



**Board of  
Trustees  
2018**

**June 1, 2018**

# NMC Board of Trustees Meeting

Friday, June 1, 2018

8:30 AM

Natividad Room  
1st Floor, Building 200  
1441 Constitution Blvd.

## AGENDA

Members of the Natividad Medical Center Board of Trustees are appointed by the Monterey County Board of Supervisors. Membership and terms of office are established by the Natividad Medical Center Bylaws.

1. **Pledge of Allegiance**
2. **Agenda Additions/Corrections** *Page 1-7 – Board Clerk*
3. **Recess to Closed Session under Government Code Section 54950**
  - a. Pursuant to Health and Safety Code Section 1461, Evidence Code Section 1157, and in accordance with Government Code Section 54954.5, the Board will receive: Medical Quality Assurance Reports *Dr. Craig Walls, CMO*
  - b. Pursuant to Government Code section 54957(b)(1), the Board will provide a performance evaluation for the Natividad Medical Center CEO.
4. **Reconvene into Open Session for Closed Session Report – The BOT will announce any reportable action taken in Closed Session.**
5. **Minutes**
  - Approve the Minutes of May 4, 2018 *Page 8-17*
6. **Board Comments**
7. **Public Comments (Limited up to 3 minutes per speaker at the discretion of the Chair)**

This portion of the meeting is reserved for persons to address the Board on any matter not on this agenda but under the jurisdiction of the Board of Trustees. Board members may respond briefly to statements made or questions posed. They may ask a question for clarification; make a referral to staff for factual information, or request staff to report back to the Board at a future meeting.
8. **Consent Calendar**

**Approve the following policies, procedures, rules, and regulations:**

  8. a. Policies/Procedures/Forms/Manuals (listed and available upon request)
    - Proposed Amendments to Temporary Privilege Application
    - Approval of Standardized Procedures & Clinical Competencies

- Insertion of Peripheral Inserted Central Catheter
- Lactation Outpatient Clinic
- Proposed Amendments to Procedural Sedation Criteria\*
- Proposed Amendments to Trauma Privilege Criteria for Emergency Medicine, Orthopedic Surgery and Neurosurgery, Anesthesiology and Radiology\*

**Manuals for approval:**

BOT Policy Manuals Review Schedule (Draft)  
 Compliance Department Policies  
 Lab General Safety Policies

**Policies for approval:**

1:0550 Emergency Medical Treatment of Patient/Medical Screening and Transfer  
 1:4205 Code Pink Response Team  
 1:4225 RSI (Rapid Sequence Intubation)  
 1:9090 Pressure Ulcer Prevention and Management Program  
 4:1500 2018 Safety Management Plan  
 4:2000 2018 Security Management Plan  
 4:3000 2018 Hazardous Material Waste Management Plan  
 4:5000 2018 Fire Safety Management Plan  
 4:6000 2018 Medical Equipment Management Plan  
 4:7000 2018 Utility Systems Management Plan  
 7:6120 Compliance 13.0: Conflicts of Interest  
 7:6030 Compliance 4.0: Education on Federal and State False Claims Laws  
 LAB-3006 Delineation of Laboratory Clean and Dirty Areas, and Items  
 MHU-4000 Admission Policy

**New policies:**

3:2180 Pain Mgmt.: Continuous Peripheral Nerve Block Using Elastomeric Pump Pain  
 Mgmt. (ON-Q) C-bloc Infusion System  
 ED-1315 Family Presence During Resuscitation and Emergent Events  
 OR-7056 Transfer of Care Following Procedures

**Order Sets**

- NICU Emergency Admission
- ICU End of Life Comfort Care Orders
- SURG Colonoscopy Pathology
- NICU Admission
- OB Severe Hypertension
- SURG EGD Pathology
- Trauma Med Sheet
- NMG Clinic – Medications
- Clinic – PEDS Vaccine Order Set



**Approve for submission to the Monterey County Board of Supervisors the following agreements identified in Items 8b to 8f of the consent calendar. All of the listed items were previously reviewed and approved by the NMC Finance Committee.**

**8b. \* Approve for Submission to the Monterey County Board of Supervisors the Following Agreement with Carefusion Medmined-Alaris, Page 18-19**

Authorize an increase to the total Agreement amount of the Carefusion Medmined-Alaris Agreement (A-13080) of \$126,636 to pay for the Integrated Solutions Maintenance for the remaining four (4) years of the agreement term, for a revised total agreement amount not to exceed \$1,675,628.

**8c. \* Approve for Submission to the Monterey County Board of Supervisors the Following Agreement with Chiquita Palha de Sousa, M.D., Page 20-21**

- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute the Physician Services Agreement with Chiquita Palha de Sousa M.D. to provide pediatric hospitalist services at NMC for an amount not to exceed \$250,000, for the period July 1, 2018 to June 30, 2020; and
- b. Authorize the Deputy Purchasing Agent for NMC or his designee to sign up to three (3) future amendments to this Agreement where the total amendments do not exceed 10% (\$25,000) of the original contract amount and do not significantly change the scope of work.

**8d. \* Approve for Submission to the Monterey County Board of Supervisors the Following Agreement with Danny Tan, DDS, Page 22-23**

Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute the Ninth Amendment to the Professional Services Agreement (A-12234) with Danny Tan DDS to provide dental services to NMC patients, extending the term by twelve months (July 1, 2018 to June 30, 2019) for a revised total agreement term February 1, 2011 to June 30, 2019, and adding \$45,000 for a revised total not to exceed amount of \$460,000 in the aggregate.

**8e. \* Approve for Submission to the Monterey County Board of Supervisors the Following Agreement with Toyon Associates, Inc., Page 24-25**

- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute amendment No. 1 to the agreement (A-13111) with Toyon Associate Inc. for 1. Rural Floor Budget Neutrality Appeals Services; and 2. Medicare/Medicaid Crossover Bad Debt Recovery Services; and 3. Medicare /Medi-Cal Appeals Services; and 4. OSHPD Report Preparation Services; and 5. Medical Eligible Day Services (POA/Historical); and 6. Medicare/Medi-Cal/Short Doyle Cost report Preparation Services, and 7. Consulting services, extending the agreement an additional three (3) year period (July 1, 2018 through June 30, 2021) for a revised full agreement term of July 1, 2015 through June 30, 2021, and adding \$1,000,000 for a revised total agreement amount not to exceed \$2,000,000
- b. Authorize the Deputy Purchasing Agent for NMC or his designee to execute up to three (3) future amendments to the agreement which do not significantly alter the scope of work and do not cause an increase of more than ten percent (10%) (\$100,000) of the original cost of the agreement per each amendment.

**8f. \* Approve for Submission to the Monterey County Board of Supervisors the Following Intergovernmental Transfer Agreement, Page 26-28**

- a. Ratify execution by the Chief Executive Officer ("CEO") of Natividad Medical Center ("NMC") of a Letter of Interest, dated December 19, 2017 to the California Department of Health Care Services ("State DHCS"), confirming the interest of the County of Monterey d/b/a



NMC ("County") in working with State DHCS and the Monterey-Santa Cruz-Merced Managed Medical Care Commission d/b/a Central California Alliance for Health ("CCAH"), to provide a Medi-Cal managed care rate range Intergovernmental Transfer of Public Funds ("IGT") to fund the nonfederal share of the Medi-Cal managed care actuarially sound capitation rate payments to CCAH for the period of July 1, 2017 to June 30, 2018; and

- b. Authorize the CEO of NMC to execute the IGT Agreement between the County and the State DHCS, the source of which shall be funds from NMC and not the County's General Fund, pursuant to Sections 14301.4(b)(4) of the Welfare & Institutions Code, to fund the nonfederal share of the Medi-Cal managed care actuarially sound capitation rate payments to CCAH, for a total amount not to exceed \$7,500,000 for healthcare services rendered in the period of July 1, 2017 to June 30, 2018 and a 20 % assessment fee applicable to non-exempt funds. The transfer is to occur in Fiscal Year 2018-19 or FY19-20.

**7 \* Approve for Submission to the Monterey County Board of Supervisors the Following Agreement with Modular Devices Inc., which is in the final stages of negotiation Page 29-30**

- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute amendment No. 4 to the agreement (A-12530) with Modular Devices Inc. for the lease of a mobile computerized tomography (CT) unit, a mobile angiography/interventional radiology lab (IR) unit, and a mobile magnetic resonance imaging (MRI) unit at NMC, extending the agreement an additional two (2) year period (August 1, 2018 through July 31, 2020) for a revised full agreement term of August 1, 2013 through July 31, 2020, and adding \$2,868,000 for a revised total agreement amount not to exceed \$8,234,500.
- b. Authorize the Deputy Purchasing Agent for NMC or his designee to execute up to three (3) future amendments to the agreement which do not significantly alter the scope of work and do not cause an increase of more than \$100,000 across all amendments in total.

**8 \* Approve for Submission to the Monterey County Board of Supervisors the Following Agreement with ThermoFisher Scientific, which is in the final stages of negotiation Page 31-32**

- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute an agreement with ThermoFisher Scientific for VersaTrek blood culture analyzer maintenance and repair services at NMC for an amount not to exceed \$7,424 with an agreement term of July 1, 2018 through June 30, 2019.
- b. Approve the NMC Chief Executive Officer's recommendation to accept non-standard limitations on liability provisions within the agreement.

**9 \* Approve for Submission to the Monterey County Board of Supervisors the Following Agreement with B.E. Smith Interim Services, Inc., which is in the final stages of negotiation Page 33-34**

Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute an agreement (A-12438) with B.E. Smith Interim Services, Inc. for interim management-level services at NMC, with a term of July 1, 2018 through June 30, 2021 and a total agreement amount not to exceed \$300,000.

**10 \* Approve for Submission to the Monterey County Board of Supervisors the Following Agreement with The CBORD Group, Inc., which is in the final stages of negotiation Page 35-36**

- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute amendment No. 1 to the agreement (A-13620) with The CBORD Group, Inc. for food and nutrition software services, extending the agreement for an additional one-year period (July 11, 2018 through July 10, 2019) for a revised full agreement term of July 11, 2017 through July

10, 2019, and adding \$11,955.54 for a revised total agreement amount not to exceed \$121,725.86.

- b. Authorize the Deputy Purchasing Agent for NMC or his designee to execute up to three (3) future amendments to the agreement which do not significantly alter the scope of work and do not cause an increase of more than ten percent (10%) (\$10,977) of the original cost of the agreement per each amendment.

**11 \* Approve for Submission to the Monterey County Board of Supervisors the Following Agreement with Salinas Valley Radiologists, Inc., which is in the final stages of negotiation**  
*Page 37-38*

- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute the Third Amendment to the Professional and Call Coverage Services Agreement (A-12445) with Salinas Valley Radiologists Inc. to provide radiology services at NMC, extending the term by twenty-four months (July 1, 2018 to June 30, 2020) for a revised total Agreement term May 1, 2013 to June 30, 2020 and adding \$2,112,000 for revised total not to exceed amount of \$5,279,000 in the aggregate; and
- b. Authorize the Deputy Purchasing Agent for NMC or his designee to sign up to three (3) future amendments to this Agreement where the total amendments do not exceed 10% (\$68,700) of the original contract amount and do not significantly change the scope of work.

**12 \* Approve for Submission to the Monterey County Board of Supervisors the Following Agreement with California Department of Health Care Services, which is in the final stages of negotiation**  
*Page 39-40*

Authorize the Purchasing Manager for Natividad Medical Center ("NMC") to execute the Agreement for Public Hospitals Providing Outpatient Services ("Agreement") between the County of Monterey ("County") d/b/a NMC and the California Department of Health Care Services ("State DHCS"), permitting the State DHCS to receive reimbursement from the County for the administrative costs of operating the Public Hospital Outpatient Services Supplemental Reimbursement Program, for the period July 1, 2017, through and including, June 30, 2018.

**13 \* Approve for Submission to the Monterey County Board of Supervisors the Following Agreement with Professional Research Consultants, Inc., which is in the final stages of negotiation**  
*Page 41-42*

- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute amendment No. 1 to the agreement with Professional Research Consultants, Inc. for patient satisfaction survey services, extending the agreement an additional one (1) year period (July 1, 2018 through June 30, 2019) for a revised full agreement term of July 1, 2015 through June 30, 2019, and adding \$31,500 for a revised total agreement amount not to exceed \$126,000.
- b. Authorize the Deputy Purchasing Agent for NMC or his designee to execute up to three (3) future amendments to the agreement which do not significantly alter the scope of work and do not cause an increase of more than ten percent (10%) (\$9,400) of the original cost of the agreement per each amendment.

**14 \* Approve for Submission to the Monterey County Board of Supervisors the Following Agreement with UCSF Medical Center and the Benioff Children's Hospital at San Francisco, which is in the final stages of negotiation**  
*Page 43-44*

- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute an affiliation agreement with UCSF Medical Center and the Benioff Children's Hospital at San Francisco for Perinatal-Neonatal consulting services, with a three year term (retroactive) July 1, 2017 through June 20, 2020 and a total agreement amount not to exceed \$40,903.

- b. Authorize the Deputy Purchasing Agent for NMC or his designee to execute up to three (3) future amendments to the agreement which do not significantly alter the scope of work and do not cause an increase of more than \$100,000 across all amendments in total.

**15 \* Approve for Submission to the Monterey County Board of Supervisors the Following Agreement with Gallun Snow, which is in the final stages of negotiation Page 45-47**

- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute an agreement with Gallun Snow pursuant to the Request for Qualifications (RFQ) #9600-80 for interior design services at NMC, with an agreement term beginning on July 1, 2018 through June 30, 2021, with the option to extend the agreement for two (2) additional one year periods; and for an original contract amount not to exceed \$600,000
- b. Authorize the Deputy Purchasing Agent for NMC or his designee to execute up to two (2) no-extension amendments, in which the aggregate does not exceed 10% (60,000) of the original contract amount.
- c. Authorize the Deputy Purchasing Agent for NMC or his designee to execute up to two (2) future amendments, each of would exercise a one year option to extend and add \$200,000 to the agreement, provided that the total cost for the agreement over a five year period does not exceed \$1,000,000 and so long as an appropriation for the costs of the amendments is included in the County Adopted Budget.

**16 \* Approve for Submission to the Monterey County Board of Supervisors the Following Agreement with Otto Construction, which is in the final stages of negotiation Page 48-50**

- a. Approve Natividad Medical Center to increase the project cost for the Radiology Modernization by \$2,710,455 for construction, inspection and permit fees and incorporate a 15% or \$1,942,050 as contingency reserve for unforeseen future cost to the project. The total cost of the project will be \$18,373,081; and
- b. Award an agreement in the total amount of \$12,947,000 for the construction component to John F. Otto, Inc. dba Otto Construction the lowest responsible and responsive base bidder, for Natividad Medical Center for the above mentioned projects; and
- c. Approve the Performance and Payment Bonds executed and provided by John F. Otto, Inc. dba Otto Construction and
- c. Authorizing the Director of Natividad to execute a Certificate of Completion and to execute and record with County Recorder a Notice of Completion, when it is determined that the contract for construction of the Radiology Modernization, Project 9600-54, Bid Package No. NMC-1013, is complete in all respects in accordance with the Plans and Specifications.

**17 Accept Oral Reports from NMC Chief Financial Officer - Daniel Leon, CFO  
April 2018 YTD Financial Reports Page 51-63**

**18 Receive Oral Report from NMC Chief Executive Officer - Dr. Gary R. Gray, CEO**

**19 Receive Oral Report from Chief Nursing Officer – Nancy Buscher, CNO**

**20 Receive Oral Report from Chief of Staff – Dr. Walt Mills, COS**

**21 \* Accept and approve May 2018 Credentials Report from Medical Staff Office relating to appointment of medical staff and allied health professionals. Page 64-65**



**Adjournment**

**Next Board of Trustees Meeting**

**Friday, July 13, 2018**

**9:00 AM**

**Natividad Room**

**1<sup>st</sup> Floor, Building 200**

## 6. Consent Calendar

### 6a. Policies/Procedures/Forms/Manuals

#### **Policies with no significant changes:**

Business Office Policies

ARU Policies

1:0360 Bariatric Surgery: Medical Equipment Weight and Size Limits

5:0200 Equal Employment Opportunity and Nondiscrimination Policy

LDU-6085 Induction of Labor

#### **Policies with minor changes:**

1:2700 Preoperative Evaluation of Surgical Patients

1:3100 Critical Result Policy

5:0300 Content and Maintenance of Employee Personnel Files for All Hospital Staff

5:1700 Attendance Guidelines

BARI-7500 Bariatrics Lap Band Adjustments

LDU-6005 Amniocentesis

DIA-1000 Diabetes In Pregnancy Program

LDU-6085 Induction of Labor

LDU-6145 Second Stage Management

MSP003-4 Health Screening Attestation Requirements

MSP005-1 Medical Staff Peer Review Policy

NICU-6981 Peripherally Inserted Central Catheter: RN Insertion

NUR-6000 Admission to L&D Unit, Triage & Screening

NUR-6640 Postpartum Hemorrhage

NUR-7041 TB Patients Scheduled for Surgery

#### **Policies with major changes:**

5:2900 (formerly 1:9050) Forensic Patient Care

7:0250 Policy & Procedure Process

NUR-6570 Hyperbilirubinemia: Phototherapy

#### **New Policies:**

1:4466 Comfort Focus Treatment/Care (End of Life Care)

1:9319 Alcohol Screening and Brief Intervention for Trauma Patients

~~1:9322 Post Traumatic Stress Disorder and Depression Screening for Trauma Patients~~  
(Pulled per Trauma)

ED-1310 Initiation of Buprenorphine in the Emergency Department

ED-1321 Triage of Patients

#### **Policies being retired:**

1:2205 Adult Patient Self Glucose Testing

1:9205 Care Seat Safety

5:7820 HIV or HBV Infected Healthcare Worker

CARD-0016 Verbal and Telephone Orders  
MSP001-10 Leave of Absence  
MSP002-1 DEA Prescribing Authority

**Additions to formulary:**

Buprenorphine  
Sufentanil

**Order Sets**

NEW Gen Blood Transfusion  
MED Atrial Fibrillation  
TRA Standard Trauma Admission  
TRA ICU Trauma Admission  
ED Chest Pain  
TRA IMC Trauma Admission  
ANES ICU Epidural  
ANES OB Epidural  
ANES PACU Peds Age greaterthan1 Year  
ANES Post Intrathecal or Epidural  
ARU Admission  
ED Asthma  
GEN Adult Temp Holding Orders  
ICU Admission  
ICU Heart Failure  
ICU Hypothermia Post Cardiac Arrest  
ICU IMCU Potassium Replacement  
ICU RT Ventilator Weaning Order Set  
ICU Vasopressor  
IR Pre Procedure  
MED Heart Failure  
MHU Admission  
MHU Holding Orders  
OB PostOp Major Gyn Surgery  
SURG ENT PostOp Head and Neck  
SURG ENT PostOp Thyroid Parathyroid  
SURG Ophthalmology PostOp  
SURG PostOp Colectomy

**Order Sets**

ED PED Respiratory  
ED PEDS Overdose  
GEN Comfort Care/End of Life  
GEN PEDS Temporary Holding Orders  
MIU Normal Newborn Admission  
OB Pyelonephritis



OB VBAC  
 PED Admission  
 PED Asthma  
 PED Bronchiolitis  
 PED Dehydration  
 PED Failure to Thrive  
 PED Fever 0 to 28 Days  
 PED Fever 3 to 36 Months  
 PED Fever 29 to 90 Days  
 PED Pneumonia Admission  
 PED Urinary Tract Infection  
 Pediatric Fever  
 Pediatric Pain  
 SURG PED PostOp Tonsillectomy  
 Zosyn Module

**Approve for submission to the Monterey County Board of Supervisors the following agreements identified in Item 6b to 6l of the consent calendar. All of the listed items were previously reviewed and approved by the NMC Finance Committee.**

- 6b. \* **Approve for Submission to the Monterey County Board of Supervisors the Following Agreement with Santa Clara Valley Medical Center,**
- a. Authorize the Chief Executive Officer (“CEO”) of Natividad Medical Center (“NMC”) to sign the patient transfer agreement with the County of Santa Clara-Santa Clara Valley Medical Center (“SCVMC”) which defines the terms of transferring a patient between NMC and SCVMC for the term of July 1, 2018 through June 30, 2023; and
  - b. Approve recommendation of the CEO of NMC to accept non-standard indemnification (Monterey County indemnifies Santa Clara County) and insurance (professional liability insurance only; standard limits); and
  - c. Authorize execution of additional amendments to the agreement where the amendments do not extend the term and do not significantly alter the risk associated with the parties’ duties under the Agreement, subject to review and approval of County Counsel and County Auditor-Controller.
- 6c. \* **Approve for Submission to the Monterey County Board of Supervisors the Following Agreement with National Decision Support Company, LLC,**
- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute an agreement with National Decision Support Company, LLC. for CareSelect Imaging subscription services at NMC for an amount not to exceed \$114,500 with an agreement term of May 1, 2018 through April 30, 2023; and
  - b. Authorize the Deputy Purchasing Agent for NMC or his designee to execute up to three (3) future amendments to the agreement which do not significantly alter the scope of work and do not cause an increase of more than ten percent (10%) (\$11,450) of the original cost of the agreement per each amendment.
- 6d. \* **Approve for Submission to the Monterey County Board of Supervisors the Following Agreement with Thrust IV Property Managment,**

- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (“NMC”) to execute a lease agreement renewal with Thrust IV Property Management for the Creekbridge Apartment located at 1757 Independence Boulevard, Unit 204 in Salinas, California, for an eighteen (18) month term of August 1, 2018 through October 31, 2019, for housing of medical students and residents performing visiting rotations at NMC.
- b. Authorize the Auditor-Controller to make lease payments of \$1,935 per month in accordance with the terms of the Lease Agreement.
- c. Authorize the Deputy Purchasing Agent for NMC to execute three future renewals to the lease agreement for three (3) additional eighteen (18) month terms under the same general terms and conditions provided there is not a significant increase to the amount of the monthly lease payments, and to make minor revisions to the lease agreements if deemed by the Deputy Purchasing Agent for NMC to be in the best interest of the County to do so, subject to review and approval of County Counsel and County-Auditor-Controller.

**6e. \* Approve for Submission to the Monterey County Board of Supervisors the Following Agreement with CEP America-California,**

- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute the First Amendment to the Professional Services Agreement (A-13218) with CEP America-California, a California General Partnership, d.b.a. Vituity to provide emergency medicine services at NMC, extending the term by twenty-four months (July 1, 2018 to June 30, 2020) for a revised full agreement term of July 2016 to June 30, 2020 and adding \$3,563,621, for a revised amount not to exceed \$6,576,277 in the aggregate; and
- b. Authorize the Deputy Purchasing Agent for NMC or his designee to sign up to three (3) amendments to this Agreement where the total amendments do not exceed 10% (\$301,266) of the original contract amount and do not significantly change the scope of work.

**6f. \* Approve for Submission to the Monterey County Board of Supervisors the Following Agreement with Monterey Bay GI Consultants Medical Group, Inc.,**

- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute the Fifth Amendment to the Professional and Call Coverage Services Agreement (A-12095) with Monterey Bay GI Consultants Medical Group, Inc. to provide gastroenterology services at NMC, extending the term by twenty-four months (July 1, 2018 to June 30, 2020) for a revised full agreement term of September 1, 2011 to June 30, 2020, and adding \$400,000, for a revised not to exceed amount of \$1,270,000 in the aggregate; and
- b. Authorize the Deputy Purchasing Agent for NMC or his designee to sign up to three (3) amendments to this Agreement where the total amendments do not exceed 10% (\$25,000) of the original contract amount and do not significantly change the scope of work.

**6g. \* Approve for Submission to the Monterey County Board of Supervisors the Following Agreement with Juan Calzetta, M.D.,**

- 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-13157) with Juan Calzetta M.D. to provide vascular surgery services at NMC, extending the term by twenty-four months (July 1, 2018 to June 30, 2020) for a revised full agreement term of July 1, 2016 to June 30, 2020 and adding \$700,000 for a revised amount not to exceed of \$1,400,000 in the aggregate; and
- b. Authorize the Deputy Purchasing Agent for NMC or his designee to sign up to three (3) amendments to this Agreement where the total amendments do not exceed 10% (\$70,000) of the original contract amount and do not significantly change the scope of work.

- 6h. **\* Approve for Submission to the Monterey County Board of Supervisors the Following Agreement with Yu-Chuan Liu, M.D.,**
- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute the Second Amendment to the Professional and Call Coverage Services Agreement (A-12844) with Yu-Chuan Liu M.D. to provide cardiology services at NMC extending the term by twenty-four months (July 1, 2018 to June 30, 2020) for a revised full agreement term of July 1, 2016 to June 30, 2020 and adding \$800,000, for a revised amount not to exceed of \$2,200,000 in the aggregate; and
  - b. Authorize the Deputy Purchasing Agent for NMC or his designee to sign up to three (3) amendments to this Agreement where the total amendments do not exceed 10% (\$60,000) of the original contract amount and do not significantly change the scope of work.
- 6i. **\* Approve for Submission to the Monterey County Board of Supervisors the Following Agreement with Central Coast Head & Neck Surgeons,**
- 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 (13164) with Central Coast Head & Neck Surgeons to provide otolaryngology and audiology services at NMC, extending the term by twenty-four months (July 1, 2018 to June 30, 2020) for a full revised term of July 1, 2016 to June 30, 2020, and adding \$1,500,000 for a revised amount not to exceed \$3,000,000 in the aggregate; and
  - b. Authorize the Deputy Purchasing Agent for NMC or his designee to sign up to three (3) amendments to this Agreement where the total amendments do not exceed 10% (\$150,000) of the original contract amount and do not significantly change the scope of work.
- 6j. **\* Approve for Submission to the Monterey County Board of Supervisors the Following Agreements Pursuant to Request for Qualifications (RFQ) #9600-76,**
- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute agreements with Kleinfelder Inc., Moore Twining Associates Inc., and RMA Group pursuant to the Request for Qualifications (RFQ) #9600-76 for construction materials testing and inspection services at NMC, with an agreement term beginning on July 1, 2018 through June 30, 2023, and an aggregate total amount not to exceed \$300,000 across all agreements.
  - b. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute up to three (3) no-extension amendments, in which the aggregate does not exceed 10% (\$30,000) of the original contract amount.
- 6k. **\* Approve for Submission to the Monterey County Board of Supervisors the Following Agreements Pursuant to Request for Qualifications (RFQ) #9600-78,**
- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute an agreement with Spin Recruitment Inc. pursuant to the Request for Proposal (RFP) #9600-78 for advertising recruitment services at NMC, with an agreement term beginning on July 1, 2018 through June 30, 2020, with the option to extend the agreement for three (3) additional one year periods; and for an original contract amount not to exceed \$400,000.
  - b. Authorize the Deputy Purchasing Agent for NMC or his designee to execute up to three (3) no-extension amendments, in which the aggregate does not exceed 10% (\$40,000) of the original contract amount.
  - c. Authorize the Deputy Purchasing Agent for NMC or his designee to execute up to three (3) future amendments, each of would exercise a one year option to extend and add \$200,000 to the



agreement, provided that the total cost for the agreement over a five year period does not exceed \$1,040,000 and so long as an appropriation for the costs of the amendments is included in the County Adopted Budget.

6l. **\* Approve for Submission to the Monterey County Board of Supervisors the Following Agreements Pursuant to Request for Qualifications (RFQ) #9600-79,**

Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute an agreement with Schipper Design and AMF Media Group pursuant to the Request for Proposal (RFP) #9600-79 for marketing and graphic design services at NMC, with an agreement term beginning on July 1, 2018 through June 30, 2021, with the option to extend the agreement for two (2) additional one year periods; and for an original contract amount not to exceed \$510,000.

- a. Authorize the Deputy Purchasing Agent for NMC or his designee to execute up to two (2) no-extension amendments, in which the aggregate does not exceed 10% (\$51,000) of the original contract amount.
- b. Authorize the Deputy Purchasing Agent for NMC or his designee to execute up to two (2) future amendments, each of would exercise a one year option to extend and add \$170,000 to the agreement, provided that the total cost for the agreement over a five year period does not exceed \$901,000 and so long as an appropriation for the costs of the amendments is included in the County Adopted Budget.

*MOTION: Motion to approve Policies/Procedures/Forms/Manuals item 6a-6l moved by Supervisor Simon Salinas, seconded by Fernando Elizondo, and approved unanimously.*

7 **\* Approve for Submission to the Monterey County Board of Supervisors the Following Amendment with Central Coast Health Connect, LLC, which is in the final stages of negotiation**

- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute amendment No. 1 to the agreement (A-13155) with Central Coast Health Connect, LLC. for health information exchange services, extending the agreement an additional two (2) year period (July 1, 2018 to June 30, 2020) for a revised full agreement term of July 1, 2016 through June 30, 2020, and adding \$541,074 for a revised total agreement amount not to exceed \$1,086,694.
- b. Authorize the Deputy Purchasing Agent for NMC or his designee to execute up to three (3) future amendments to the agreement which do not significantly alter the scope of work and do not cause an increase of more than ten percent (10%) (\$54,562) of the original cost of the agreement per each amendment.

*MOTION: Motion to approve Item 7 for submission to the Board of Supervisors so moved John Huerta, seconded by Fernando Elizondo, and approved unanimously.*

8 **\* Approve for Submission to the Monterey County Board of Supervisors the Following Amendment with Kronos Inc., which is in the final stages of negotiation**

- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute an agreement with Kronos Inc. including three (3) future Order Forms, to the Kronos Agreement, for software support and professional services at NMC for an amount not to exceed \$1,439,000 with an agreement term July 1, 2018 through June 30, 2023
- b. Authorize the Deputy Purchasing Agent for NMC or his designee to execute up to three (3) future amendments to the agreement which do not significantly alter the scope of work and do not cause an increase of more than ten percent (10%) (143,900) of the original cost of the agreement per each amendment.

***MOTION:** Motion to approve Item 8 for submission to the Board of Supervisors so moved by Britt Rios-Ellis, seconded by Supervisor Simon Salinas, and approved unanimously.*

- 9 **Natividad Brand Launch** – Carol Adams, Assistant Administrator  
Presentation by Neimand Collaborative Group, Schipper Design, AMF Media

- 10 **Accept Oral Reports from NMC Chief Financial Officer** - Daniel Leon, CFO
- March 2018 YTD Financial Reports
  - Esperanza Care Program Extension and Renewal for Pacific Health Alliance Pilot Program Amendment No. 1

***MOTION:** Motion to accept the report on March 2018 Financial Reports, moved by Mike Payne, seconded by Fernando Elizondo, and approved unanimously.*

- 11 **Adopt Resolution in Support of Level II Trauma Designation** – Dr. Gary R. Gray, CEO

- 12 **Receive Oral Report from NMC Chief Executive Officer** - Dr. Gary R. Gray, CEO

- 13 **Receive Oral Report from Chief Nursing Officer** – Nancy Buscher, CNO

- 14 **Receive Oral Report from Chief of Staff** – Dr. Walt Mills, COS

12. **Recess to Closed Session under Government Code Section 54950**

a. Pursuant to Health and Safety Code Section 1461, Evidence Code Section 1157, and in accordance with Government Code Section 54954.5, the Board will receive: Medical Quality Assurance Reports Dr. Craig Walls, CMO

13. **Reconvene into Open Session for Closed Session Report – The BOT will announce any reportable action taken in Closed Session.**

14. \* **Accept and approve April 2018 Credentials Report from Medical Staff Office relating to appointment of medical staff and allied health professionals.**

***MOTION:** Motion to accept the report on April 2018 Credential Report, moved by Supervisor Simon Salinas, seconded by Mike Payne, and approved unanimously.*

**Adjournment:** With no other business before the Board the meeting was adjourned at 11:07 am.

---

Mitch Winick, Chair

*Recorded by Irene Zenk*



## **MONTEREY COUNTY BOARD OF SUPERVISORS BOARD REPORT**

### **Approve a revised total for the Carefusion Medmined-Alaris Agreement**

**Legistar Number:**

#### **..Title**

Authorize an increase to the total Agreement amount of the Carefusion Medmined-Alaris Agreement (A-13080) of \$126,636 to pay for the Integrated Solutions Maintenance for the remaining four (4) years of the agreement term, for a revised total agreement amount not to exceed \$1,675,628.

#### **..Report**

#### **RECOMMENDATION:**

#### **It is recommended the Board of Supervisors:**

Authorize an increase to the total Agreement amount of the Carefusion Medmined-Alaris Agreement (A-13080) of \$126,636 to pay for the Integrated Solutions Maintenance for the remaining four (4) years of the agreement term, for a revised total agreement amount not to exceed \$1,675,628.

#### **SUMMARY/DISCUSSION:**

On March 22, 2016 the Board of Supervisors approved an Agreement between Carefusion and NMC for a software product called Medmined. The Medmined product is used for surveillance, analytics, benchmarking, alerting and reporting in medication management and infection control at NMC. Then on August 23, 2016 the Board of Supervisors approved Amendment No. 1 to the Carefusion Medmined Agreement to add a software-based intravenous infusion pump product called Alaris. The Alaris IV pumps include software that allows the pumps to be programmed by nurses and physicians to infuse medications at different rates. The software contains libraries of different medications and their infusion parameters. These pumps ensure safety by preventing medications from being infused at rates greater than or less than safe limits.

At the time NMC and Carefusion were negotiating terms and conditions of Amendment No. 1 for the Alaris product, NMC inadvertently omitted the maintenance costs for the Infusion Integrated Solutions for years 2, 3, 4 and 5. Only the first year cost was included in the total amount requested. The annual maintenance cost for Integrated Solutions Maintenance is \$28,380 per year (plus tax), therefore, NMC is requesting to increase the total agreement amount by \$126,636 for a revised correct total agreement amount of \$1,675,628. The agreement itself does not contain a total agreement amount but instead lists out each product and its cost, therefore there is no amendment associated with this request because there is nothing to amend or change within the agreement itself. The Integrated Solutions maintenance cost was presented in the agreement as an annual cost at \$28,380 per year, but because the cost for future years were not actually itemized out in the agreement as it had been for the other maintenance related costs in the agreement, years 2 through 5 were inadvertently overlooked when NMC calculated the total agreement amount in its request to execute Amendment No. 1.

#### **OTHER AGENCY INVOLVEMENT:**

County Counsel's office and the Auditor-Controller's office have reviewed and approved this request. This request has also been reviewed and approved by NMC's Finance Committee on April 26, 2018 and by its Board of Trustees on May 4, 2018.

#### **FINANCING:**



The cost for this request is \$126,636, of which \$31,005 is included in the Fiscal Year 2017-18 Adopted Budget. Amounts for remaining years of the agreement will be included in those budgets as appropriate.

**BOARD OF SUPERVISORS STRATEGIC INITIATIVES:**

These Carefusion software products allow NMC to utilize current technology that improves patient care at the hospital because of automation, access to other relevant data, programmability, and integration with other systems at NMC.

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

Prepared by: Jason Warren, Pharmacist, 772-7720

Approved by: Gary R. Gray, DO, Chief Executive Officer, 783-2504

Attachments:

Carefusion Amendment No. 2

Carefusion Amendment No. 1 for Alaris product

Carefusion Agreement for Medmined product

Attachments on file with the Clerk of the Board

## **MONTEREY COUNTY BOARD OF SUPERVISORS BOARD REPORT**

### **Chiquita Palha de Sousa Agreement**

#### **TITLE:**

- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute the Physician Services Agreement with Chiquita Palha de Sousa M.D. to provide pediatric hospitalist services at NMC for an amount not to exceed \$250,000, for the period July 1, 2018 to June 30, 2020; and
- b. Authorize the Deputy Purchasing Agent for NMC or his designee to sign up to three (3) future amendments to this Agreement where the total amendments do not exceed 10% (\$25,000) of the original contract amount and do not significantly change the scope of work.

#### **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 Physician Services Agreement with Chiquita Palha de Sousa M.D. to provide pediatric hospitalist services at NMC for an amount not to exceed \$250,000, for the period July 1, 2018 to June 30, 2020; and
- b. Authorize the Deputy Purchasing Agent for NMC or his designee to sign up to three (3) future amendments to this Agreement where the total amendments do not exceed 10% (\$25,000) of the original contract amount and do not significantly change the scope of work.

#### **SUMMARY/DISCUSSION:**

NMC operates a twelve bed pediatric unit and an eighteen bed maternal infant unit providing medical care for newborns, children and adolescents, as well as hospital based services for the pediatric population (age 0-21) through NMC's emergency medicine, trauma programs, general surgery and outpatient specialty clinics. NMC currently provides the majority of emergency and inpatient care in Monterey County with over 100,000 visits over the last five years.

In July 2017, the pediatric hospitalist program increased its service to twenty-four hour in-house patient care. It takes at least 4.2 Full Time Equivalent (FTE) physicians to cover the service and ensure a pediatrician is on-site twenty-four hours a day. NMC would like to enter into an agreement with Dr. Palha de Sousa to join the panel of physicians providing these services. 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 the 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 not to exceed amount of this Agreement is \$250,000 for the period July 1, 2018 to June 30, 2020. \$125,000 is included the Fiscal Year 2018/2019 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 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

Prepared by: Jeanne-Ann Balza, Management Analyst, 783.2506

Approved by: Gary Gray D.O., Chief Executive Officer, 783.2553

Attachments: Agreement

Attachments on file at the Clerk of the Board

## **MONTEREY COUNTY BOARD OF SUPERVISORS BOARD REPORT**

### **Danny Tan DDS Ninth Amendment**

#### **TITLE:**

Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute the Ninth Amendment to the Professional Services Agreement (A-12234) with Danny Tan DDS to provide dental services to NMC patients, extending the term by twelve months (July 1, 2018 to June 30, 2019) for a revised total agreement term February 1, 2011 to June 30, 2019, and adding \$45,000 for a revised total not to exceed amount of \$460,000 in the aggregate.

#### **RECOMMENDATION:**

It is recommended the Board of Supervisors:

Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute the Ninth Amendment to the Professional Services Agreement (A-12234) with Danny Tan DDS to provide dental services to NMC patients, extending the term by twelve months (July 1, 2018 to June 30, 2019) for a revised total agreement term February 1, 2011 to June 30, 2019, and adding \$45,000 for a revised total not to exceed amount of \$460,000 in the aggregate.

#### **SUMMARY/DISCUSSION:**

Danny Tan, DDS provides dental services at his Salinas office to patients referred by Natividad Medical Center's NIDO (Natividad Immunology Division Outpatient) Clinic. The NIDO Clinic is a comprehensive primary care clinic that provides services, including referrals for dental services, to people over the age of eighteen with HIV/AIDS and other infectious diseases. Such dental services are funded by the Ryan White Modernization Act Parts B & C grants. The Ryan White Modernization Act Early Intervention Services Program is intended to expand counseling, testing and referral services for persons at high risk for HIV infection in order to expand enrollment in culturally and linguistically appropriate HIV/AIDS medical treatment, with particular emphasis on the Latino community.

NMC wishes to amend the Agreement with Dr. Tan so that he may continue to provide services to NIDO patients without interruption. Funding for this Agreement is contingent upon the availability of grant funds. Should such funding be cancelled, this Agreement may be terminated with little notice according to the terms of the Agreement.

#### **OTHER AGENCY INVOLVEMENT:**

County Counsel has reviewed and approved this Amendment as to legal form and the 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 cost of this Amendment is \$45,000. The total not to exceed amount of this Agreement is \$460,000 for the period February 1, 2011 to June 30, 2019 (101 months). \$45,000 is included in the Fiscal Year 2018/2019 Recommended 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

Prepared by: Jeanne-Ann Balza, Management Analyst, 783.2506

Approved by: Gary Gray D.O., Chief Executive Officer, 783.2553

Attachments: Agreement; First-Ninth Amendments

Attachments on file at the Clerk of the Board

## MONTEREY COUNTY BOARD OF SUPERVISORS BOARD REPORT

Toyon Associate Inc. Agreement/Amendment No. 1

Legistar Number:                     

### **..Title**

- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute amendment No. 1 to the agreement (A-13111) with Toyon Associate Inc. for 1. Rural Floor Budget Neutrality Appeals Services; and 2. Medicare/Medicaid Crossover Bad Debt Recovery Services; and 3. Medicare /Medi-Cal Appeals Services; and 4. OSHPD Report Preparation Services; and 5. Medical Eligible Day Services (POA/Historical); and 6. Medicare/Medi-Cal/Short Doyle Cost report Preparation Services, and 7. Consulting services, extending the agreement an additional three (3) year period (July 1, 2018 through June 30, 2021) for a revised full agreement term of July 1, 2015 through June 30, 2021, and adding \$1,000,000 for a revised total agreement amount not to exceed \$2,000,000
- b. Authorize the Deputy Purchasing Agent for NMC or his designee to execute up to three (3) future amendments to the agreement which do not significantly alter the scope of work and do not cause an increase of more than ten percent (10%) (\$100,000) of the original cost of the agreement per each amendment.

### **..Report**

#### **RECOMMENDATION:**

#### **It is recommended the Board of Supervisors:**

- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute amendment No. 1 to the agreement (A-13111) with Toyon Associate Inc. for 1. Rural Floor Budget Neutrality Appeals Services; and 2. Medicare/Medicaid Crossover Bad Debt Recovery Services; and 3. Medicare /Medi-Cal Appeals Services; and 4. OSHPD Report Preparation Services; and 5. Medical Eligible Day Services (POA/Historical); and 6. Medicare/Medi-Cal/Short Doyle Cost report Preparation Services, and 7. Consulting services, extending the agreement an additional three (3) year period (July 1, 2018 through June 30, 2021) for a revised full agreement term of July 1, 2015 through June 30, 2021, and adding \$1,000,000 for a revised total agreement amount not to exceed \$2,000,000
- b. Authorize the Deputy Purchasing Agent for NMC or his designee to execute up to three (3) future amendments to the agreement which do not significantly alter the scope of work and do not cause an increase of more than ten percent (10%) (\$100,000) of the original cost of the agreement per each amendment.

#### **SUMMARY/DISCUSSION:**

Toyon Associates Inc. provides expert services in areas of reimbursement from state and federal government. Their consulting services includes preparation of state's Medi-Cal cost reports, federal Medicare cost report, special supplemental cost reports (P-14) to the state, state's Short Doyle cost reports and annual state's OSHPD reports. Toyon provides assistance in representing Natividad Medical Center during scheduled audits and appeals for all state and federal cost and supplemental reports. Toyon provides strategic assistance on reimbursement issues related to Disproportionate Share, Realignment, Bad Debts, Waiver funding and programs and other reimbursement related initiatives particular to safety net provider (public) hospitals.

Toyon Associates Inc. will continue to provide NMC with the services described above including pursuing reimbursable cost available on previously reported years which are available to Monterey

County Health System. This is an ongoing process between provider (NMC), State and Federal Government.

**OTHER AGENCY INVOLVEMENT:**

County Counsel has reviewed and approved this Amendment No. 1 as to legal form, and the Auditor-Controller has reviewed and approved as to payment provisions. The Amendment No. 1 has also been reviewed and approved by NMC's Finance Committee on May 24, 2018 and by its Board of Trustees on June 1, 2018.

**FINANCING:**

The cost for this Amendment No. 1 is \$1,000,000 of which \$300,000 which is included in the Fiscal Year 2018-19 Recommended Budget. Amounts for remaining years of the agreement will be included in those budgets as appropriate.

**BOARD OF SUPERVISORS STRATEGIC INITIATIVES:**

This agreement is for specialized consulting services, the outcome of which will contribute to retaining or maximizing the financing of public health care services by Monterey County.

The services rendered in this agreement provide NMC with the reimbursement expertise that allows for the improvement of financing options under State and Federal regulations, resulting in higher quality of patient care for the families in Monterey County.

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

Prepared by: Juan Polanco Chief Hospital Accountant, 831-783-2372

Approved by: Gary R. Gray, DO, Chief Executive Officer, 783-2504

Attachments:

Toyon Associate Inc. Amendment 1

Toyon Associate Inc. Agreement

Attachments on file with the Clerk of the Board

**..Title**

**TITLE:**

- a. Ratify execution by the Chief Executive Officer (“CEO”) of Natividad Medical Center (“NMC”) of a Letter of Interest, dated December 19, 2017 to the California Department of Health Care Services (“State DHCS”), confirming the interest of the County of Monterey d/b/a NMC (“County”) in working with State DHCS and the Monterey-Santa Cruz-Merced Managed Medical Care Commission d/b/a Central California Alliance for Health (“CCAH”), to provide a Medi-Cal managed care rate range Intergovernmental Transfer of Public Funds (“IGT”) to fund the nonfederal share of the Medi-Cal managed care actuarially sound capitation rate payments to CCAH for the period of July 1, 2017 to June 30, 2018; and
- b. Authorize the CEO of NMC to execute the IGT Agreement between the County and the State DHCS, the source of which shall be funds from NMC and not the County’s General Fund, pursuant to Sections 14301.4(b)(4) of the Welfare & Institutions Code, to fund the nonfederal share of the Medi-Cal managed care actuarially sound capitation rate payments to CCAH, for a total amount not to exceed \$7,500,000 for healthcare services rendered in the period of July 1, 2017 to June 30, 2018 and a 20 % assessment fee applicable to non-exempt funds-. The transfer is to occur in Fiscal Year 2018-19 or FY19-20.

**..Report**

**RECOMMENDATION:**

It is recommended that the Board of Supervisors:

- a. Ratify execution by the Chief Executive Officer (“CEO”) of Natividad Medical Center (“NMC”) of a Letter of Interest, dated December 19, 2017 to the California Department of Health Care Services (“State DHCS”), confirming the interest of the County of Monterey d/b/a NMC (“County”) in working with State DHCS and the Monterey-Santa Cruz-Merced Managed Medical Care Commission d/b/a Central California Alliance for Health (“CCAH”), to provide a Medi-Cal managed care rate range Intergovernmental Transfer of Public Funds (“IGT”) to fund the nonfederal share of the Medi-Cal managed care actuarially sound capitation rate payments to CCAH for the period of July 1, 2017 to June 30, 2018; and
- b. Authorize the CEO of NMC to execute the IGT Agreement between the County and the State DHCS, the source of which shall be funds from NMC and not the County’s General Fund, pursuant to Sections 14301.4(b)(4) of the Welfare & Institutions Code, to fund the nonfederal share of the Medi-Cal managed care actuarially sound capitation rate payments to CCAH, for a total amount not to exceed \$7,500,000 for healthcare services rendered in the period of July 1, 2017 to June 30, 2018 and a 20 % assessment fee applicable to non-exempt funds. -The transfer is to occur in Fiscal Year 2018-19 or FY19-20.

**SUMMARY/DISCUSSION:**



DHCS administers the Medi-Cal program, under which health care services are provided to qualified low-income persons. Inpatient and outpatient hospital services are a covered benefit under the Medi-Cal program, subject to utilization controls. Existing law provides for Medi-Cal payments to hospitals.

CCAH, or the Plan, is a County Organized Health System, formed pursuant to Welfare and Institutions Code section 14087.54 and Monterey County Code section 2.45.010. CCAH is authorized by the State of California and Monterey County as the Medi-Cal managed care plan for Monterey County.

CCAH entered into a contract with the State DHCS to arrange and pay for the provision of covered health care items and services to Medi-Cal eligible beneficiaries residing in Monterey, Santa Cruz, and Merced Counties. CCAH has an existing agreement with NMC to provide clinical and other medical care services covered by Medi-Cal to enrollees of the Plan for hospital and emergency room care.

An IGT is an elective transfer of eligible local dollars to the State DHCS in support of the Medi-Cal program, which is authorized in accordance with Section 14164 and 14301.4 of the Welfare and Institutions Code. If the State accepts the transfer, the State shall obtain Federal Financial Participation ("FFP") to the full extent permitted by federal law.

Assembly Bill 85 (Chapter 24, Statutes of 2013) provided for voluntary Intergovernmental Transfers (IGT) to support payments to Medi-Cal managed care plans under Welfare and Institutions (W&I) Code, sections 14199.2 and 14301.5. These programs allow for IGTs to provide a portion of the non-federal share of the risk based payments to managed care health plans as described in W&I Code, section 14199.2(e)(1) and 14301.5(b)(4)

DHCS will perform periodic reconciliations using actual enrollment figures. The reconciliation can result in increased or decreased payments to NMC. The enrollment figures will be considered final two years after June 30, 2018.

In the past, NMC has provided IGTs to DHCS on the condition that the funds are used in support of the Medi-Cal managed care program, through increased payments to NMC made by the local County Organized Health System, which, in Monterey County, is the CCAH/the Plan. The opportunity to participate in an IGT allows for the use of local dollars for increased payments to public providers such as NMC to preserve and strengthen the availability and quality of services provided by such providers.

In order to participate in the voluntary IGT program relating to the Medi-Cal managed care capitation rate ranges for the period of July 1, 2017 to June 30, 2018, State DHCS has requested a single contract including the 20% assessment fee applicable to the old eligible member pool. The Amendment to the Health Plan-Provider Agreement with Central California Alliance is no longer required by State DHCS.

The IGT Agreement estimated due date is July 31, 2018 and it will permit the County to participate in this voluntary IGT program

The Board could choose not to participate, in which case NMC and the County would be precluded from participating in the IGT program for the period of January 1, 2017 to June 30, 2017.

**OTHER AGENCY INVOLVMENT:**

County Counsel has reviewed and approved the IGT Agreements as to legal form and risk provisions. The Auditor-Controller has reviewed and approved these Agreements as to fiscal provisions. The IGT Agreements ~~has~~ have been reviewed and approved by the NMC Finance Committee no May 24, 2018 and by NMC's Board of Trustees on ~~XXX-X~~ June 1, 2018.

**FINANCING:**

The expected IGT transfer will be financed by NMC. There is no impact to the General Fund.

**BOARD OF SUPERVISORS STRATEGIC INITIATIVES:**

~~(write 2-3 sentences max explaining how this items meets one or more of the BOS Strategic Initiatives below, and check the relevant initiatives below)~~ The opportunity to participate in an IGT allows for the use of local dollars to obtain the federal matching in payments designed for public providers such as NMC and preserve and strengthen the safety net services in Monterey County.

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

Prepared by: Daniel Leon, Chief Financial Officer 783-2561

Approved by: Gary R. Gray, DO Chief Executive Officer, 783-2504

Attachments:

Letter of Interest to DCHS

July 1, 2018 to June 30, 2018 Range Intergovernmental IGT Agreement

## **MONTEREY COUNTY BOARD OF SUPERVISORS BOARD REPORT**

### **Amendment No. 4 to Modular Devices Inc. Lease Agreement for Radiology Trailers Registrar Number: \_\_\_\_\_**

#### **..Title**

a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute amendment No. 4 to the agreement (A-12530) with Modular Devices Inc. for the lease of a mobile computerized tomography (CT) unit, a mobile angiography/interventional radiology lab (IR) unit, and a mobile magnetic resonance imaging (MRI) unit at NMC, extending the agreement an additional two (2) year period (August 1, 2018 through July 31, 2020) for a revised full agreement term of August 1, 2013 through July 31, 2020, and adding \$2,868,000 for a revised total agreement amount not to exceed \$8,234,500.

b. Authorize the Deputy Purchasing Agent for NMC or his designee to execute up to three (3) future amendments to the agreement which do not significantly alter the scope of work and do not cause an increase of more than \$100,000 across all amendments in total.

#### **..Report**

#### **RECOMMENDATION:**

#### **It is recommended the Board of Supervisors:**

a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute amendment No. 4 to the agreement (A-12530) with Modular Devices Inc. for the lease of a mobile computerized tomography (CT) unit, a mobile angiography/interventional radiology lab (IR) unit, and a mobile magnetic resonance imaging (MRI) unit at NMC, extending the agreement an additional two (2) year period (August 1, 2018 through July 31, 2020) for a revised full agreement term of August 1, 2013 through July 31, 2020, and adding \$2,868,000 for a revised total agreement amount not to exceed \$8,234,500.

b. Authorize the Deputy Purchasing Agent for NMC or his designee to execute up to three (3) future amendments to the agreement which do not significantly alter the scope of work and do not cause an increase of more than \$100,000 across all amendments in total.

#### **SUMMARY/DISCUSSION:**

NMC entered into a lease agreement with Modular Devices in 2013 to provide a Mobile Computerized Tomography (CT) laboratory, a mobile Angiography/ Interventional Radiology (IR) Laboratory services and a Magnetic Resonance Imaging (MRI) mobile unit to enhance the imaging capabilities in the Diagnostic Imaging Department. The MRI and CT units currently housed internally are more than 10 years old. The imaging field has improved technology significantly over the last few years. The improved technology increases the quality while decreasing the timeframe to perform the imaging procedures. Each mobile unit offers a better scanner than our current in house scanners.

NMC will begin construction in the main Radiology department in August 2018. The department must remain operational during the construction project. Natividad needs the mobile trailers to be able to offer full radiology services during the construction process. The construction project has four main phases. The first phase is building out the MRI suite and the Interventional Radiology Suite. As each phase of construction is completed and the equipment is approved for use by regulatory agency, the mobile units will be phased out.



The cost of the agreement is broken down into the following equipment leases: the monthly lease for the Mobile CT is \$40,000 or \$480,000 annually; the monthly lease for the Mobile Angiography is \$31,500 or \$378,000 annually; and the monthly least for the Mobile MRI is \$48,000 or \$576,000 annually.

**OTHER AGENCY INVOLVEMENT:**

County Counsel has reviewed and approved this amendment No. 4 as to legal form, and the Auditor-Controller has reviewed and approved as to payment provisions. The amendment No. 4 has also been reviewed and approved by NMC's Finance Committee on May 24, 2018 and by its Board of Trustees on June 1, 2018.

**FINANCING:**

The cost for this amendment No. 4 is \$2,868,000, of which \$1,434,000 has been included in the Fiscal Year 2018-19 Recommended Budget. Amounts for remaining years of the agreement will be included in those budgets as appropriate.

**BOARD OF SUPERVISORS STRATEGIC INITIATIVES:**

This contract will support the County strategic initiative for Health and Human Services by offering advanced radiology procedures (MRI, CT and IR) to the residents of Monterey County while the Radiology Department is undergoing construction. The mobile trailers will ensure that services are not interrupted during the construction project.

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

Prepared by: Heidi Dormody, Director of Laboratory and Radiology, 772-7660  
Approved by: Gary R. Gray, DO, Chief Executive Officer, 783-2504

Attachments:

Modular Devices Inc. Amendment No. 4  
Modular Devices Inc. Amendment No. 3  
Modular Devices Inc. Amendment No. 2  
Modular Devices Inc. Amendment No. 1  
Modular Devices Inc. Agreement

Attachments on file with the Clerk of the Board



## **MONTEREY COUNTY BOARD OF SUPERVISORS BOARD REPORT**

**ThermoFisher Scientific Service Contract**

**Legistar Number:**                     

### **..Title**

- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute an agreement with ThermoFisher Scientific for VersaTrek blood culture analyzer maintenance and repair services at NMC for an amount not to exceed \$7,424 with an agreement term of July 1, 2018 through June 30, 2019.
- b. Approve the NMC Chief Executive Officer's recommendation to accept non-standard limitations on liability provisions within the agreement.

### **..Report**

#### **RECOMMENDATION:**

#### **It is recommended the Board of Supervisors:**

- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute an agreement with ThermoFisher Scientific for VersaTrek blood culture analyzer maintenance and repair services at NMC for an amount not to exceed \$7,424 with an agreement term of July 1, 2018 through June 30, 2019.
- b. Approve the NMC Chief Executive Officer's recommendation to accept non-standard limitations on liability provisions within the agreement.

#### **SUMMARY/DISCUSSION:**

Natividad is asking for the approval for the service contract with ThermoFisher to maintain and service the ThermoFisher Versatrek. The Versatrek was purchased in 2017. It is an instrument that incubates and monitors blood culture specimens. Blood culture specimens are used in the identification and management of sepsis.

All laboratory instruments are required per regulation to have ongoing maintenance and repairs according to manufacturer recommendations. This service contract will ensure the instrument is maintained in order to provide accurate testing and meet the regulatory requirements.

It is the policy of ThermoFisher to sign last.

#### **OTHER AGENCY INVOLVEMENT:**

County Counsel has reviewed and approved this agreement as to legal form, and the Auditor-Controller has reviewed and approved as to payment provisions. The agreement has also been reviewed and approved by NMC's Finance Committee on May 24, 2018 and by its Board of Trustees on June 1, 2018.

#### **FINANCING:**

The cost for this agreement is \$7,424 which is included in the Fiscal Year 2017-18 Adopted Budget. There is no impact to the General Fund.

#### **BOARD OF SUPERVISORS STRATEGIC INITIATIVES:**

This service agreement meets the Monterey County Strategic initiative for Health and Human Services by providing the required scheduled maintenance and service repairs for the Verstrekk blood culture instrument in Natividad Laboratory.

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

Prepared by: Heidi Dormody, Laboratory and Radiology Manager, 772-7660

Approved by: Gary R. Gray, DO, Chief Executive Officer, 783-2504

Attachments:

ThermoFisher Scientific Service Contract

Attachments on file with the Clerk of the Board

## **MONTEREY COUNTY BOARD OF SUPERVISORS BOARD REPORT**

### **B.E. Smith Interim Services Agreement**

**Legistar Number:**

#### **..Title**

Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute an agreement (A-12438) with B.E. Smith Interim Services, Inc. for interim management-level services at NMC, with a term of July 1, 2018 through June 30, 2021 and a total agreement amount not to exceed \$300,000.

#### **..Report**

#### **RECOMMENDATION:**

#### **It is recommended the Board of Supervisors:**

Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute an agreement (A-12438) with B.E. Smith Interim Services, Inc. for interim management-level services at NMC, with a term of July 1, 2018 through June 30, 2021 and a total agreement amount not to exceed \$300,000.

#### **SUMMARY/DISCUSSION:**

When a management level position is vacated, depending on the position, it may be determined that filling it with an interim position is most beneficial so as not to minimize or negatively impact patient care. Recruitments for full time employees follow a process which can span several months. Occasionally the hospital finds that it faces a lack of qualified candidates to hire from which prolongs the recruitment process that much further. Interims are, on occasion, necessary.

B.E. Smith is a nationally recognized expert in hospital interim management and has delivered reliable services to NMC, thereby allowing NMC to provide quality patient care to the residents of Monterey County. BE Smith has also proven it is able to respond in a swift manner when a critical position would be vacated unimpededly.

NMC will monitor the hours of any and all interim workers assigned to NMC to ensure compliance with labor and retirement laws.

Natividad Medical Center previously had an agreement with BE Smith which went into effect in January of 2013 and which expires on June 30, 2018. This new agreement is intended to replace that previous agreement from 2013.

#### **OTHER AGENCY INVOLVEMENT:**

County Counsel has reviewed and approved this agreement as to legal form and risk provisions, and the Auditor-Controller has reviewed and approved as to payment provisions. This agreement has also been reviewed and approved by NMC's Finance Committee on May 24, 2018 and by its Board of Trustees on June 1, 2018.

#### **FINANCING:**

The cost for this agreement is \$300,000, of which \$80,000 has been included in the Fiscal Year 2018-19 Recommended Budget. Amounts for remaining years of the agreement will be included in those budgets as appropriate.



**BOARD OF SUPERVISORS STRATEGIC INITIATIVES:**

This agreement will provide NMC with any interim management level support it may need to ensure that reliable and quality patient care is not affected when a vacancy should unexpectedly occur.

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

Prepared by: Janine Bouyea, Human Resources Administrator, 783-2701

Approved by: Gary R. Gray, DO, Chief Executive Officer, 783-2504

Attachments:

BE Smith Interim Services Inc. Agreement

Attachments on file with the Clerk of the Board

## **MONTEREY COUNTY BOARD OF SUPERVISORS BOARD REPORT**

**The CBORD Group, Inc. Amendment No. 1**

**Legistar Number**

### **..Title**

- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute amendment No. 1 to the agreement (A-13620) with The CBORD Group, Inc. for food and nutrition software services, extending the agreement for an additional one-year period (July 11, 2018 through July 10, 2019) for a revised full agreement term of July 11, 2017 through July 10, 2019, and adding \$11,955.54 for a revised total agreement amount not to exceed \$121,725.86.
- b. Authorize the Deputy Purchasing Agent for NMC or his designee to execute up to three (3) future amendments to the agreement which do not significantly alter the scope of work and do not cause an increase of more than ten percent (10%) (\$10,977) of the original cost of the agreement per each amendment.

### **..Report**

#### **RECOMMENDATION:**

**It is recommended the Board of Supervisors:**

- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute amendment No. 1 to the agreement (A-13620) with The CBORD Group, Inc. for food and nutrition software services, extending the agreement for an additional one-year period (July 11, 2018 through July 10, 2019) for a revised full agreement term of July 11, 2017 through July 10, 2019, and adding \$11,955.54 for a revised total agreement amount not to exceed \$121,725.86.
- b. Authorize the Deputy Purchasing Agent for NMC or his designee to execute up to three (3) future amendments to the agreement which do not significantly alter the scope of work and do not cause an increase of more than ten percent (10%) (\$10,977) of the original cost of the agreement per each amendment.

#### **SUMMARY/DISCUSSION:**

Natividad Medical Center, as part of its operations, provides food and nutritional services to patients, visitors and employees. An electronic system, such as the Foodservice Suite provided by CBORD, improves service delivery efficiency, improves patient safety and meal satisfaction as well as assists with compliance with Joint Commission (TJC) and Centers for Medicare and Medicaid Services (CMS) food services standards.

The CBORD software provides automation to the process of patient meal service, reporting, and analysis. This includes interfacing with our current Meditech system, improved diet order accuracy, production standards, and reduced waste. In addition, CBORD supports our future goal of expansion of meal service to the room service model where patients would be able to order meals from bedside.

NMC requests an amendment to the existing agreement to extend service and maintenance for an additional year.

#### **OTHER AGENCY INVOLVEMENT:**

County Counsel has reviewed and approved this amendment No. 1 as to legal form, and the Auditor-Controller has reviewed and approved as to payment provisions. The amendment No. 1 has also been reviewed and approved by NMC's Finance Committee on May 24, 2018 and by its Board of

Trustees on June 1, 2018.

**FINANCING:**

The cost for this amendment No. 1 is \$11,966.54 which is included in the Fiscal Year 2018-19 Recommended Budget. There is no impact to the General Fund.

**BOARD OF SUPERVISORS STRATEGIC INITIATIVES:**

This agreement is for a software system which will improve food and nutrition services for NMC patients and will directly contribute to a more efficient and effective use of resources within the organization

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

Prepared by: Cori Thomas, Hospital Director of Food Service, 769-8679

Approved by: Gary R. Gray, DO, Chief Executive Officer, 783-2504

Attachments:

The CBORD Group Inc. Amendment No. 1

The CBORD Group Inc. Agreement

Attachments on file with the Clerk of the Board

## **MONTEREY COUNTY BOARD OF SUPERVISORS BOARD REPORT**

### **Salinas Valley Radiologists Inc., Third Amendment**

#### TITLE:

- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute the Third Amendment to the Professional and Call Coverage Services Agreement (A-12445) with Salinas Valley Radiologists Inc. to provide radiology services at NMC, extending the term by twenty-four months (July 1, 2018 to June 30, 2020) for a revised total Agreement term May 1, 2013 to June 30, 2020 and adding \$2,112,000 for revised total not to exceed amount of \$5,279,000 in the aggregate; and
- b. Authorize the Deputy Purchasing Agent for NMC or his designee to sign up to three (3) future amendments to this Agreement where the total amendments do not exceed 10% (\$68,700) of the original contract amount and do not significantly change the scope of work.

#### 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 Third Amendment to the Professional and Call Coverage Services Agreement (A-12445) with Salinas Valley Radiologists Inc. to provide radiology services at NMC, extending the term by twenty-four months (July 1, 2018 to June 30, 2020) for a revised total Agreement term May 1, 2013 to June 30, 2020 and adding \$2,112,000 for revised total not to exceed amount of \$5,279,000 in the aggregate; and
- b. Authorize the Deputy Purchasing Agent for NMC or his designee to sign up to three (3) future amendments to this Agreement where the total amendments do not exceed 10% (\$68,700) of the original contract amount and do not significantly change the scope of work.

#### SUMMARY/DISCUSSION:

NMC has an Agreement with Salinas Valley Radiologists, Inc. to provide 24 hours per day, 7 days per week radiology call coverage, diagnostic imaging services, interventional radiology services and a radiology physician to serve as service director of the Radiology Department. The Agreement was amended on October 1, 2014 to include interventional radiology services required for Level II Trauma Centers.

NMC would like to amend the Agreement to extend the term by twenty-four months to continue the services critical to NMC's operation without interruption. This amendment will also increase the number of hours per day that the interventional radiologist physician is required to be on-site and adds the provision of interventional radiology clinic to enhance the services currently being provided to its patients. 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 the 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 cost of this Amendment is \$2,112,000. The total not to exceed amount of this Agreement is \$5,279,000 for the period May 1, 2013 to June 30, 2020 (86 months). \$1,056,000 is included in the Fiscal Year 2018/2019 Recommended Budget; and the remaining \$1,056,000 will be budgeted in Fiscal Year 2019/2020. 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, Management Analyst, 783.2506

Approved by: Gary Gray D.O., Chief Executive Officer, 783.2553

Attachments: Agreement; First-Third Amendments

Attachments on file at the Clerk of the Board

**TITLE:**

Authorize the Purchasing Manager for Natividad Medical Center ("NMC") to execute the Agreement for Public Hospitals Providing Outpatient Services ("Agreement") between the County of Monterey ("County") d/b/a NMC and the California Department of Health Care Services ("State DHCS"), permitting the State DHCS to receive reimbursement from the County for the administrative costs of operating the Public Hospital Outpatient Services Supplemental Reimbursement Program, for the period July 1, 2017, through and including, June 30, 2018.

**RECOMMENDATION:**

It is recommended that the Board of Supervisors

Authorize the Purchasing Manager for Natividad Medical Center ("NMC") to execute the Agreement for Public Hospitals Providing Outpatient Services ("Agreement") between the County of Monterey ("County") d/b/a NMC and the California Department of Health Care Services ("State DHCS"), permitting the State DHCS to receive reimbursement from the County for the administrative costs of operating the Public Hospital Outpatient Services Supplemental Reimbursement Program, for the period July 1, 2017, through and including, June 30, 2018.

**SUMMARY/DISCUSSION:**

On September 21, 2002, the Governor signed AB 915 (Frommer), a State bill sponsored by the City and County of San Francisco and the Department of Public Health. AB 915 establishes the Medi-Cal Outpatient Certified Public Expenditure Program to allow local health jurisdictional and the University of California to use local general fund dollars to obtain federal financial participation for the unreimbursed costs of providing hospital outpatient services and adult day health services to Medi-Cal patients. This Program allows for federal supplemental payments for unreimbursed Medi-Cal hospital fee-for-service ("FFS") expenses based on certified public expenditures ("CPE") incurred at public hospitals. The supplemental payments are claimed and paid out yearly to the participating providers. The County has received a total of \$25.5 million on unreimbursed outpatient services through Fiscal Year 2015-2016.

An existing agreement between the County and the State DHCS is in place (A 14-031), permitting that the State DHCS to receive reimbursement from the County for the administrative costs of operating the Public Hospital Outpatient Services Supplemental Reimbursement Program. The State has requested, however, a new agreement to be executed by Natividad Medical Center ("NMC") for the same purpose, for the period starting July 1, 2017, through and including, June 30, 2018.

The execution of the new agreement must be completed on or before June 30, 2018 to be able to participate in the SFY17-18 program. Both parties, County of Monterey ("County") d/b/a NMC and the California Department of Health Care Services ("State DHCS"), have been negotiating language since October 26, 2017 or approximately 7 months and negotiations will not be completed for a few more weeks due to number of approval layers at California Department of Health Care Services ("State DHCS")

The Agreement estimated due date is June 15, 2018 and it will permit the County to participate in SFY17-18 program with an estimated reimbursement of \$3.2M.

The Board could choose not to participate, in which case NMC and the County would be precluded from participating in the program for the period of July 1, 2016 to June 30, 2017.

**OTHER AGENCY INVOLVMENT:**

County Counsel has been involved in language negotiations with California Department of Health Care Services ("State DHCS") to include the necessary fiscal provisions. The approval will not be completed before the agreement deadline. The Auditor Controller has been notified of the particulars. This request has been reviewed and approved by NMC Finance Committee on May 24, 2018 and by NMC's Board of Trustees on June 1, 2018.

**FINANCING:**

The expected Administrative Fees will be financed by NMC. There is no impact to the General Fund

**BOARD OF SUPERVISORS STRATEGIC INITIATIVES:**

By completing the condition of reimbursing ("State DHCS") the administrative cost set in the AB915 legislation, the County of Monterey ("County") d/b/a NMC has the opportunity to receive Medi-Cal Supplemental payments for Public Hospital Outpatient Services allowing to preserve and strengthen the safety net services in Monterey County.

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

Prepared by: Juan Polanco, Chief Hospital Accountant 783-2372

Approved by: Gary R. Gray, DO Chief Executive Officer, 783-2504

Attachment:

Agreement: A-12568

## **MONTEREY COUNTY BOARD OF SUPERVISORS BOARD REPORT**

### **Amendment No. 1 to Professional Research Consultants, Inc. Agreement**

#### **Legistar Number:**

#### **..Title**

a.. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute amendment No. 1 to the agreement with Professional Research Consultants, Inc. for patient satisfaction survey services, extending the agreement an additional one (1) year period (July 1, 2018 through June 30, 2019) for a revised full agreement term of July 1, 2015 through June 30, 2019, and adding \$31,500 for a revised total agreement amount not to exceed \$126,000.

b. Authorize the Deputy Purchasing Agent for NMC or his designee to execute up to three (3) future amendments to the agreement which do not significantly alter the scope of work and do not cause an increase of more than ten percent (10%) (\$9,400) of the original cost of the agreement per each amendment.

#### **..Report**

#### **RECOMMENDATION:**

#### **It is recommended the Board of Supervisors:**

a.. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute amendment No. 1 to the agreement with Professional Research Consultants, Inc. for patient satisfaction survey services, extending the agreement an additional one (1) year period (July 1, 2018 through June 30, 2019) for a revised full agreement term of July 1, 2015 through June 30, 2019, and adding \$31,500 for a revised total agreement amount not to exceed \$126,000.

b. Authorize the Deputy Purchasing Agent for NMC or his designee to execute up to three (3) future amendments to the agreement which do not significantly alter the scope of work and do not cause an increase of more than ten percent (10%) (\$9,400) of the original cost of the agreement per each amendment.

#### **SUMMARY/DISCUSSION:**

Measuring patient satisfaction is essential for any healthcare organization interested in increasing excellence, creating patient loyalty and building market position. It is also a requirement for Joint Commission Accreditation and part of the federal government's Value-Based Purchasing Program which links Medicare reimbursement to performance.

Professional Research Consultants (PRC) has been assisting NMC measure patient satisfaction for five years. PRC uses a telephone methodology to conduct the Loyalty Plus Survey and the HCAHPS (Hospital Consumer Assessment of Healthcare Providers and Systems - Value-Based Purchasing) survey. PRC provides NMC with survey results and offers educational and networking opportunities designed to help organizations improve patient satisfaction scores.

#### **OTHER AGENCY INVOLVEMENT:**

County Counsel has reviewed and approved this amendment No. 1 as to legal form, and the Auditor-Controller has reviewed and approved as to payment provisions. The amendment No. 1 has also been reviewed and approved by NMC's Finance Committee on May 24, 2018 and by its Board of Trustees on June 1, 2018.

#### **FINANCING:**



The cost for this amendment No. 1 is \$31,200, all of which has been included in the Fiscal Year 2018-19 Recommended Budget.

**BOARD OF SUPERVISORS STRATEGIC INITIATIVES:**

Achieving complete patient satisfaction is a top goal for Natividad and ensures that the hospital maintains quality patient care. The surveys also contribute to compliance with Joint Commission and Medicare and are therefore considered by hospital administration to be an essential function.

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

Prepared by: Andrea Rosenberg, Assistant Administrator. Operations and Support Services, 783-2562

Approved by: Gary R. Gray, DO, Chief Executive Officer, 783-2504

Attachments:

Professional Research Consultants Amendment 1  
Professional Research Consultants Agreement

Attachments on file with the Clerk of the Board

## **MONTEREY COUNTY BOARD OF SUPERVISORS BOARD REPORT**

### **Affiliation Agreement with UCSF Benioff Children's Hospital for Perinatal-Neonatal Consulting Services**

**Legistar Number:** \_\_\_\_\_

#### **..Title**

- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute an affiliation agreement with UCSF Medical Center and the Benioff Children's Hospital at San Francisco for Perinatal-Neonatal consulting services, with a three year term (retroactive) July 1, 2017 through June 20, 2020 and a total agreement amount not to exceed \$40,903.
- b. Authorize the Deputy Purchasing Agent for NMC or his designee to execute up to three (3) future amendments to the agreement which do not significantly alter the scope of work and do not cause an increase of more than \$100,000 across all amendments in total.

#### **..Report**

#### **RECOMMENDATION:**

#### **It is recommended the Board of Supervisors:**

- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute an affiliation agreement with UCSF Medical Center and the Benioff Children's Hospital for Perinatal-Neonatal consulting services, with a three year term (retroactive) July 1, 2017 through June 20, 2020 and a total agreement amount not to exceed \$40,903.
- b. Authorize the Deputy Purchasing Agent for NMC or his designee to execute up to three (3) future amendments to the agreement which do not significantly alter the scope of work and do not cause an increase of more than \$100,000 across all amendments in total.

#### **SUMMARY/DISCUSSION:**

Natividad has had a long standing affiliation agreement with UCSF Medical Center and the Benioff Children's Hospital at San Francisco (UCSF) for Perinatal-Neonatal consulting services associated with Natividad's NICU. Consulting services include case consulting as well as specialty consulting in areas such as obstetrics, pediatric cardiology, pediatric and cardiac surgery, respiratory therapy, medical social work, pharmacy, dietary, and a variety of pediatric subspecialty areas within neonatal medicine. Transfer services are also included within this agreement. UCSF's consulting services are offered to Natividad 24 hours per day, 7 days per weeks through this agreement and contribute significantly to Natividad's ability to operate the NICU.

This agreement replaces an older agreement from 2013.

Although Natividad started working on this agreement with UCSF back in March of 2017, the negotiating process has taken an unusually long period of time. UCSF did add new terms and conditions to this new agreement which were not in the previous agreement such as a

confidentiality clause which they were adamant about retaining. Therefore, this agreement does have a retroactive start date back to July 1, 2017 (previous agreement expired June 30, 2017).

**OTHER AGENCY INVOLVEMENT:**

County Counsel has reviewed and approved this agreement as to legal form, and the Auditor-Controller has reviewed and approved as to payment provisions. The agreement has also been reviewed and approved by NMC's Finance Committee on May 24, 2018 and by its Board of Trustees on June 1, 2018.

**FINANCING:**

The cost for this agreement is \$40,903 of which \$13,233 was included in the Fiscal Year 2017-18 Adopted Budget. Amounts for remaining years of the agreement will be included in those budgets as appropriate.

**BOARD OF SUPERVISORS STRATEGIC INITIATIVES:**

This affiliation agreement offers necessary perinatal-neonatal consulting services 24 hours per day, 7 days per week for the medical staff in Natividad's NICU. It offers a broader area of expertise to ensure that patient care is never compromised at Natividad.

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

Prepared by: Dr. Craig Walls, Chief Medical Officer, 783-2521

Approved by: Gary R. Gray, DO, Chief Executive Officer, 783-2504

Attachments:

UCSF Benioff Children's Hospital San Francisco Perinatal-Neonatal Consulting Services  
Affiliation Agreement

Attachments on file with the Clerk of the Board

## **MONTEREY COUNTY BOARD OF SUPERVISORS BOARD REPORT**

### **Gallun Snow Interior Design Services Agreement RFQ #9600-80**

**Legistar Number:** \_\_\_\_\_

#### **..Title**

- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute an agreement with Gallun Snow pursuant to the Request for Qualifications (RFQ) #9600-80 for interior design services at NMC, with an agreement term beginning on July 1, 2018 through June 30, 2021, with the option to extend the agreement for two (2) additional one year periods; and for an original contract amount not to exceed \$600,000
- b. Authorize the Deputy Purchasing Agent for NMC or his designee to execute up to two (2) no-extension amendments, in which the aggregate does not exceed 10% (60,000) of the original contract amount.
- c. Authorize the Deputy Purchasing Agent for NMC or his designee to execute up to two (2) future amendments, each of would exercise a one year option to extend and add \$200,000 to the agreement, provided that the total cost for the agreement over a five year period does not exceed \$1,000,000 and so long as an appropriation for the costs of the amendments is included in the County Adopted Budget.

#### **..Report**

#### **RECOMMENDATION:**

#### **It is recommended the Board of Supervisors:**

- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute an agreement with Gallun Snow pursuant to the Request for Qualifications (RFQ) #9600-80 for interior design services at NMC, with an agreement term beginning on July 1, 2018 through June 30, 2021, with the option to extend the agreement for two (2) additional one year periods; and for an original contract amount not to exceed \$600,000
- b. Authorize the Deputy Purchasing Agent for NMC or his designee to execute up to two (2) no-extension amendments, in which the aggregate does not exceed 10% (60,000) of the original contract amount.
- c. Authorize the Deputy Purchasing Agent for NMC or his designee to execute up to two (2) future amendments, each of would exercise a one year option to extend and add \$200,000 to the agreement, provided that the total cost for the agreement over a five year period does not exceed \$1,000,000 and so long as an appropriation for the costs of the amendments is included in the County Adopted Budget.

#### **SUMMARY/DISCUSSION:**



On March 28, 2018, Natividad issued a Request for Qualifications (RFQ) 9600-80 for one or more new agreements for interior design services from qualified vendors. On May 3, 2018 NMC received only one (1) proposal for consideration which was from Gallun Snow. The proposal was deemed responsive and Natividad has awarded Gallun Snow the agreement.

The hospital desired a standalone firm not affiliated with an architectural service company that specialized in healthcare design (minimum of five years of experience) that could work collaboratively with the hospital, architectural/engineering firms, and general contractors. The selected firm would have the ability to provide all aspects of hospital interior design to include interior finishes, furniture planning and specifications, systems furniture planning and specifications, and art planning on an as needed basis for an initial period of three years.

Natividad is requesting \$200,000 for each year of the three year contract term for a total of \$600,000, and is also requesting the ability to extend the contract for two additional years increasing by an additional \$200,00 for each year extended. The \$200,000 per year amount has been derived based on historic spend from previous years for the same services at NMC.

Natividad and Gallun Snow amended the previous agreement which was awarded from the previous RFQ 9600-48 to extend the term of that agreement just so that projects already in progress would be completed, such as Gallun's involvement in the hospital's radiology modernization project. To avoid having redundant service agreements in place which overlap, Natividad will terminate the previous agreement with Gallun in sync with the start date of this new agreement per RFQ 9600-80.

#### **OTHER AGENCY INVOLVEMENT:**

County Counsel has reviewed and approved this agreement as to legal form, and the Auditor-Controller has reviewed and approved as to payment provisions. The agreement has also been reviewed and approved by NMC's Finance Committee on May 24, 2018 and by its Board of Trustees on June 1, 2018.

#### **FINANCING:**

The cost for this agreement is \$600,000 of which \$200,000 has been included in the Fiscal Year 2018-19 Recommended Budget. Amounts for remaining years of the agreement will be included in those budgets as appropriate.

#### **BOARD OF SUPERVISORS STRATEGIC INITIATIVES:**

The RFQ services are for needed improvements to the hospital's physical infrastructure. These improvements ensure that NMC maintains itself as a first rate medical facility which, in turn, enables NMC staff to provide quality medical care that leads to an improved quality of life for its patients and their families.

☐ Economic Development  
☐ Administration

☐ Health and Human Services  
☒ Infrastructure  
☐ Public Safety

Prepared by:

Andrea Rosenberg, Assistant Administrator, Operations and Support Services, 783-2562

Approved by: Gary R. Gray, DO, Chief Executive Officer, 783-2504

Attachments:

Agreement with Gallun Snow Design, awarded per RFQ #9600-80

Attachments on file with the Clerk of the Board

## **..Title**

- a. Approve Natividad Medical Center to increase the project cost for the Radiology Modernization by \$2,710,455 for construction, inspection and permit fees and incorporate a 15% or \$1,942,050 as contingency reserve for unforeseen future cost to the project. The total cost of the project will be \$18,373,081; and
- b. Award an agreement in the total amount of \$12,947,000 for the construction component to John F. Otto, Inc. dba Otto Construction the lowest responsible and responsive base bidder, for Natividad Medical Center for the above mentioned projects; and
- c. Approve the Performance and Payment Bonds executed and provided by John F. Otto, Inc. dba Otto Construction and
- d. Authorizing the Director of Natividad to execute a Certificate of Completion and to execute and record with County Recorder a Notice of Completion, when it is determined that the contract for construction of the Radiology Modernization, Project 9600-54, Bid Package No. NMC-1013, is complete in all respects in accordance with the Plans and Specifications.

## **..Report**

### **RECOMMENDATION:**

It is recommended that the Monterey County Board of Supervisors

- a. Approve Natividad Medical Center to increase the project cost for the Radiology Modernization by \$2,710,455 for construction, inspection and permit fees and incorporate a 15% or \$1,942,050 as contingency reserve for unforeseen future cost to the project. The total cost of the project will be \$18,373,081; and
- b. Award an agreement in the total amount of \$12,947,000 for the construction component to John F. Otto, Inc. dba Otto Construction the lowest responsible and responsive base bidder, for Natividad Medical Center for the above mentioned projects; and
- c. Approve the Performance and Payment Bonds executed and provided by John F. Otto, Inc. dba Otto Construction and
- d. Authorizing the Director of Natividad to execute a Certificate of Completion and to execute and record with County Recorder a Notice of Completion, when it is determined that the contract for construction of the Radiology Modernization, Project 9600-54, Bid Package No. NMC-1013, is complete in all respects in accordance with the Plans and Specifications.

### **SUMMARY**

On November 14, 2017 the Board approved (Board Order No. 17-1043) the Plans and Specifications for the bid of the Radiology Modernization Project #9600-54, Bid Package No. #NMC-1013. The Project was advertised locally and in the San Francisco bay area on November 18 and 25, 2017. The bids were opened and publicly read aloud on February 22, 2018 by the Contracts/Purchasing Agent in the Clerk of the Board's Conference Room 1032, Monterey County Administration Building, 168 West Alisal St., FL1, Salinas, CA. Natividad Medical Center (NMC) received two (2) bids from four (4) eligible bidders. The lowest responsive and responsible bid (construction only) came in at \$12,947,000 by John F. Otto, Inc. dba Otto Construction.

On August 29, 2015 the Board of Supervisors approved a preliminary budget for construction costs of \$10,236,545 and \$3,692,405 for architect and other fees; total project cost of \$13,928,950. The original estimate was developed in conjunction with an outside architect firm. The request is to increase construction costs in the amount of \$2,710,455 based on the bid received and provide a contingency reserve for unforeseen future cost increase of \$1,942,050 (15% of construction costs).

The increase in project costs of \$2,710,455 resulted from:

- a. Changes to the project plan required by the State's Office of Statewide Health Planning Development (OSHPD) based on their review of the project plan.
- b. Substantial increase in construction costs. Since the preliminary costs estimate for the project in 2015, construction costs have increase by an annual average of 6% to 10% per Cummings Construction Consultants and similar annual increase estimates by TBD Consulting Group. In addition the availability of construction companies are very limited as reflected in the recent bid to the public as only two bidders submitted interest on the project.

Summary of project costs:

	Approved	Revised	Request Increase
A. Construction	\$10,236,545	\$12,947,000	\$2,710,455
B. Architect and Fees	\$3,692,000	\$3,484,030	no change
C. Total Project	\$13,928,950	\$16,431,030	
D. Contingency		\$1,942,050	\$1,942,050
E. Total Project Incl. Contingency		\$18,373,080	\$4,444,130

#### DISCUSSION:

The Radiology Department is located in Building 500, 1st Floor and requires a complete remodel and modernization. Much of the equipment has not been replaced since the opening of the hospital in 1998 and due to advancements in technology it is now critical for Natividad to replace all its imaging equipment. This project includes the replacement of obsolescent medical equipment, such as Computer Tomography (CT) and Magnetic Resonance Imaging (MRI). The project will consist of reconfiguring eight rooms, adding space for a new MRI machine, increasing room for an additional CT Scan to a total of two machines, upgrading the Ultrasound department, and also adding a new Nuclear Medicine room. The remodeling of several existing rooms will heavily increase cooling requirements, which will require major work to the heating ventilation and air conditioning (HVAC) units, structural support, plumbing and upgrades to the electrical wiring must occur in order to accommodate the electrical needs for the new equipment. This project will provide important updated equipment to support the trauma service and overall general services provided by Natividad.

The California Office of Statewide Health Planning and Development (OSHPD) reviews the plans and specifications of all hospital construction for compliance with the California Building Code prior to approval for permitting. OSHPD also issues the building permits, oversees the construction inspection, and issues approval for occupancy. During the process of plan review, OSHPD makes comments that must be addressed by the architect.

On September 24, 2015 the architect firm submitted the plans and specifications to OSHPD for Plan Review. The 2015 construction cost estimate was based on plans and specifications prior to submitting them to OSHPD. The architect made revisions to the plans and specifications in response to OSHPD comments, equipment vendor changes, and upgrades to building systems that were deemed necessary during the OSHPD review period. Examples of changes that needed to be made were as follows: addition of a large remotely located Uninterrupted Power Supply (UPS) for Interventional Radiology, addition of protective control systems, a change of cabling path from conduit to accessible cable systems, and an addition of a pre-demolition air handling system in order to be code compliant with air exchanges throughout the duration of the project. These changes resulted in a cost increase of \$410,000.

The first response from OSHPD with comments were received on April 2016, (Seven months after original submission). Overall, there were three back check comment periods and an over the counter final review that extended the OSHPD review from seven months to twenty months. The extended amount of time incurred by OSHPD for their approval of the project significantly delayed the start of the project



while construction costs for labor and materials continue to increase. The project received OSHPD plan approval for issuance of a building permit on May 12, 2017.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved this project as to legal form and risk provisions.

The Auditor-Controller has reviewed and approved this project as to fiscal provisions.

FINANCING:

The original approved amount for this project of \$13,928,950 (Budget ID # B16-2016-059) is included in Natividad's Capital Reserve. The increase in project costs will be funded by NMC's Enterprise Fund.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The new radiology equipment will modernize the radiology department and provide improved diagnostic services.

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

Prepared by: Brian Griffin, Project Manager, 783.2605

Approved by: Gary Gray, D.O., Chief Executive Officer, 783.2553



# FINANCIAL STATEMENTS

APRIL 30, 2018

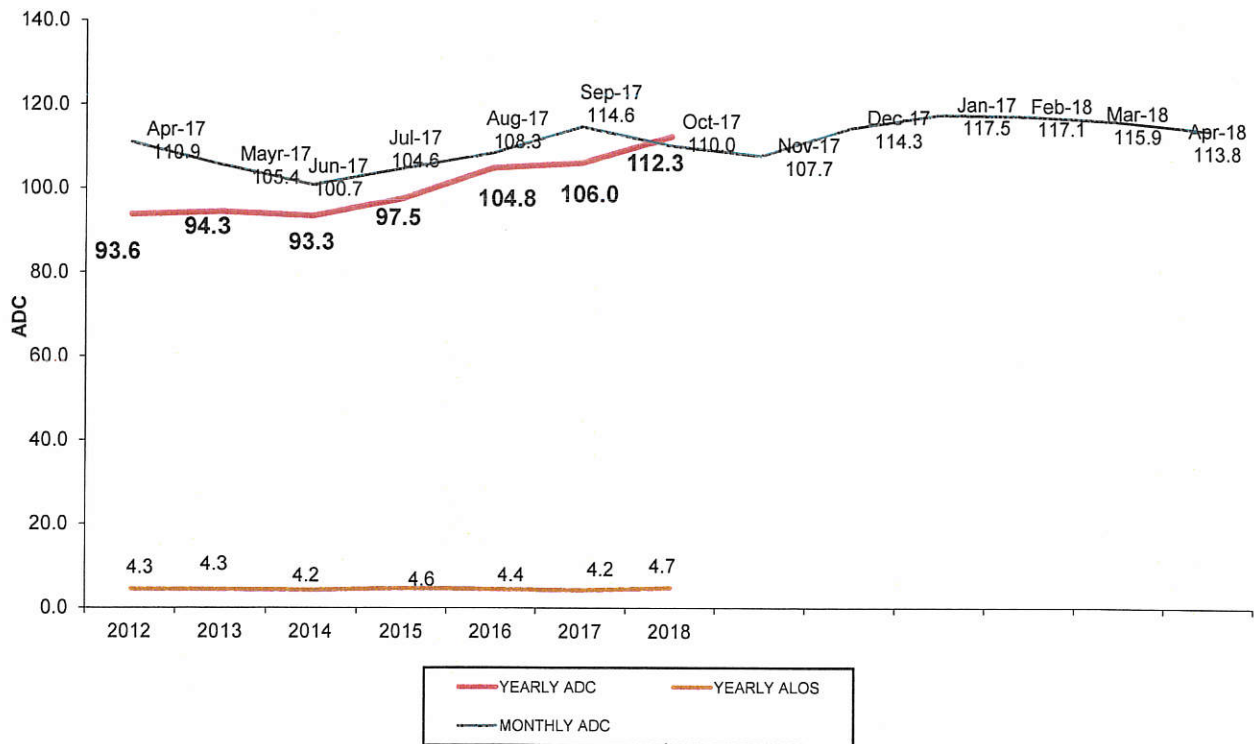


## **FINANCIAL STATEMENTS**

**APRIL 30, 2018**

### **I N D E X**

<b><u>PAGE #</u></b>	<b><u>D E S C R I P T I O N</u></b>
1	TOTAL ADC TREND GRAPH - 2012-2018
2	STATISTICAL REPORT
4	STATEMENT OF REVENUES & EXPENSES AND CHANGES IN NET ASSETS TO BUDGET
5	STATEMENT OF REVENUES & EXPENSES AND CHANGES IN NET ASSETS PER APD
6	BALANCE SHEET
7	SCHEDULE OF STATE / COUNTY RECEIVABLES
8	STATEMENT OF CASH FLOWS
9	RECONCILIATION OF GOVERNMENT FUNDING
10	CASH FLOW PERFORMANCE F/Y17-18 ACTUAL TO BUDGET
11	CASH SCHEDULE FOR F/Y17-18





**NATIVIDAD MEDICAL CENTER  
STATISTICAL REPORT  
APRIL, 2018**

Month-To-Date					Year-To-Date					
02-18	03-18	04-18	Budget		Budget	Current	Prior Yr	%		
PT DAYS BY SERVICE					STAFFED BEDS	CY/PLY				
1	242	262	210	188	NICU	15	1,904	2,346	2,197	6.78%
2	1,437	1,393	1,505	1,285	Med/Surg	35	13,022	14,454	13,544	6.72%
3	218	271	197	201	ICU	10	2,032	2,133	2,227	-4.22%
4	90	75	69	96	Peds	12	972	701	603	16.25%
5	641	707	648	568	Acute Rehab	20	5,756	6,726	5,901	13.98%
6	320	365	393	361	OB/Gyn	26	3,658	3,717	3,531	5.27%
7	2,948	3,073	3,022	2,699	TOTAL ACUTE	118	27,344	30,077	28,003	7.41%
8	330	513	391	448	Psychiatric	19	4,540	4,062	4,247	-4.36%
9	3,278	3,586	3,413	3,147	TOTAL DAYS	137	31,884	34,139	32,250	5.86%
10	299	298	334	320	Nursery	18	3,245	3,087	3,197	-3.44%
AVERAGE DAILY CENSUS										
11	82.4	76.3	79.1	71.0	Acute	98	71.0	76.8	72.7	5.64%
12	22.9	22.8	21.6	18.9	Acute Rehab	20	18.9	22.1	19.4	13.92%
13	11.8	16.5	13.0	14.9	Psychiatric	19	14.9	13.4	14.0	-4.29%
14	117.1	115.7	113.8	104.9	TOTAL	137	104.9	112.3	106.1	5.84%
15	10.7	9.6	11.1	10.7	Nursery	18	10.7	10.2	10.5	-2.86%
PERCENTAGE OF OCCUPANCY										
16	84.1%	77.9%	80.7%	72.4%	Acute		72.4%	78.4%	74.2%	5.6%
17	95.4%	95.0%	90.0%	78.8%	Acute Rehab		78.8%	92.1%	97.0%	-5.1%
18	62.1%	86.8%	68.4%	78.4%	Psychiatric		78.4%	70.5%	73.7%	-4.3%
19	83.0%	82.1%	80.7%	74.4%	TOTAL		74.4%	79.6%	77.4%	2.8%
20	59.4%	53.3%	61.7%	59.4%	Nursery		59.4%	56.7%	58.3%	-2.9%
ADMISSIONS										
21	577	638	634	624	Acute		6,331	6,259	6,231	0.45%
22	47	50	54	42	Acute Rehab		423	484	436	11.01%
23	50	61	63	70	Psychiatric		707	596	631	-5.55%
24	674	749	751	736	TOTAL		7,461	7,339	7,298	0.56%
25	165	170	198	176	Nursery		1,778	1,771	1,744	1.55%
26	171	175	201	219	Deliveries		2,189	1,825	1,787	2.13%
DISCHARGES										
27	594	641	673	624	Acute		6,331	6,405	6,330	1.18%
28	48	50	54	42	Acute Rehab		423	482	431	11.83%
29	47	58	68	70	Psychiatric		707	591	637	-7.22%
30	689	749	795	736	TOTAL		7,461	7,478	7,398	1.08%
31	148	155	172	176	Nursery		1,778	1,609	1,649	-2.43%
AVERAGE LENGTH OF STAY										
32	4.9	4.8	4.5	4.3	Acute(Hospital wide no babies)		4.3	4.7	4.4	6.82%
33	13.6	14.1	12.0	13.5	Acute Rehab		13.6	13.9	13.5	2.96%
34	2.8	2.5	2.5	2.5	OB/Gyn		2.5	2.6	2.6	0.00%
35	6.6	8.4	6.2	6.4	Psychiatric		6.4	6.8	6.7	1.49%
36	1.8	1.8	1.7	1.8	Nursery		1.8	1.7	1.8	-5.56%
OUTPATIENT VISITS										
37	3,943	4,317	4,231	3,700	Emergency Room		37,491	43,965	41,768	5.26%
38	392	427	420	427	ER Admits		4,326	4,289	4,239	1.18%
39	58.2%	57.0%	55.9%	58.0%	ER Admits as a % of Admissions		58.0%	58.4%	58.1%	0.61%
40	5,633	6,397	6,110	5,856	Clinic Visits		59,346	58,981	57,320	2.90%
ANCILLARY PROCEDURES BILLED										
41	42,832	47,521	46,371	38,548	Lab Tests		390,620	447,305	408,759	9.43%
42	3,311	3,747	3,511	2,868	Radiology Procedures		29,065	32,822	33,897	-3.17%
43	164	196	197	181	MRI Procedures		1,834	1,881	1,838	2.34%
44	107	115	131	120	Nuclear Med Procedures		1,205	1,060	1,195	-11.30%
45	929	1,134	1,173	902	Ultrasound Procedures		9,146	10,559	9,767	8.11%
46	1,395	1,492	1,536	1,285	CT Scans		13,016	14,485	12,581	15.13%
47	340	389	357	310	Surgeries		3,098	3,506	3,049	14.99%
48	7.36	7.79	7.65	7.87	FTE'S PER AOB		7.87	7.60	7.48	1.60%
49	1,232.8	1,238.2	1,227.2	1,153.4	TOTAL PAID FTE'S		1,153.4	1,215.3	1,124.2	8.10%
50	4,686	4,926	4,813	4,469	ADJUSTED PATIENT DAYS		45,276	48,587	45,654	6.43%

**NATIVIDAD MEDICAL CENTER**  
**STATEMENT OF REVENUES AND EXPENSES & CHANGES IN NET ASSETS- TREND-NORMALIZED**  
**FOR FY2018**

	JUL-17	AUG-17	SEP-17	OCT-17	NOV-17	DEC-17	JAN-18	FEB-18	MAR-18	APR-18	MAY-18	JUN-18	YTD
<b>REVENUE</b>													
<b>Patient Revenue:</b>													
1 Inpatient	\$ 64,091,842	\$ 65,939,137	\$ 65,843,044	\$ 68,420,254	\$ 63,073,214	\$ 67,354,866	\$ 68,728,856	\$ 64,145,796	\$ 73,744,793	\$ 68,785,589			\$ 670,127,391
2 Pro Fees	2,022,882	1,824,863	2,049,179	2,104,843	1,690,913	2,595,829	2,506,063	1,969,488	2,929,165	2,286,147			21,979,372
3 Outpatient	28,352,815	29,232,758	29,152,792	30,785,303	30,497,723	28,060,545	30,809,214	28,397,263	28,467,822	29,145,780			292,912,015
4 Total Patient Revenue	94,477,539	96,996,758	97,045,015	101,310,400	95,261,850	98,011,240	102,044,133	94,512,547	105,141,780	100,217,516			985,018,778
<b>Deductions from revenue</b>													
5 Contractual Deductions	69,354,132	72,092,912	72,577,106	75,714,974	73,179,328	72,923,980	77,900,737	72,609,956	79,795,005	77,521,785			743,669,915
6 Bad Debt	4,477,278	2,850,631	3,836,017	3,423,175	2,054,444	4,121,100	2,749,775	1,896,915	2,687,130	848,289			28,944,754
7 Unable to Pay	428,055	1,195,624	668,356	783,328	577,925	579,397	639,596	527,204	670,359	345,354			6,413,398
8 Total Contractual Discounts	74,259,465	76,138,167	77,079,479	79,921,477	75,811,597	77,624,477	81,290,408	75,034,075	83,152,494	78,715,428			779,028,067
9 Net Patient Revenue	20,218,074	20,857,591	19,965,536	21,388,923	19,450,253	20,386,763	20,753,725	19,478,472	21,989,286	21,502,088			205,990,711
10 As a percent of Gross Revenue	21.40%	21.50%	20.57%	21.11%	20.42%	20.80%	20.34%	20.61%	20.91%	21.46%			20.91%
11 <b>Total Government Funding</b>	3,792,550	3,792,898	3,793,294	8,697,592	3,794,088	3,164,470	3,112,922	4,954,475	3,112,287	3,245,944			41,460,520
<b>Other Operating Revenue:</b>													
12 Rent Income	101,373	101,371	101,373	101,373	463,517	118,060	118,060	118,061	118,059	118,061			1,459,308
13 Interest Income	58,333	58,333	58,333	58,333	208,650	58,333	58,333	227,147	58,333	374,187			1,218,315
14 NMF Contribution	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000			600,000
15 Other Income	346,604	178,661	315,015	276,016	(2,269)	244,016	709,716	361,926	288,641	611,206			3,327,532
16 Total Other Operating Revenue	566,310	396,365	534,721	495,722	729,898	480,409	946,109	767,134	525,033	1,163,454			6,605,155
17 <b>TOTAL REVENUE</b>	24,576,934	25,046,854	24,293,551	30,582,237	23,974,239	24,031,642	24,812,756	25,200,081	25,626,606	25,911,486			254,056,386
<b>EXPENSE</b>													
18 Salaries, Wages & Benefits	12,366,055	12,534,995	12,878,348	12,431,766	11,809,313	12,348,447	13,921,154	12,293,945	13,271,458	12,770,181			126,625,663
19 Registry	249,758	319,373	345,765	379,056	318,483	323,306	312,195	312,478	449,385	337,893			3,347,692
20 Phys/Residents SWB & Contract Fees	2,757,711	2,829,505	2,971,221	2,923,306	2,935,593	2,912,664	3,072,940	2,902,867	2,878,175	3,447,624			29,629,576
21 Purchased Services	2,754,871	2,345,240	1,979,690	2,556,528	2,338,131	2,435,324	2,500,178	2,838,528	2,284,851	2,615,710			24,649,049
22 Supplies	2,082,026	2,335,133	1,938,533	2,014,089	1,871,153	1,939,834	2,094,194	2,039,045	1,967,746	1,997,316			20,279,069
23 Insurance	183,328	199,281	213,660	199,281	197,708	199,281	199,280	194,564	199,281	197,708			1,983,372
24 Utilities and Telephone	295,777	348,777	335,075	314,598	381,806	197,742	223,163	240,479	248,556	176,367			2,760,340
25 Interest Expense	214,883	200,196	200,196	200,196	200,196	200,196	200,195	180,741	180,741	180,742			1,958,280
26 Depreciation & Amortization	965,471	965,130	965,090	972,038	964,462	1,010,964	967,065	1,054,809	1,007,524	1,004,733			9,877,286
27 Other Operating Expense	346,303	458,909	517,214	457,058	470,692	451,754	507,147	632,291	514,910	566,554			4,922,802
28 <b>TOTAL EXPENSE</b>	22,216,184	22,536,539	22,344,791	22,447,914	21,487,476	22,019,512	23,997,511	22,689,747	22,998,627	23,294,828			226,033,129
29 <b>NET INCOME(LOSS)</b>	2,360,750	2,510,315	1,948,760	8,134,323	2,486,763	2,012,130	815,245	2,510,334	2,627,979	2,616,658			28,023,257
<b>Normalization for Extraordinary Items</b>													
30 Medical Managed Care Rate Range FY15-16				(4,008,924)	-	-	-	-	-	-			(4,008,924)
31 AB915 Medi-Cal OP New Eligible	-	-	-	-	-	-	-	(1,818,033)	-	-			(1,818,033)
32 For Future Use	-	-	-	-	-	-	-	-	-	-			-
33 <b>Total Extraordinary Items</b>	-	-	-	(4,008,924)	-	-	-	(1,818,033)	-	-			(5,826,957)
34 <b>NET INCOME BEFORE Extraordinary Items</b>	\$ 2,360,750	\$ 2,510,315	\$ 1,948,760	\$ 4,125,399	\$ 2,486,763	\$ 2,012,130	\$ 815,245	\$ 692,301	\$ 2,627,979	\$ 2,616,658			\$ 22,196,300
<b>CAPITAL CONTRIBUTIONS</b>													
36 County Contribution													
37 <b>CHANGE IN NET ASSETS</b>	\$ 2,360,750	\$ 2,510,315	\$ 1,948,760	\$ 8,134,323	\$ 2,486,763	\$ 2,012,130	\$ 815,245	\$ 2,510,334	\$ 2,627,979	\$ 2,616,658			\$ 28,023,257

CURRENT MONTH				YEAR -TO -DATE					UNAUDITED
Actual	Budget	Variance fav. (unfav) \$ VAR.	% VAR		Actual	Budget	Variance fav. (unfav) \$ VAR.	% VAR	Prior Yr AVERAGE
<b>REVENUE</b>									
<b>Patient Revenue:</b>									
\$ 68,785,589	\$ 64,494,219	\$ 4,291,370	6.7	Inpatient	\$ 670,127,391	\$ 644,942,190	\$ 25,185,201	3.9	\$ 633,522,852
2,286,147	1,915,601	370,546	19.3	Pro Fees	21,979,372	19,156,010	2,823,362	14.7	20,215,933
29,145,780	28,167,209	978,571	3.5	Outpatient	292,912,015	281,672,090	11,239,925	4.0	271,702,943
100,217,516	94,577,029	5,640,487	6.0	Total Patient Revenue	985,018,778	945,770,290	39,248,488	4.1	925,441,727
<b>Deductions from Revenue</b>									
77,521,785	71,841,582	(5,680,203)	(7.3)	Contractual Deductions	743,669,915	718,415,820	(25,254,095)	(3.5)	703,586,923
848,289	3,138,531	2,290,242	73.0	Bad Debt	28,944,754	31,385,310	2,440,556	7.8	23,492,604
345,354	726,913	381,559	52.5	Unable to Pay	6,413,398	7,269,130	855,732	11.8	7,088,478
78,715,428	75,707,026	(3,008,402)	(4.0)	Total Contractual Discounts	779,028,067	757,070,260	(21,957,807)	(2.9)	734,168,004
21,502,088	18,870,003	2,632,085	13.9	Net Patient Revenue	205,990,711	188,700,030	17,290,681	9.2	191,273,723
21.46%	19.95%			As a percent of Gross Revenue	20.91%	19.95%			20.67%
3,245,944	3,609,469	(363,525)	(10.1)	Total Government Funding	41,460,520	36,094,690	5,365,830	14.87	48,831,077
<b>Other Operating Revenue:</b>									
118,061	118,632	(571)	(0.5)	Rent Income	1,459,308	1,186,320	272,988	23.0	736,715
374,187	58,333	315,854	541.5	Interest Income	1,218,315	583,330	634,985	108.9	736,715
60,000	60,000	-	-	NMF Contribution	600,000	600,000	0	-	750,000
611,206	361,256	249,950	69.2	Other Income	3,327,532	3,612,560	(285,028)	(7.9)	3,232,046
1,163,454	598,221	565,233	94.5	Total Other Operating Revenue	6,605,155	5,982,210	622,945	10.4	5,455,476
25,911,486	23,077,693	2,833,793	12.3	TOTAL REVENUE	254,056,386	230,776,930	23,279,456	10.1	245,560,275
<b>EXPENSE</b>									
12,770,181	12,200,280	(569,901)	(4.7)	Salaries, Wages & Benefits	126,625,663	122,002,800	(4,622,863)	(3.8)	115,179,811
337,893	271,562	(66,331)	(24.4)	Registry	3,347,692	2,715,620	(632,072)	(23.3)	3,539,424
3,447,624	2,698,011	(749,613)	(27.8)	Phys/Residents SWB & Contract Fees	29,515,012	26,980,110	(2,534,902)	(9.4)	28,453,262
2,615,710	2,808,279	192,569	6.9	Purchased Services	24,763,613	28,082,790	3,319,177	11.8	27,813,664
1,997,316	2,126,037	128,721	6.1	Supplies	20,279,069	21,260,370	981,301	4.6	21,840,523
197,708	181,489	(16,219)	(8.9)	Insurance	1,983,372	1,814,890	(168,482)	(9.3)	1,623,679
176,367	276,711	100,344	36.3	Utilities and Telephone	2,760,340	2,767,110	6,770	0.2	2,674,242
180,742	207,539	26,797	12.9	Interest Expense	1,958,280	2,075,390	117,110	5.6	2,113,238
1,004,733	1,102,201	97,468	8.8	Depreciation & Amortization	9,877,286	11,022,010	1,144,724	10.4	9,812,953
568,554	435,455	(131,099)	(30.1)	Other Operating Expense	4,922,802	4,354,550	(568,252)	(13.0)	4,972,349
23,294,828	22,307,564	(987,264)	(4.4)	TOTAL EXPENSE	226,033,129	223,075,640	(2,957,489)	(1	

**NATIVIDAD MEDICAL CENTER**  
**STATEMENT OF REVENUES AND EXPENSES & CHANGES IN NET ASSETS PER ADJUSTED PATIENT DAY**  
**AS OF APRIL, 2018**

CURRENT MONTH					YEAR -TO -DATE					UNAUDITED
		Variance fav. (unfav)					Variance fav. (unfav)			Prior Yr
Actual	Budget	\$ VAR.	% VAR		Actual	Budget	\$ VAR.	% VAR	Average	
4,813	4,470	343	7.7%		48,587	45,276	3,311	7.3%	45,251	



**NATIVIDAD MEDICAL CENTER  
BALANCE SHEET  
AS OF APRIL 30, 2018**

					UNAUDITED				
					YEAR - TO - DATE				
BEGINNING	CURRENT MONTH ENDING	INC/(DEC)	% CHG.		BEGINNING	ENDING	INC/(DEC)	% CHG.	
1 \$ 43,235,589	\$ 58,352,069	\$ 15,116,480	35.0 %	CURRENT ASSETS	\$ 90,005,888	\$ 58,352,069	\$ (31,653,819)	(35.2) %	
2 3,200,000	3,200,000	-	-	CASH	3,200,000	3,200,000	-	-	
3 35,415,268	37,088,072	1,672,804	4.7	SEASIDE CLINICS CASH RESERVE FUND	31,547,298	37,088,072	5,540,774	17.6	
4 30,117,356	22,335,349	(7,782,007)	(25.8)	ACCOUNTS RECEIVABLE NET	12,250,993	22,335,349	10,084,356	82.3	
5 5,336,830	5,409,361	72,531	1.4	STATE/COUNTY RECEIVABLES	3,344,962	5,409,361	2,064,399	61.7	
6 5,658,387	5,990,298	331,911	5.9	INVENTORY	4,044,913	5,990,298	1,945,385	48.1	
7 122,963,430	132,375,149	9,411,719	7.7	PREPAID EXPENSE					
8				TOTAL CURRENT ASSETS	144,394,054	132,375,149	(12,018,905)	(8.3)	
9 292,973,093	293,579,479	606,386	0.2	PROPERTY, PLANT & EQUIPMENT	287,737,666	293,579,479	5,841,813	2.0	
10 (171,490,195)	(172,494,928)	(1,004,733)	(0.6)	LESS: ACCUMULATED DEPRECIATION	(162,617,642)	(172,494,928)	(9,877,286)	(6.1)	
11 121,482,898	121,084,551	(398,347)	(0.3)	NET PROPERTY, PLANT& EQUIPMENT	125,120,024	121,084,551	(4,035,473)	(3.2)	
12 109,494,594	104,175,565	(5,319,029)	(4.9)	OTHER ASSETS	42,843,130	104,175,565	61,332,435	143.2	
13				INVESTMENTS					
14				HELD FOR CONSTRUCTION	-	-	-	-	
15 325,412	325,412	-	-	ACCRUED INTEREST RECEIVABLE	-	-	-	-	
16 \$ 354,266,334	\$ 357,960,677	\$ 3,694,343	1.0 %	FUNDS IN TRUST	324,707	325,412	705	0.2	
17 16,525,908	17,366,158	840,250	5.1	TOTAL INVESTMENTS	324,707	325,412	705	0.2	
18 6,181,839	6,667,561	485,722	7.9	TOTAL ASSETS	\$ 312,681,915	\$ 357,960,677	\$ 45,278,762	14.5 %	
19 44,119,336	44,119,336	0	-	CURRENT LIABILITIES					
20 3,752,345	3,752,345	0	-	ACCRUED PAYROLL	12,933,162	17,366,158	4,432,996	34.3	
21 11,084,404	10,852,594	(231,810)	(2.1)	ACCOUNTS PAYABLE	6,993,637	6,667,561	(326,076)	(4.7)	
22 81,663,832	82,757,994	1,094,162	1.3	MCARE/MEDICAL LIABILITIES	29,015,717	44,119,336	15,103,619	52.1	
23				CURRENT PORTION OF DEBT	3,572,345	3,752,345	180,000	5.0	
24				OTHER ACCRUALS	9,087,856	10,852,594	1,764,738	19.4	
25 42,340,166	42,323,689	(16,477)	(0.0)	TOTAL CURRENT LIABILITIES	61,602,717	82,757,994	21,155,277	34.3	
26 42,340,166	42,323,689	(16,477)	(0.0)	LONG TERM LIABILITIES					
27 204,855,737	204,855,737	-	-	CAPITAL LEASE	-	-	-	-	
28 25,406,599	28,023,257	2,616,658	(10.3)	UN EARNED CONTRIBUTIONS	-	-	-	-	
29 230,262,336	232,878,994	2,616,658	1.1	LONG TERM PORTION OF C.O.P's	46,223,461	42,323,689	(3,899,772)	(8.4)	
30 \$ 354,266,334	\$ 357,960,677	\$ 3,694,343	1.0 %	TOTAL LONG TERM DEBT	46,223,461	42,323,689	(3,899,772)	(8.4)	
				FUND BALANCES					
				ACCUMULATED FUND	204,855,737	204,855,737	-	-	
				CHANGE IN NET ASSETS	-	28,023,257	28,023,257	100.0	
				TOTAL FUND BALANCES	204,855,737	232,878,994	28,023,257	13.7	
				TOTAL LIAB. & FUND BALANCES	\$ 312,681,915	\$ 357,960,677	\$ 45,278,762	14.5 %	

NATIVIDAD MEDICAL CENTER  
STATE AND COUNTY RECEIVABLES  
AS OF 04/30/18

AS OF 04/30/18

ADJ

BALANCE SHEET	<u>Req. Balance</u>	<u>Accruals</u>	<u>Reversals and Reclasses</u>	<u>Medi-Cal Waiver</u>	<u>GPP /PRIME</u>	<u>IGT</u>	<u>Payments</u>	<u>Ending Balance</u>
Medi-Cal Waiver (DSH +SNCP)	\$ 7,020,228	24,191,670				28,421,250	(50,820,663)	8,812,485
EHR Meaningfull Use	599,373						(78,383)	520,990
Hospital Fee	3,699,245	1,214,940					(2,344,294)	2,569,891
CCAH IGT FY15-16	-		4,008,924			11,062,953	(9,163,705)	5,908,172
New Enrollees	-					552,441		552,441
SB1732	-	2,916,660					(3,296,668)	(380,008)
AB 915	-	3,801,361					(1,818,033)	1,983,328
A/R Office Buildings	(258,694)	1,877,997					(1,484,772)	134,531
A/R Manco Abbott	-	472,132					(507,997)	(35,865)
Interest Accrued Positive Cash	(92,257)	1,218,316					(1,126,059)	-
Accrued Donations	1,257,167	600,000					(142,320)	1,714,847
A/R Jail-PG&E	27	479,223					(133,228)	346,022
Health Department	25,903	1,559,834					(1,348,556)	237,181
Ryan White & EIP A/R	-	208,330	(68,819)				(168,178)	(28,667)
STATE RECEIVABLES	\$ 12,250,992	\$ 38,540,462	\$ 3,940,105	\$ -	\$ -	\$ 40,036,644	\$ (72,432,855)	\$ 22,335,349

P & L	YTD
	Apr-18
Medi-Cal DSH /SNCP/PHYS SPA	\$ 10,941,670
PRIME Y3	13,250,000
CCAH Rate Range IGT FY15-16	4,008,924
Hospital Fee	1,214,940
HPE	173,610
HD Residency Support	(416,670)
New Enrollees	4,235,303
AB915	3,801,361
Medicare GME	1,088,147
SB 1732	2,916,660
Ryan White & SAMHSA GRANTS	246,575
GOVERNMENT FUNDING INCOME	\$ 41,460,520

PAGE 7 OF 11 PAGES

**NATIVIDAD MEDICAL CENTER  
STATEMENT OF CASH FLOWS  
AS OF APRIL 30, 2018**

	<u>CURRENT MONTH</u>		<u>YEAR - TO - DATE</u>
1	\$ 46,435,589	CASH AT BEGINNING OF PERIOD	\$ 93,205,888
2		FROM OPERATIONS:	
3	2,616,658	NET INCOME/(LOSS)	28,023,257
4	-	NET INCOME ADJ - PRIOR YEAR	-
5	1,004,733	DEPRECIATION/AMORT	\$ 9,877,286
6	3,621,391	SUBTOTAL	37,900,543
7		CHANGES IN WORKING CAPITAL:	
8	(1,672,804)	ACCOUNTS RECEIVABLE	(5,540,774)
9	7,782,007	STATE/COUNTY RECEIVABLE	(10,084,356)
10	(404,442)	PREPAID EXPENSE & INVENTORY	(4,009,784)
11	840,250	ACCRUED PAYROLL	4,432,996
12	485,722	ACCOUNTS PAYABLE	(326,076)
13	-	MCARE/MEDICAL LIABILITIES	15,103,619
15	-	SHORT TERM DEBT	-
16	(231,810)	ACCRUED LIABILITIES	1,764,738
17	6,798,923	NET (DECREASE)/INCREASE	1,340,363
18		<u>CAPITAL ADDITIONS:</u>	
19	(606,386)	PP&E ADDITIONS	(5,841,813)
20	-	NBV OF ASSETS DISPOSED	-
21	(606,386)	TOTAL CAPITAL (Use of Cash)	(5,841,813)
22		<u>FINANCING ACTIVITY:</u>	
23	-	Short Term Debt	180,000
24	(16,477)	LONG TERM BOND DEBT	(3,899,772)
26	5,319,029	OTHER ASSETS	(61,332,435)
27	-	INVESTMENTS	(705)
28	5,302,552	TOTAL FINANCING	(65,052,912)
29	15,116,480	INC./(DEC.) IN CASH BALANCE	(31,653,819)
30	\$ 61,552,069	CASH BALANCE - END OF PERIOD	\$ 61,552,069

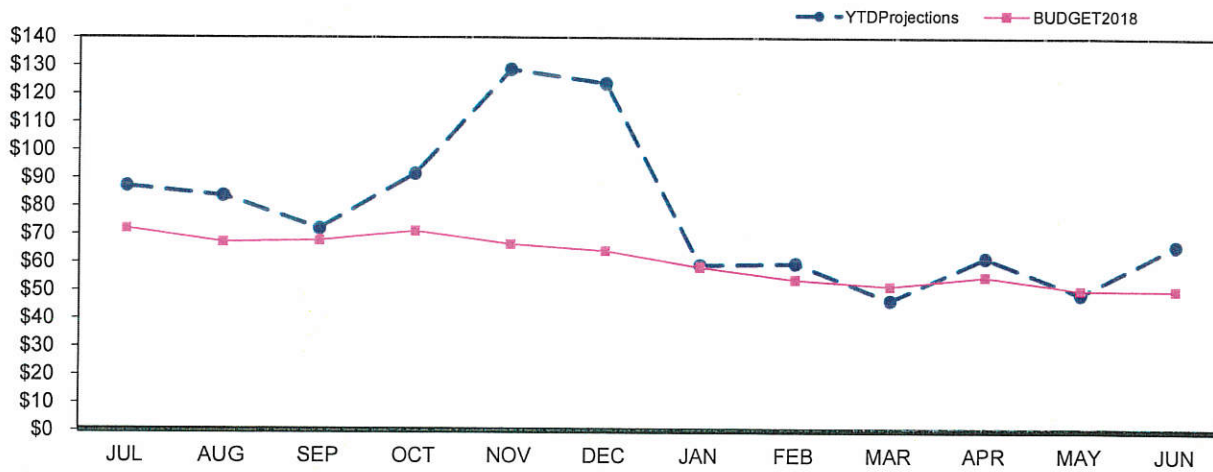
NATIVIDAD MEDICAL CENTER  
RECONCILIATION OF GOVERNMENT FUNDING  
FISCAL YEAR 2018

	<u>BDGT-18</u>	<u>ESTIMATE</u> <u>FY2018</u>	<u>Variance to Budget</u>
Medi-Cal DSH Waiver	\$ 12,330,000	\$ 12,330,000	\$ -
PRIME Y3	15,900,000	15,900,000	\$ -
New Enrollees FY17-18	5,843,712	4,235,303	\$ (1,608,409)
AB915	2,380,000	3,776,978	\$ 1,396,978
SB1732	3,500,000	3,996,000	\$ 496,000
CCAH Rate Range FY15-16	-	4,008,924	\$ 4,008,924
HIV Grants	250,000	250,000	\$ -
Physician SPA	800,000	800,000	\$ -
HD Residency Support	(500,000)	(500,000)	\$ -
Medicare GME & B/D	1,352,000	1,352,000	\$ -
Provider Fee	<u>1,457,922</u>	<u>912,000</u>	<u>\$ (545,922)</u>
	\$ 43,313,634	\$ 47,061,205	\$ 3,747,571





### Cash Flow Performance Fiscal Year 2018 (in Millions)



	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ESTIMATE	ESTIMATE
Months	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
YTD	87.0	83.6	71.9	91.4	128.5	123.6	58.9	59.6	46.4	61.6	48.6	65.9
BDGT	72.0	67.3	67.8	71.1	66.4	64.1	58.4	53.9	51.6	55.0	50.2	50.2
Variance	15.1	16.3	4.1	20.4	62.1	59.5	0.5	5.6	(5.2)	6.6	(1.7)	15.7

NATIVIDAD MEDICAL CENTER  
CASH FORECAST  
FISCAL YEAR 17-18

	ACTUAL JUL	ACTUAL AUG	ACTUAL SEP	ACTUAL OCT	ACTUAL NOV	ACTUAL DEC	ACTUAL JAN	ACTUAL FEB	ACTUAL MAR	ACTUAL APR	Projection MAY	Projection JUN	Projection YTD
Beginning Balance	93,189,508	87,019,713	83,567,348	71,927,554	91,436,435	128,531,490	123,590,466	58,913,855	59,565,082	48,426,848	61,540,787	48,578,284	93,189,508
<b>CASH RECEIPTS</b>													
Patient Revenues (incl pre fees and lab cop)	18,801,374	19,492,316	17,317,274	21,133,228	21,687,443	18,802,603	19,321,906	20,251,544	19,192,218	19,849,337	19,058,429	18,438,045	233,345,536
Provider Fee	-	-	-	1,580,628	-	-	-	-	444,529	194,839	-	728,961	2,548,957
ABSS	879,828	879,876	680,372	1,532,022	663,305	-	-	-	-	-	-	-	4,235,303
Medicare EHR Incentive	-	-	-	-	-	-	-	-	-	78,383	-	-	78,383
Med-Coll HFE	-	-	-	43,724	-	-	-	-	-	-	-	-	43,724
SHORT DOYLE	-	-	656,423	348,808	247,151	389,106	298,387	326,381	301,739	364,104	173,460	173,460	3,279,018
HEV GRANTS	-	-	40,995	17,597	44,715	27,824	25,881	20,383	66,513	31,334	20,833	20,833	316,908
CCAH Rate Range FY15-16 & FY16-17	-	-	-	9,163,765	-	-	-	-	-	-	-	-	9,163,765
CCAH PROVIDER INCENTIVE GRANT	112,500	950	-	1,216,641	-	-	-	-	-	-	-	-	19,060,493
HEALTH DEPARTMENT REIMB	-	144,723	-	-	170,349	305,474	143,371	-	133,019	130,374	268,527	175,000	1,854,837
Juvenile Hall Medical Services/Probation	-	-	-	-	-	-	-	-	-	64,695	-	-	1,330,081
ABSS	-	-	-	-	-	-	-	-	1,818,033	-	-	1,858,945	3,776,978
GPP Y1 Final Payment	-	205,583	-	-	-	-	-	-	-	-	-	-	205,583
GPP Y2 4th QTR	-	-	-	8,107,827	-	-	-	-	-	-	-	-	8,107,827
GPPY3	-	-	-	7,689,365	-	-	7,689,365	-	-	10,403,777	-	-	25,882,507
PRIME	-	-	-	-	18,724,748	-	-	-	-	-	-	-	15,900,000
PHYS SPA	-	-	-	-	-	-	-	-	-	-	-	-	32,624,746
SBI732	-	-	-	3,296,668	-	-	-	-	-	-	-	-	600,000
Foundation	-	-	-	-	124,346	-	-	-	-	-	-	-	3,996,668
TIME BIWEEKLY	103,096	103,096	103,096	103,096	103,096	154,844	103,096	106,232	102,462	105,000	105,000	105,000	1,296,914
Rent Income	17,388	34,782	63,530	133,555	57,970	527,334	37,870	45,827	75,368	42,673	94,667	94,667	1,745,739
CCAH MCE to Cost FY15-16	-	-	-	-	16,791,014	-	-	-	-	-	-	-	16,791,014
Interest Income	-	-	-	325,317	-	-	-	343,813	-	456,926	175,000	-	1,301,059
Fund 404 Transfer	-	-	-	-	-	-	-	-	-	5,269,583	678,748	678,748	6,627,078
Miscellaneous Revenue	15,962	71,896	237,706	150,975	63,708	226,106	328,942	-	356,943	459,782	225,000	225,000	2,312,026
Total Cash Receipts	19,729,747	20,733,342	10,099,405	55,013,505	56,812,958	20,270,988	27,825,547	21,227,199	22,497,199	37,588,963	20,506,136	50,065,446	371,370,445
<b>CASH DISBURSEMENTS</b>													
Purchased Services and Supplies	7,583,906	5,832,819	7,548,788	7,656,490	5,831,361	7,716,513	10,138,113	7,039,442	7,293,092	6,255,667	8,125,597	7,863,481	88,888,270
HD Clinic Incentive and GPP Y2 Transfer	-	-	-	-	-	-	-	-	517,965	-	-	500,000	1,017,965
ABSS 16T Jan-Jun, 2017	-	-	-	-	-	-	-	-	552,441	-	-	-	552,441
Rate Range Assessment Fee FY15-16 & FY16-17	-	809,130	-	-	-	-	-	-	949,778	-	-	-	1,808,908
Rate Range 16T FY15-16 & FY16-17	-	4,255,651	-	-	-	-	-	-	4,958,294	-	-	-	9,254,045
PRIME DY12 & DY13 16T	-	-	-	8,362,448	-	-	-	-	-	7,950,000	-	-	16,312,448
GPP Y1 16T	50,437	-	-	-	-	-	-	-	-	-	-	-	50,437
GPP Y2 4th QTR 16T	-	-	4,757,574	-	-	-	-	-	-	-	-	-	4,757,574
GPP Y3 QTR 16T	-	-	4,548,412	-	-	4,548,412	-	-	6,154,042	-	-	-	15,250,868
BOE Q1 Sales and Use Tax	18,312	-	-	-	-	-	-	-	-	-	-	-	18,312
Building Lease / Rental Equipment	275,979	235,347	271,915	202,063	225,742	254,383	291,821	277,790	202,045	313,277	202,045	202,045	2,907,970
COP Principal & Interest Payments	4,640,388	-	-	-	-	-	680,059	-	91,039	-	-	-	5,426,484
Payroll and Benefits	12,490,299	12,306,799	12,520,503	17,750,095	12,692,587	12,427,811	13,495,605	13,026,522	13,223,967	13,067,581	13,641,279	13,201,237	159,844,286
Expenses Care	-	-	-	-	-	-	240,880	-	27,569	357,097	-	-	625,566
CONCAC	-	-	-	-	-	-	-	-	-	-	-	-	3,328,858
FY17-18 MH INOU	-	-	202,144	103,307	95,230	-	57,433	97,090	98,102	92,525	100,000	100,000	545,831
Date Processing	178,749	198,663	200,958	178,749	221,513	199,623	178,749	-	400,484	676,363	196,252	196,252	3,020,424
Transfer from Fund 451 to Fund 001 Strategic	-	-	-	-	-	-	7,200,000	-	-	-	-	-	7,200,000
Transfer from Fund 451 to Fund 404	-	-	-	-	-	-	59,896,475	-	-	-	-	-	59,896,475
Capital Expenditures FY18	703,878	457,298	688,255	1,253,460	651,480	63,070	118,323	135,168	1,166,475	1,512,484	1,214,918	2,734,663	10,697,455
Capital Expenditures Fund 404	-	-	-	-	-	-	-	-	-	-	2,038,528	4,588,530	6,627,058
Total Cash Disbursements	25,899,942	24,185,707	30,739,189	35,504,834	19,717,913	25,212,012	92,502,158	20,575,972	35,635,433	22,475,024	33,468,639	32,715,066	358,631,709
Increase/(Decrease)	(6,170,195)	(3,452,365)	(11,639,784)	19,508,671	37,095,055	(4,941,024)	(64,676,612)	651,227	(13,138,234)	15,113,939	(12,962,503)	17,350,360	(27,261,265)
Ending Cash Fund 451	87,019,713	83,567,348	71,927,554	91,436,435	128,531,490	123,590,466	58,913,855	59,565,082	48,426,848	61,540,787	48,578,284	65,928,643	65,928,643
(-) Credit Card Account - Fund 27	9,854	8,828	1,095	2,437	5,083	2,560	3,111	5,941	5,061	7,602	-	-	-
(-) Petty Cash	3,680	3,680	3,680	3,680	3,680	3,680	3,680	3,680	3,680	3,680	-	-	-
Ending Cash as per G/L	87,033,247	83,579,856	71,932,339	91,442,552	128,540,253	123,596,706	58,920,646	59,574,703	48,435,589	61,552,069	48,578,284	65,928,643	65,928,643
<b>Fund 404</b>													
Beginning Balance	21,044,996	21,044,996	21,044,996	21,044,996	21,044,996	21,044,996	21,044,996	80,941,471	80,941,471	80,941,471	75,671,888	73,633,360	73,633,360
Transfer In from 451	-	-	-	-	-	-	59,896,475	-	-	-	-	-	-
Capital Expenditures	-	-	-	-	-	-	-	-	-	-	(2,038,528)	(4,588,530)	(4,588,530)
Ending Cash Fund 404	21,044,996	21,044,996	21,044,996	21,044,996	21,044,996	21,044,996	80,941,471	80,941,471	80,941,471	75,671,888	73,633,360	69,044,830	69,044,830
Ending Cash Fund 451 & 404	108,064,709	104,612,344	92,972,560	112,481,431	149,576,486	144,635,462	139,655,326	140,506,553	127,368,319	137,212,675	122,211,644	134,973,473	