

Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute Amendment No. 1 to the agreement with F1 Technical Solutions, Inc. for consulting services, extending the agreement an additional two (2) year period for a full agreement term of July 1, 2016 through June 30, 2019 and adding \$860,000 for a revised total agreement amount not to exceed \$959,500.

RECOMMENDATION:

It is recommended the Board of Supervisors:

Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute amendment No. 1 to the agreement with F1 Technical Solutions, Inc. for consulting services, extending the agreement an additional two (2) year period for a full agreement term of July 1, 2016 through June 30, 2019 and adding \$860,000 for a revised total agreement amount not to exceed \$959,500.

SUMMARY/DISCUSSION:

The 2020 Waiver requires Providers and Systems to develop alternative payment models to move from fee-for-service reimbursement to either bundle payment model or capitation model. Development of such complex models includes the aggregation of service data from various sources and service lines. In addition, future funding is tied to population health models which requires analytics including preventive, physicians, hospital, post-hospital care services. Managed care plans will also drive current reimbursement methods to alternative models for both trauma and non-trauma services. Analytics for physician services will be necessary as a strategy to identify areas of capacity needs for the purpose of increasing access with primary and specialty services. Consulting services from F1 Technical Solutions, Inc. will provide assistance with those initiatives.

Given the demonstrated need for these services, NMC plans to release an RFP next calendar year for this level and type of consulting.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved this amendment No. 1 as to legal form and risk provisions, and the Auditor-Controller has reviewed and approved as to payment provisions. The amendment No. 1 has also been reviewed and approved by NMC's Finance Committee on March 23, 2017 and by its Board of Trustees on April 7, 2017.

FINANCING:

The cost for this amendment No. 1 is \$860,000 of which \$ 160,000 which is included in the Fiscal Year 2016-17 Adopted Budget. Amounts for remaining years of the agreement will be included in those budgets as appropriate. There is no impact to the General Fund.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

☐ Economic Development

☒ Administration

This agreement is for executive level consulting services, the outcome of which provides NMC with varying levels of support which

contributes to efficient and effective government operations.

☐ Health and Human Services

☐ Infrastructure

☐ Public Safety

Prepared by: Daniel Leon Chief Financial Officer, 783-2561

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

Attachments:

F1 Technical Solutions, Inc. Amendment No. 1

F1 Technical Solutions, Inc. Agreement

Attachments on file with the Clerk of the Board