September 27, 2011

Board of Supervisors
Kern County Administrative Center
1115 Truxtun Avenue
Bakersfield, CA 93301

PROPOSED RETROACTIVE AMENDMENT NO. 1 TO AGREEMENT #1088-2010
FOR PROFESSIONAL SERVICES WITH THE REGENTS OF THE UNIVERSITY OF
CALIFORNIA, AN INDEPENDENT CONTRACTOR
Fiscal Impact: $377,900;
KMC Enterprise Fund; Budgeted; Discretionary

Kern Medical Center (KMC) requests your Board retroactively approve Amendment No. 1
to Agreement #1088-2010 for Professional Services with The Regents of the University of
California (UCLA), for specialized pediatric and maternal fetal medicine (MFM) services to
patients at KMC.

On September 6, 2011, your Board was provided notice that the Amendment would be
retroactive. The Agreement expired June 30, 2011 and KMC was waiting on UCLA for a
budget for this fiscal year. It was originally anticipated that the budget would be received
prior to the expiration date of the agreement. Unfortunately, this did not happen.

KMC does not have the necessary medical expertise on its staff to provide specialized
pediatric services to its patient population. UCLA staff has the medical expertise
necessary and is willing to provide consultant services to the medical and educational
programs of KMC on a regular basis. Services will be provided by physicians holding
faculty or staff appointments in pediatrics. The budget schedule set forth in Exhibit “A” to
the Amendment provides a breakdown of the faculty and nursing honorarium that KMC
pays for these services. KMC pays an all-inclusive flat rate for the UCLA staff to provide
services. The costs are paid from professional fee collections made by KMC. The total
cost of pediatric specialty services is $72,900 per year.

The Amendment also includes MFM coverage for the OB/GYN department. Sixty-five
percent of deliveries at KMC are high risk due to complications from Rh sensitivity, fetal
anomalies, and medical conditions that place these patients at high risk. Sending these
patients to Los Angeles or Fresno for MFM services is not a viable option. The patients are
too sick and often do not have transportation available to them. KMC does not have
physicians or staff to provide this invaluable service to its high risk obstetrical patients.
As set forth in Exhibit "B" to the Amendment, Dr. Koos, a physician specialized in MFM, will provide onsite consultation one half day per week on Monday from 8am to 12pm, one day per week, one full day per week on Thursdays from 8am to 5pm, and two half days per month on Friday from approximately 8am to 12pm, unless mutually agreed upon alternative days of the week are selected. The scope of services will include teaching and consultation in a high-risk conference, high-risk clinic, and other designated activities. Dr. Koos has provided these services on an ongoing basis since November 2008.

KMC will pay UCLA for the services provided by Dr. Koos as follows; a fixed fee amount for onsite consultation at the rate of $1,250 per day for Monday only onsite consultation, $2,500 per day for Thursday only coverage or a fixed fee amount of $3,500 for both Thursday and Friday coverage. In addition to onsite consultation, Dr. Koos will be available for offsite telephonic consultations on a 24/7 basis, except when he specifies in advance that he will not be available for such coverage. Dr. Koos will be paid a fixed fee amount for offsite telephonic call coverage at the rate of $8 per hour. Dr. Koos will be reimbursed for all approved travel expenses incurred by him on behalf of his work at KMC in an amount not to exceed $20,000 for the term of the Agreement. Total compensation for onsite and telephone consultation services will not exceed $285,000 per year.

The proposed Amendment extends the term of the Agreement for one year, from July 1, 2011 through June 30, 2012. The not to exceed amount for the combined pediatric and MFM services including travel totals $377,900.

The Amendment has been reviewed and approved as to form by the Office of County Counsel. The County Administrative Office concurs with the recommendation.

Therefore, IT IS RECOMMENDED that your Board retroactively approve Amendment No. 1 to Agreement #1088-2010 for Professional Services with The Regents of the University of California, for specialized pediatric and maternal fetal medicine services, extending the term from July 1, 2011 through June 30, 2012, increasing the not to exceed amount by $377,900, from $402,900 to $780,800, and authorize the Chairman to sign.

Sincerely,

[Signature]

Paul J. Hensler, FACHE
Chief Executive Officer

PJH:lo:img
cc: Elsa Martinez, Deputy CAO