



Board Report

File #: A 17-438, Version: 1

- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute the First Amendment to the Professional and Call Coverage Services Agreement (A-13055) with Muralidhara R. Raju, M.D. to provide neurosurgery services, extending the term by thirty-six (36) months (January 1, 2018 to December 31, 2020) for a revised full agreement term of March 1, 2016 to December 31, 2020 and adding \$200,000 for a revised amount not to exceed \$500,000 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 significantly change the scope of work and do not cause an increase of more than ten percent 10% (\$30,000) 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 First Amendment to the Professional and Call Coverage Services Agreement (A-13055) with Muralidhara R. Raju, M.D. to provide neurosurgery services, extending the term by thirty-six (36) months (January 1, 2018 to December 31, 2020) for a revised full agreement term of March 1, 2016 to December 31, 2020 and adding \$200,000 for a revised amount not to exceed \$500,000 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 significantly change the scope of work and do not cause an increase of more than ten percent 10% (\$30,000) of the original contract amount per each amendment.

SUMMARY/DISCUSSION:

Natividad Medical Center (NMC) received its designation as the Level II Trauma Center for Monterey County in January 2015. The American College of Surgeons requires neurosurgeons provide dedicated call coverage with a 30 minute response time for Level II Trauma Centers. In order to provide 24/7 care, it is necessary to develop and sustain a core team of quality neurosurgeons made up of employed and independent contract physicians to provide daily call coverage in the Emergency Department and follow-up care to patients in the Intensive Care Unit and Specialty Clinic.

NMC has an agreement with Muralidhara R. Raju M.D., a board certified neurosurgeon, to provide neurosurgery services at NMC as part of the comprehensive trauma services required for the Level II Trauma Center. NMC wishes to amend the agreement to add the provision of clinic services to the scope, to extend the term an additional 36 months, and to add to the amount payable for services provided during the extended term so that the Dr. Raju 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 October 26, 2017 and Board of

Trustees on November 3, 2017.

FINANCING:

The cost for this Amendment is \$200,000. The total not to exceed amount of this Agreement is \$500,000 for the period March 1, 2016 to December 31, 2020. The actual cost is contingent upon the Dr. Raju's level of participation, in the call panel which may fluctuate based on availability. \$59,733.24 was disbursed in Fiscal Year 2016/2017. NMC has agreements with multiple neurosurgical providers to ensure sufficient coverage of this service for which the total expenditure will not exceed \$1,300,000 annually and is included in the Fiscal Year 2017/2018 Adopted 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 Amendment