



County of Monterey

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

Board Report

File #: A 17-143, Version: 1

Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute the Second Amendment to Professional and Call Coverage Services Agreement (A-12752) with Bob Peng M.D. to provide obstetrics and gynecological services, extending the term by twenty-four (24) months (July 1, 2017 to June 30, 2019) for a revised full agreement term of May 1, 2014 to June 30, 2019.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute the Second Amendment to Professional and Call Coverage Services Agreement (A-12752) with Bob Peng M.D. to provide obstetrics and gynecological services, extending the term by twenty-four (24) months (July 1, 2017 to June 30, 2019) for a revised full agreement term of May 1, 2014 to June 30, 2019.

SUMMARY/DISCUSSION:

In order to meet the scheduling needs of the Labor and Delivery Unit at NMC with over 200 deliveries per month on average, it requires eight full-time OBGYN physicians including employee physicians and community contract physicians. NMC has an agreement with Bob Peng M.D. to provide obstetrics and gynecological services from time to time as needed. NMC wishes to amend the agreement to extend the term by twenty-four months so that Dr. Peng can continue to provide the same services without interruption. Dr. Peng is paid an hourly rate according to the terms of the agreement, although the amount of services provided may increase due to the need for coverage, the rate of pay remains the same. NMC has obtained an independent opinion of fair market value supporting the payment terms.

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 and Board of Trustees on May 5, 2017.

FINANCING:

There is no additional cost for this Amendment because the original amount was not fully disbursed. The total not to exceed amount of the Agreement is \$200,000 for the period May 1, 2014 to June 30, 2019. \$10,286 was disbursed in Fiscal Year 2013/2014 (3 months); \$51,667 was disbursed in Fiscal Year 2014/2015; \$3,506 was disbursed in Fiscal Year 2015/2016; and \$591 has been disbursed in Fiscal Year 2016/2017 (9 months). \$50,000 is included in the Fiscal Year 2017/2018 Recommended Budget. The remaining amount will be budgeted for subsequent fiscal years. There is no impact to the General Fund.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The services rendered in this agreement provide NMC with the additional support it needs in order to provide 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, Management Analyst, 783.2506

Approved by: Gary Gray D.O., Chief Executive Officer, 783.2553

Attachments: Agreement; First-Second Amendment

Attachments on File at the Clerk of the Board