



# County of Monterey

Item No.

## Board Report

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

Legistar File Number: A 24-109

March 26, 2024

Introduced: 3/11/2024

Current Status: Agenda Ready

Version: 1

Matter Type: BoS Agreement

Authorize the Chief Executive Officer (CEO) for Natividad Medical Center (NMC) or his designee to execute the Third Amendment to the Professional and Call Coverage Services Agreement (A-15091) with Monterey Anesthesia Professionals (MAP) to provide anesthesia services, extending the term by three months (April 1, 2024 to June 30, 2024) for a revised full agreement term of January 1, 2021 to June 30, 2024 and adding \$2,700,000 for a revised not to exceed amount of \$24,900,000 in the aggregate.

### RECOMMENDATION:

It is recommended that the Board of Supervisors:

Authorize the Chief Executive Officer (CEO) for Natividad Medical Center (NMC) or his designee to execute the Third Amendment to the Professional and Call Coverage Services Agreement (A-15091) with Monterey Anesthesia Professionals (MAP) to provide anesthesia services, extending the term by three months (April 1, 2024 to June 30, 2024) for a revised full agreement term of January 1, 2021 to June 30, 2024 and adding \$2,700,000 for a revised not to exceed amount of \$24,900,000 in the aggregate.

### SUMMARY/DISCUSSION:

NMC must arrange for the provision of professional consultation and treatment of patients of its five operating rooms, including a physician that is in-house and immediately available 24 hours a day and a back-up physician that is available on-call 24 hours a day in accordance with American College of Surgeons (ACS) guidelines for a Level II Trauma Center; 24 hours a day anesthesia services within the hospital's labor and delivery suites; and anesthesia services such as airway management (intubations), central line insertion and acute postoperative pain management. MAP also provides a physician to serve as medical director for general administration and oversight of the anesthesia services.

NMC wishes to amend the existing agreement to add funds so that the group can continue to provide these critical anesthesia 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 proposed amendment as to legal form and risk provisions, and the Auditor-Controller has reviewed and approved as to payment provisions.

On March 8, 2024, NMC's Finance Committee and by its Board of Trustees on March 8, 2024 approved for submission for approval to the Board of Supervisors a proposed five year agreement

with MAP, in the amount of \$34,500,000. Given that the parties need further time to negotiate final terms to that agreement, Natividad has submitted the proposed amendment in its place.

FINANCING:

The cost for this amendment is \$2,700,000. The total not to exceed amount of this agreement is \$24,900,000. has been included in the Fiscal Year 2023-24 Adopted Budget. \$7,800,000 is included in the Fiscal Year 2023/2024 Adopted Budget.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The services rendered in this agreement are required for a Level II Trauma Center and 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, Chief Executive Officer, 783-2551

Attachments:

Third Amendment  
Second Amendment  
First Amendment  
Agreement

Attachments on file with the Clerk of the Board

*Charles R. Harris*

Charles R. Harris, M.D., Chief Executive Officer

*3/13/24*

Date