



Board Report

File #: A 17-243, Version: 1

- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute the Second Amendment to the Professional and Call Coverage Services Agreement (A-12668) with Salinas Valley Memorial Healthcare Systems dba Salinas Valley Medical Clinic (SVMC) to provide neurology, hematology/oncology, and pulmonary critical care services, extending the term by twenty-four (24) months (July 1, 2017 to June 30, 2019) for a revised full agreement term of April 1, 2015 to June 30, 2019, and adding \$200,000 for revised not to exceed amount of \$717,000 in the aggregate; and
- b. Authorize the Deputy Purchasing Agent for NMC to sign up to three (3) future amendments to this agreement where the total amendments do not exceed the term by more than twelve (12) months, do not significantly change the scope of work, and do not cause an increase of more than ten percent 10% (\$24,700) of the original contract amount per each amendment.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute the Second Amendment to the Professional and Call Coverage Services Agreement (A-12668) with Salinas Valley Memorial Healthcare Systems dba Salinas Valley Medical Clinic (SVMC) to provide neurology, hematology/oncology, and pulmonary critical care services, extending the term by twenty-four (24) months (July 1, 2017 to June 30, 2019) for a revised full agreement term of April 1, 2015 to June 30, 2019, and adding \$200,000 for revised not to exceed amount of \$717,000 in the aggregate; and
- b. Authorize the Deputy Purchasing Agent for NMC to sign up to three (3) future amendments to this agreement where the total amendments do not exceed the term by more than twelve (12) months, do not significantly change the scope of work, and do not cause an increase of more than ten percent 10% (\$24,700) of the original contract amount per each amendment.

SUMMARY/DISCUSSION:

NMC has an agreement with Salinas Valley Medical Clinic, for which board certified specialty physicians provide neurology call coverage and hematology/oncology call coverage as well as outpatient services. NMC would like to amend the current agreement to add the provision of pulmonary medicine/critical care services and to extend the term by twenty-four months so that SVMC can continue to provide services without interruption. 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 May 25, 2017 and Board of Trustees on June 2, 2017.

FINANCING:

The cost of this Amendment is \$200,000. The total not to exceed amount of this Agreement is \$717,000 for the period April 1, 2015 to June 30, 2019. \$141,750 was disbursed in Fiscal Year 2015/2016; and \$74,250 has been disbursed in Fiscal Year 2016/2017 (9 months). \$200,000 is included in the Fiscal Year 2017/2018

Recommended Budget. 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

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

Attachments: Agreement; First-Fourth Amendment

Attachments on file at the Clerk of the Board