



County of Monterey

Item No.

Board Report

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

Legistar File Number: A 25-409

October 21, 2025

Introduced: 10/7/2025

Current Status: Health Department -
Consent

Version: 1

Matter Type: BoS Agreement

- a. Approve and authorize the Director of Health Services or designee to execute an Agreement with Healthcare Management Strategies, LLC (HMS) for Federally Qualified Health Center (FQHC) consulting services, for a term effective upon execution by both parties to June 30, 2027, and a maximum contract amount not to exceed \$400,000;
- b. Approve the modifications to the Standard Agreement's termination provisions, as recommended by the Director of Health Services;
- c. Approve and authorize the Director of Health Services or designee to sign up to three (3) future amendments to this Agreement where the amendments in total do not exceed 10% (\$40,000) for a total revised contract amount of \$440,000 and do not significantly change the scope of work; and
- d. Approve and authorize the Contracts and Purchasing Officer or their designee to execute future Amendments to the agreement where the Amendments do not significantly change the scope of work, do not exceed an aggregate amount of \$200,000 per fiscal year, for a revised total not to exceed \$1,040,000 and fall within the signing authority of the Contracts and Purchasing Officer.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Approve and authorize the Director of Health Services or designee to execute an Agreement with Healthcare Management Strategies, LLC (HMS) for Federally Qualified Health Center (FQHC) consulting services, for a term effective upon execution by both parties to June 30, 2027, and a maximum contract amount not to exceed \$400,000;
- b. Approve the modifications to the Standard Agreement's termination provisions, as recommended by the Director of Health Services;
- c. Approve and authorize the Director of Health Services or designee to sign up to three (3) future amendments to this Agreement where the amendments in total do not exceed 10% (\$40,000) for a total revised contract amount of \$440,000 and do not significantly change the scope of work; and
- d. Approve and authorize the Contracts and Purchasing Officer or their designee to execute future Amendments to the agreement where the Amendments do not significantly change the scope of work, do not exceed an aggregate amount of \$200,000 per fiscal year, for a revised total not to exceed \$1,040,000 and fall within the signing authority of the Contracts and Purchasing Officer.

SUMMARY/DISCUSSION:

The Health Department Clinic Services Bureau (Clinic Services) operates twelve community clinic sites designated as Federally Qualified Health Centers (FQHCs), which provide preventive, primary, and specialty medical care services.

Healthcare Management Strategies, LLC is a professional, California-based consulting firm experienced in serving FQHC's and other community health centers with fiscal and technical support to effectively navigate state and federal requirements. In 2023, HMS consulted on enrollment of the Mobile Clinic as an FQHC intermittent site with the Department of Healthcare Services (DHCS), and more recently guided Clinic Services on the successful intermittent clinic conversion of the Laurel Family Practice, Laurel Vista, Laurel Internal Medicine and Laurel Pediatric clinics, resulting in a significant increase to the Medi-Cal reimbursement rates for those sites.

Clinic Services first entered into a Standard Agreement with HMS for the term October 1, 2023, to September 30, 2025, and a contract amount not to exceed \$198,000. Amendment No. 1 was executed on December 10, 2024, to add a consultant to existing scope. Amendment No. 2 was executed on January 6, 2025, adding an additional consultant to scope through the remaining term ending September 30, 2025.

Clinic Services recently presented HMS with this new Standard Agreement, incorporating the annual aggregate maximum amount language in alignment with Ordinance No. 5431. HMS has complied with insurance and indemnification requirements but requested to modify the Standard Agreement's 30-day no cause termination provision to apply mutually to both parties. Approval of this Agreement will allow Clinic Services to promptly resume engagement with HMS for planned FQHC-related consulting projects over the next two years.

This work supports the County of Monterey Health Department 2025-2028 Strategic Plan Goals: 4) Deepen Organizational Effectiveness and Support Long Term Sustainability. It also supports one of the ten essential public health services, specifically: 9) Evaluate effectiveness, accessibility, and quality of personal and population-based health services.

OTHER AGENCY INVOLVEMENT:

County Counsel has approved as to form. The Office of the Auditor-Controller has approved as to fiscal provisions.

FINANCING:

Sufficient funds are available in the FY 2025-26 Approved Budgets for Clinic Services Bureau (4000-HEA007). This Agreement will be funded by revenues generated from Medi-Cal and Medicare. There is no financial impact to the General Fund resulting from approval of this Agreement.

BOARD OF SUPERVISORS STRATEGIC PLAN GOALS:

This agreement does not fall into one of the Strategic Plan Goals, rather the Administrative section as it will provide fiscal and technical support to staff to effectively navigate state and federal requirements.

- ☐ Well-Being and Quality of Life
- ☐ Sustainable Infrastructure for the Present and Future
- ☐ Safe and Resilient Communities
- ☐ Diverse and Thriving Economy
- ☒ Administrative

Prepared by: Prisca Segovia, Management Analyst II, 755-4939

Approved by: Elsa Mendoza Jimenez, Director of Health Services, 755-4526

Attachments:

Board Report

Agreement