



County of Monterey

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

Board Report

File #: A 21-511, **Version:** 1

- a. Authorize the Interim Chief Executive Officer for Natividad or his designee to execute the Second Amendment to the Professional and Call Coverage Services Agreement (A-14386) with Brian Lugo MD, Medical Corp. to provide general and acute care surgical services, extending the term by twenty-four months (December 1, 2021 to November 30, 2023) for a revised full agreement term of July 1, 2019 to November 30, 2023 and adding \$200,000 for a revised total amount not to exceed \$700,000; and
- b. Authorize the Interim Chief Executive Officer for Natividad or his designee 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% (\$50,000) of the original contract amount.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Authorize the Interim Chief Executive Officer for Natividad or his designee to execute the Second Amendment to the Professional and Call Coverage Services Agreement (A-14386) with Brian Lugo MD, Medical Corp. to provide general and acute care surgical services, extending the term by twenty-four months (December 1, 2021 to November 30, 2023) for a revised full agreement term of July 1, 2019 to November 30, 2023 and adding \$200,000 for a revised total amount not to exceed \$700,000; and
- b. Authorize the Interim Chief Executive Officer for Natividad or his designee 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% (\$50,000) of the original contract amount.

SUMMARY/DISCUSSION:

Natividad received its designation as the Level II Trauma Center for Monterey County in January 2015. The American College of Surgeons requires acute critical care surgeons to be available in-house with a 15 minute response time for Level II Trauma Centers. In order to provide 24/7 care, it is necessary to maintain a core team of quality surgeons 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.

Natividad would like to amend the agreement with Brian Lugo MD, Medical Corp, so that Dr. Lugo, a board certified fellowship trained trauma surgeon can continue to provide the general and critical care surgical services as part of the comprehensive trauma services required for a Level II Trauma Center. Natividad 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. Auditor-Controller has reviewed and approved this amendment as to fiscal provisions. The amendment has also been reviewed and approved by Natividad's Finance Committee and Board of Trustees.

FINANCING:

The total cost of this amendment is \$200,000. The total not to exceed amount of this agreement is \$700,000.

The actual cost is contingent upon Dr. Lugo's participation in the call panel which may fluctuate based on his availability. Natividad has agreements with multiple providers to ensure sufficient coverage of the trauma services where the total expenditure will not exceed \$1,300,000 annually which is included in Fiscal Year 2021/2022 recommended budget. The remaining balance will be budgeted in subsequent fiscal years. There is no impact to the General Fund.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The services rendered in this agreement provide Natividad 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, Director of Physician Services, 783.2506

Approved by: Dr. Charles R. Harris, Interim Chief Executive Officer, 783.2553

Attachments:

Second Amendment

First Amendment

Agreement