



County of Monterey

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

Board Report

File #: A 19-369, Version: 1

Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute amendment No. 2 to the agreement (A-13348) with Chancellor Consulting Group, Inc. for healthcare management consulting services, extending the agreement an additional one (1) year period (November 17, 2019 - November 16, 2020) for a revised full agreement term of November 17, 2014 through November 16, 2020, with no increase to the total agreement amount of \$250,000.

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. 2 to the agreement (A-13348) with Chancellor Consulting Group, Inc. for healthcare management consulting services, extending the agreement an additional one (1) year period (November 17, 2019 - November 16, 2020) for a revised full agreement term of November 17, 2014 through November 16, 2020, with no increase to the total agreement amount of \$250,000.

SUMMARY/DISCUSSION:

Chancellor Consulting Group (CCG), Inc. provides healthcare management consulting services relative to commercial insurance and government payers. CCG performs market analysis, trending reports, suggests contract provisions and may assist with negotiations. CCG offers regional, state and national perspectives to assist hospitals and professional services providers to obtain optimal contracts. Natividad provides data to CCG on an as needed basis. CCG analyzes the data and provides recommendations based on trends in the health care payer industry.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved this amendment No. 2 as to legal form, and the Auditor-Controller has reviewed and approved as to payment provisions. The amendment No. 2 has also been reviewed and approved by NMC's Finance Committee on September 26, 2019 and by its Board of Trustees on October 4, 2019.

FINANCING:

There is no additional cost associated with this amendment No. 2 as there is an unspent balance of \$106,000 remaining on the contract currently, all of which was budgeted in the FY19-20 Adopted budget. Amounts for remaining years of the agreement will be included in those budgets as appropriate.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

Optimizing the analysis and completion of contract negotiations with commercial and government payers is fiscally prudent, allows Natividad to provide health care services to residents of Monterey County and ensures residents have local access to a wide range of services.

☐ Economic Development
☐ Administration
☒ Health and Human Services
☐ Infrastructure
☐ Public Safety

Prepared by: Nancy Majewski, Managed Care Operations Manager, 783-2385

Approved by: Gary R. Gray, DO, Chief Executive Officer, 783-2553

Attachments:

Chancellor Consulting Amendment No. 2

Chancellor Consulting Amendment No. 1

Chancellor Consulting Agreement

Attachments on file with the Clerk of the Board