



AGENDA

KERN COUNTY HOSPITAL AUTHORITY BOARD OF GOVERNORS

**Kern Medical Center
1700 Mount Vernon Avenue
Bakersfield, California 93306**

Regular Meeting
Wednesday, December 15, 2021

11:30 A.M.

BOARD TO RECONVENE

Board Members: Alsop, Berjis, Bigler, Brar, Kitchen, McLaughlin, Pelz
Roll Call:

CONSENT AGENDA/OPPORTUNITY FOR PUBLIC COMMENT: ALL ITEMS LISTED WITH A "CA" ARE CONSIDERED TO BE ROUTINE AND NON-CONTROVERSIAL BY KERN COUNTY HOSPITAL AUTHORITY STAFF. THE "CA" REPRESENTS THE CONSENT AGENDA. CONSENT ITEMS WILL BE CONSIDERED FIRST AND MAY BE APPROVED BY ONE MOTION IF NO MEMBER OF THE BOARD OR AUDIENCE WISHES TO COMMENT OR ASK QUESTIONS. IF COMMENT OR DISCUSSION IS DESIRED BY ANYONE, THE ITEM WILL BE REMOVED FROM THE CONSENT AGENDA AND WILL BE CONSIDERED IN LISTED SEQUENCE WITH AN OPPORTUNITY FOR ANY MEMBER OF THE PUBLIC TO ADDRESS THE BOARD CONCERNING THE ITEM BEFORE ACTION IS TAKEN.

STAFF RECOMMENDATION SHOWN IN CAPS



PUBLIC PRESENTATIONS

- 1) 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. 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 later meeting. In addition, the Board may take action to direct the staff to place a matter of business on a future agenda. **SPEAKERS ARE LIMITED TO TWO MINUTES. PLEASE STATE AND SPELL YOUR NAME BEFORE MAKING YOUR PRESENTATION. THANK YOU!**

BOARD MEMBER ANNOUNCEMENTS OR REPORTS

- 2) On their own initiative, Board members may make an announcement or a report on their own activities. They may ask a question for clarification, make a referral to staff or take action to have staff place a matter of business on a future agenda (Government Code section 54954.2(a)(2))

RECOGNITION

- 3) Resolution honoring Toni Smith, Chief Nursing Officer, upon her retirement with 25 years of dedicated service to Kern Medical Center and the nursing profession –
ADOPT RESOLUTION
- 4) Resolution honoring Clinica Sierra Vista for 50 years of dedicated service to Kern County and Stacy Ferreira, Chief Executive Officer, for her outstanding leadership of the organization –
ADOPT RESOLUTION

ITEMS FOR CONSIDERATION

- CA
- 5) Proposed Resolution in the matter of making findings pursuant to Government Code Section 54953, as amended by Assembly Bill 361, and authorizing the continued use of virtual meetings –
APPROVE; ADOPT RESOLUTION
- CA
- 6) Minutes for the Kern County Hospital Authority Board of Governors regular meeting on November 17, 2021 –
APPROVE
- CA
- 7) Proposed Amendment No. 2 to Agreement 014-2019 with Meridian Healthcare Partners, Inc., an independent contractor, for Chief Executive Officer and healthcare management services for the period December 16, 2018 through December 15, 2025, extending the term for an additional three years through December 15, 2028, revising the compensation methodology effective December 16, 2021, and adding a new maximum payable of \$10,859,649 for the two-year period from December 16, 2021 through December 15, 2023 –
APPROVE; AUTHORIZE CHAIRMAN TO SIGN

CA

- 8) Proposed Agreement with Adventist Health Physicians Network, an independent contractor, for the provision of certain Kern Medical Center physicians to provide professional services in various clinical specialties including neurological surgery at Adventist Health Bakersfield from January 1, 2022 through December 31, 2031 –
APPROVE; AUTHORIZE CHIEF EXECUTIVE OFFICER TO SIGN SUBJECT TO APPROVAL AS TO FORM BY COUNSEL

CA

- 9) Proposed Agreement with Valley Neurosurgery and Neurorestoration Center, A Medical Corporation, an independent contractor, for the provision of neurological surgery professional services at Adventist Health Bakersfield from January 1, 2022 through December 31, 2024, in an amount not to exceed \$6,000,000 –
APPROVE; AUTHORIZE CHIEF EXECUTIVE OFFICER TO SIGN SUBJECT TO APPROVAL AS TO FORM BY COUNSEL

CA

- 10) Proposed retroactive Change Order No. 3 to Agreement 006-2021 with James E. Thompson, Inc., doing business as JTS Construction, an independent contractor, for construction management services related to the 4th Floor Pediatric and Postpartum Renovation project, increasing the maximum payable by \$33,588, from \$1,660,923 to \$1,694,511, to cover the cost of additional services –
MAKE FINDING PROJECT IS EXEMPT FROM FURTHER CEQA REVIEW PER SECTIONS 15301 AND 15061(b)(3) OF STATE CEQA GUIDELINES; APPROVE; AUTHORIZE CHAIRMAN TO SIGN; AUTHORIZE CHIEF EXECUTIVE OFFICER TO APPROVE ANY FUTURE CHANGE ORDERS IN AN AMOUNT NOT TO EXCEED 10% OF \$1,694,511

CA

- 11) Proposed Sourcewell State & Local FMV Lease Agreement with Pitney Bowes Inc., an independent contractor, containing nonstandard terms and conditions, for postage mail equipment and services from December 15, 2021 through December 16, 2026, in an amount not to exceed \$52,845 plus applicable taxes and fees –
APPROVE; AUTHORIZE CHAIRMAN TO SIGN

CA

- 12) Proposed Certificate of Acceptance and Acknowledgement of Assignment with Presidio Technology Capital, LLC, an independent contractor, for the acceptance of leased equipment and the assignment of payments in support of the information technology infrastructure –
APPROVE; AUTHORIZE CHAIRMAN TO SIGN

CA

- 13) Proposed retroactive Amendment No. 5 to Agreement 1048-2010 with Total Renal Care, Inc., an independent contractor, an independent contractor, for acute dialysis services for the period December 1, 2010 through November 30, 2021, extending the term through January 29, 2022 –
APPROVE; AUTHORIZE CHIEF EXECUTIVE OFFICER TO SIGN

14)

- Kern County Hospital Authority Chief Financial Officer report –
RECEIVE AND FILE

- 15) Kern County Hospital Authority Chief Executive Officer report –
RECEIVE AND FILE

CA

- 16) Claims and Lawsuits Filed as of November 30, 2021 –
RECEIVE AND FILE

ADJOURN TO CLOSED SESSION

CLOSED SESSION

- 17) Request for Closed Session regarding peer review of health practitioners (Health and Safety Code Section 101855(j)(2)) –
- 18) Request for Closed Session regarding per review of health facilities (Health and Safety Code Section 101855(j)(2)) –

RECONVENE FROM CLOSED SESSION

REPORT ON ACTIONS TAKEN IN CLOSED SESSION

ADJOURN TO WEDNESDAY, JANUARY 19, 2022 AT 11:30 A.M.

SUPPORTING DOCUMENTATION FOR AGENDA ITEMS

All agenda item supporting documentation is available for public review at Kern Medical Center in the Administration Department, 1700 Mount Vernon Avenue, Bakersfield, 93306 during regular business hours, 8:00 a.m. – 5:00 p.m., Monday through Friday, following the posting of the agenda. Any supporting documentation that relates to an agenda item for an open session of any regular meeting that is distributed after the agenda is posted and prior to the meeting will also be available for review at the same location.

AMERICANS WITH DISABILITIES ACT (Government Code Section 54953.2)

The Kern Medical Center Conference Room is accessible to persons with disabilities. Disabled individuals who need special assistance to attend or participate in a meeting of the Kern County Hospital Authority Board of Governors may request assistance at Kern Medical Center in the Administration Department, 1700 Mount Vernon Avenue, Bakersfield, California, or by calling (661) 326-2102. Every effort will be made to reasonably accommodate individuals with disabilities by making meeting material available in alternative formats. Requests for assistance should be made five (5) working days in advance of a meeting whenever possible.

16) CLAIMS AND LAWSUITS FILED AS OF NOVEMBER 30, 2021 –
RECEIVE AND FILE

- A) Summons and Complaint in the matter of Ruben Sanchez Davila, Jr., an individual, v. Kern County Hospital Authority, an entity of unknown structure; David Pouldar, M.D.; Rachel O'Donnell, M.D.; Tom Chao, M.D.; and DOES 1-100, inclusive, Kern County Superior Court Case No. BCV-21-102611
- B) Notice of Intent to Sue in the matter of Rontasia Patterson
- C) Claim in the matter of Kenneth Albert Hutchins



**Resolution Honoring Antoinette (Toni) Smith, MSN, RN, Chief Nursing Officer,
Upon Her Retirement with 25 Years of Dedicated Service to Kern Medical Center
And the Nursing Profession**

WHEREAS:

- A) Toni Smith joined Kern Medical Center in 1996, as Chief Nursing Officer; and
- B) During her time at Kern Medical Center, Toni has served as Chief Nursing Officer under four different hospital administrations; and
- C) Over the years, while sharing her compassion for the sick and underserved, Toni has focused on the development of the nursing profession in our community; and
- D) Toni is a role model for all serving in the nursing profession and those wishing to enter nursing as a career; and
- E) Toni relentlessly emphasizes the care and safety of patients to all staff; and
- F) Toni has exemplified selflessness, tirelessly worked to elevate the quality of patient care, and is always available to her staff around the clock; and
- G) Toni is personally committed to ensuring the success of Kern Medical Center throughout all her years of service; and
- H) Toni embodies the organizational values and mission of Kern Medical Center by serving the most vulnerable, training healthcare professionals, and caring for all who enter our doors and live in our community.

NOW, THEREFORE, IT IS RESOLVED that the Board of Governors of Kern County Hospital Authority hereby honors and commends Chief Nursing Officer Toni Smith for her 25 years of dedicated service to Kern Medical Center and the nursing profession, and the Board expresses its sincerest appreciation to Toni for all her accomplishments and extends its best wishes as she retires from her role as Chief Nursing Officer on December 27, 2021.

Adopted: December 15, 2021

Russell E. Bigler
Chairman, Board of Governors
Kern County Hospital Authority

**Resolution Honoring and Commending Clinical Sierra Vista for
50 Years of Dedicated Service to Kern County**

WHEREAS:

- A) Clinica Sierra Vista was formed in 1971 during the early days of the Community Health Center Movement; and
- B) Clinica Sierra Vista started from a single location in the Kern County farming community of Weedpatch; and
- C) The initial vision of Clinica Sierra Vista was to provide quality health care to migrant farmworkers; and
- D) Over the years, Clinica Sierra Vista has expanded its footprint and growth to offer care and support beyond rural areas to the inner city; and
- E) Today, Clinica Sierra Vista offers care to all those with low, moderate, and fixed incomes; and
- F) Clinica Sierra Vista serves patients and their families from an array of cultural and multilingual backgrounds; and
- G) Through its dynamic leadership, Clinica Sierra Vista has grown into a comprehensive healthcare organization serving the primary medical, dental, and behavioral health needs of Kern County and beyond.

NOW, THEREFORE IT IS RESOLVED that the Board of Governors of Kern County Hospital Authority honors and commends Clinical Sierra Vista for its outstanding accomplishments these past five decades and expresses an appreciation for its partnership and mission to care for the most vulnerable of the Kern County community.

Adopted: December 15, 2021

Russell E. Bigler
Chairman, Board of Governors
Kern County Hospital Authority



**BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING**

December 15, 2021

Subject: Proposed Resolution in the matter of making findings pursuant to Government Code Section 54953, as amended by Assembly Bill 361, and authorizing the continued use of virtual meetings

Recommended Action: Approve; Adopt Resolution

Summary:

On March 17, 2020 Governor Newsom issued Executive Order N-29-20 due to the COVID-19 pandemic. These orders specified relaxed provisions of meetings under the Ralph M. Brown Act (California's open meeting law; "Brown Act") allowing meetings to be conducted through teleconferencing. Executive Order N-29-20 expired on September 30, 2021. In response, on September 16, 2021, Governor Newsom signed Assembly Bill (AB) 361, which amends Government Code Section 54953 clarifying the Brown Act regulations and restrictions relating to the use of teleconferencing to conduct public meetings.

Discussion:

Currently the Brown Act states that should a legislative body elect to use teleconferencing it must identify each teleconferencing location in the public notice and agenda. The agenda is required to be posted at all teleconferencing locations and all locations must be publicly accessible. Additionally, a quorum of the members of the legislative body must participate from a teleconferencing location that is physically within the jurisdictional boundaries of the public agency.

Governor Newsom issued Executive Order N-29-20 suspending the Brown Act requirements due to the COVID-19 pandemic with the intention of facilitating social distancing and the mitigation of COVID-19. The Executive Order expired on September 30, 2021. In response on September 16, 2021 Governor Newsom signed AB 361 to replace the expired Executive Order.

Similar to Executive Order N-29-20, AB 361 applies during a State of Emergency proclaimed by the Governor. In addition to the State of Emergency, one of the following conditions must apply:

- State or local officials have impose or recommended measures to promote social distancing,
- The legislative body is meeting to determine whether, because of the emergency, meeting in person would present imminent risks to the health or safety of attendees; or
- The legislative body has determined that, because of the emergency, meeting in person presents imminent risks to the health or safety of attendees.

If the prerequisites mentioned above are met AB 361 provides an exemption to the regular Brown Act teleconferencing requirements and an alternate set of requirements will apply. Those requirements include:

- Adequate notice of the meeting and post an agenda as required by the Brown Act;
- The agenda is not required to list each teleconference location or be physically posted at each teleconference location;
- If there is a disruption in the public broadcast or the call-in or internet-based meeting service, the legislative body must cease and take no further action on agenda items until public access is restored; and
- Local agencies cannot require that public comment be submitted prior to the meeting, and must allow for live public comment during the specified public comment period of the meeting.

AB 361 sunsets on January 1, 2024. If your Board determines that it is in the best interest of public health and safety to continue to hold virtual public meetings, continued reliance will require your Board to reevaluate and adopt a new resolution every 30 days.

Therefore, it is recommended that your Board adopt the attached Resolution.

**BEFORE THE BOARD OF GOVERNORS
OF THE KERN COUNTY HOSPITAL AUTHORITY**

In the matter of:

Resolution No. 2021-____

**MAKING FINDINGS PURSUANT TO
GOVERNMENT CODE SECTION 54953, AS
AMENDED BY ASSEMBLY BILL 361, AND
AUTHORIZING THE CONTINUED USE OF
VIRTUAL MEETINGS**

I, MONA A. ALLEN, Authority Board Coordinator for the Kern County Hospital Authority, hereby certify that the following Resolution, on motion of Director _____, seconded by Director _____, was duly and regularly adopted by the Board of Governors of the Kern County Hospital Authority at an official meeting thereof on the 15th day of December, 2021, by the following vote, and that a copy of the Resolution has been delivered to the Chairman of the Board of Governors.

AYES:

NOES:

ABSENT:

MONA A. ALLEN
Authority Board Coordinator
Kern County Hospital Authority

Mona A. Allen

RESOLUTION

Section 1. WHEREAS:

(a) As a result of the COVID-19 pandemic, Governor Newsom issued Executive Order Nos. N-08-21, N-25-20 and N-29-20, which suspended certain provisions of the Ralph M. Brown Act to allow legislative bodies to conduct public meetings without strict compliance with the teleconferencing provisions of the Brown Act; and

(b) Assembly Bill 361, signed into law on September 16, 2021, amended Government Code section 54953, effective October 1, 2021, to provide relief from the teleconferencing provisions of the Brown Act under certain circumstances provided the legislative body makes certain findings; and

(c) As a result of the COVID-19 pandemic, the Governor proclaimed a state of emergency on March 4, 2020, in accordance with section 8625 of the California Emergency Services Act, and the state of emergency remains in effect; and

(d) As a result of the COVID-19 pandemic, the California Department of Public Health and County of Kern Public Health Services continue to recommend measures to promote social distancing.

NOW, THEREFORE, IT IS HEREBY RESOLVED by the Board of Governors of the Kern County Hospital Authority, as follows:

1. This Board finds the facts recited herein are true, and further finds that this Board has jurisdiction to consider, approve, and adopt the subject of this Resolution.

2. This Board hereby finds that the state of emergency continues to directly impact the ability of the members of the Board of Governors to meet safely in person, and further that state and local officials continue to impose or recommend measures to promote social distancing.

3. This Board hereby authorizes the Board of Governors to continue to conduct public meetings in accordance with Government Code section 54953, as amended by Assembly Bill 361.

4. This Resolution will be in effect during the period in which state or local public officials impose or recommend measures to promote social distancing.

5. This Resolution shall take effect immediately upon its adoption and remain in effect until January 19, 2022.

6. This Board shall reevaluate the above findings on January 19, 2022, and every 30 days thereafter.

7. Resolution No. 2021-013, adopted by the Board of Governors on November 17, 2021, is hereby repealed and superseded by this Resolution.

8. This Board hereby directs staff to take all actions necessary to carry out the intent and purpose of this Resolution.

9. The Authority Board Coordinator shall provide copies of this Resolution to the following:

Members, Board of Governors
Chief Executive Officer
Legal Services Department



SUMMARY OF PROCEEDINGS

KERN COUNTY HOSPITAL AUTHORITY BOARD OF GOVERNORS

**Kern Medical Center
1700 Mount Vernon Avenue
Bakersfield, California 93306**

Regular Meeting
Wednesday, November 17, 2021

11:30 A.M.

BOARD TO RECONVENED

Board Members: Alsop, Berjis, Bigler, Brar, Kitchen, McLaughlin, Pelz
Roll Call: 6 Present, 1 Absent - Brar

NOTE: The vote is displayed in bold below each item. For example, Alsop-McLaughlin denotes Director Alsop made the motion and Director McLaughlin seconded the motion.

CONSENT AGENDA/OPPORTUNITY FOR PUBLIC COMMENT: ALL ITEMS LISTED WITH A "CA" ARE CONSIDERED TO BE ROUTINE AND APPROVED BY ONE MOTION.

BOARD ACTION SHOWN IN CAPS

PUBLIC PRESENTATIONS

- 1) 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. 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 later meeting. In addition, the Board may take action to direct the staff to place a matter of business on a future agenda. **SPEAKERS ARE LIMITED TO TWO MINUTES. PLEASE STATE AND SPELL YOUR NAME BEFORE MAKING YOUR PRESENTATION. THANK YOU!**
NO ONE HEARD

BOARD MEMBER ANNOUNCEMENTS OR REPORTS

- 2) On their own initiative, Board members may make an announcement or a report on their own activities. They may ask a question for clarification, make a referral to staff or take action to have staff place a matter of business on a future agenda (Government Code section 54954.2(a)(2))

NO ONE HEARD

NOTE: CHAIRMAN BIGLER PASSED THE GAVEL TO SECRETARY BERJIS PRIOR TO THE DISCUSSION AND VOTE ON ITEM 3

RECOGNITION

- 3) Resolution honoring Russell V. Judd, Chief Executive Officer, upon his retirement with 30 years of dedicated service to the healthcare community and Kern Medical Center –

ADOPTED RESOLUTION

Biger-Alsop: 6 Ayes; 1 Absent - Brar

ITEMS FOR CONSIDERATION

CA

- 4) Proposed Resolution in the matter of making findings pursuant to Government Code Section 54953, as amended by Assembly Bill 361, and authorizing the continued use of virtual meetings –

APPROVED; ADOPTED RESOLUTION 2021-013

Pelz-Kitchen: 6 Ayes; 1 Absent - Brar

CA

- 5) Minutes for the Kern County Hospital Authority Board of Governors regular meeting on October 20, 2021 –

APPROVED

Pelz-Kitchen: 6 Ayes; 1 Absent - Brar

CA

- 6) Proposed retroactive Amendment No. 21 to Agreement 2016-036 with Cerner Corporation, an independent contractor, to remove the Operating Expense metric and replace with a static Licensed Beds metric, effective July 1, 2021 –

APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 068-2021

Pelz-Kitchen: 6 Ayes; 1 Absent - Brar

CA

- 7) Proposed retroactive Agreement with NuWest Group Holding, LLC, doing business as NuWest Healthcare, an independent contractor, for supplemental nurse staffing services for the period November 1, 2021 through October 31, 2022, in an amount not to exceed \$6,000,000 –

APPROVED; AUTHORIZED CHIEF EXECUTIVE OFFICER TO SIGN AGREEMENT 069-2021

Pelz-Kitchen: 6 Ayes; 1 Absent - Brar

CA

- 8) Proposed Application for Group Insurance with ReliaStar Life Insurance Company, a member of the Voya® family of companies, an independent contractor, for purchase of supplemental life insurance benefits by employees on a voluntary basis, effective January 1, 2022 – APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 070-2021
Pelz-Kitchen: 6 Ayes; 1 Absent - Brar

CA

- 9) Proposed Employer Agreement with LegalEASE Group, an independent contractor, for purchase of prepaid legal service plans by employees on a voluntary basis, effective January 1, 2022 – APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 071-2021
Pelz-Kitchen: 6 Ayes; 1 Absent - Brar

CA

- 10) Proposed Resolution reaffirming the prior appointments of Andrew J. Cantu, Tyler S. Whitezell, Glenn E. Goldis, M.D., and Antoinette C. Smith, RN, MSN, and affirming the recent appointment of Alton Scott Thygerson as officers of the Kern County Hospital Authority, effective December 1, 2021 – APPROVED; ADOPTED RESOLUTION 2021-014
Pelz-Kitchen: 6 Ayes; 1 Absent - Brar

CA

- 11) Proposed Resolution revising the delegation of authority of the Kern County Hospital Authority Chief Executive Officer to enter into contracts and to secure and pay for certain professional and special services – APPROVED; ADOPTED RESOLUTION 2021-015
Pelz-Kitchen: 6 Ayes; 1 Absent - Brar

CA

- 12) Proposed approval of Medical Staff policy titled Waivers to Board Certification – APPROVED
Pelz-Kitchen: 6 Ayes; 1 Absent - Brar

NOTE: SECRETARY BERJIS PASSED THE GAVEL TO CHAIRMAN BIGLER PRIOR TO THE DISCUSSION AND VOTE ON ITEM 13

NOTE: DIRECTOR BERJIS ANNOUNCED THAT, DUE TO HIS EMPLOYMENT WITH THE KERN COUNTY HOSPITAL AUTHORITY, HE WOULD RECUSE HIMSELF FROM THE DISCUSSION AND VOTE ON ITEM 13 AND LEFT THE DAIS

- 13) Proposed Agreement with Amir Berjis, M.D., a contract employee, for professional medical and administrative services in the Department of Surgery, from January 4, 2022 through January 3, 2027, in an amount not to exceed \$3,300,000 – APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 072-2021
Pelz-Kitchen: 4 Ayes; 1 Absent - Brar; 2 Abstention – Alsop, Berjis

NOTE: DIRECTOR BERJIS RETURNED TO THE DAIS AFTER THE DISCUSSION AND VOTE ON ITEM 13

NOTE: DIRECTOR MCLAUGHLIN LEFT THE DAIS PRIOR TO THE DISCUSSION AND VOTE ON ITEM 14 AND DID NOT RETURN

- 14) Public hearing to consider the proposed closures of Kern Medical Center Campus Pharmacy, located at 2014 College Avenue, Bakersfield 93305, and Sagebrush Medical Plaza Pharmacy (also known as Columbus Clinic Pharmacy), located at 1111 Columbus Street, Suite 2000, Bakersfield 93305, effective no later than December 31, 2021 – OPENED HEARING; AMANDA TORRES, CHERIE ANCHETA, FRANK RODRIGUEZ, GUILLERMINA SALAZAR, AND THREE ANONYMOUS CALLERS HEARD REGARDING PROPOSED CLOSURE OF THE KERN MEDICAL CENTER OUTPATIENT PHARMACIES; CLOSED HEARING; APPROVED CLOSURE OF KERN MEDICAL CENTER CAMPUS PHARMACY AND SAGEBRUSH MEDICAL PLAZA PHARMACY; DIRECTED STAFF TO DETERMINE THE SPECIFIC ACTIONS NECESSARY TO IMPLEMENT CHANGES IN SERVICES
Pelz-Kitchen: 4 Ayes; 2 Absent - Brar, McLaughlin; 1 Abstention - Alsop

- 15) Kern County Hospital Authority financial report – RECEIVED AND FILED
Berjis-Pelz: 5 Ayes; 2 Absent - Brar, McLaughlin

- 16) Kern County Hospital Authority Chief Executive Officer report – RECEIVED AND FILED
Alsop-Berjis: 5 Ayes; 2 Absent - Brar, McLaughlin

CA

- 17) Claims and Lawsuits Filed as of October 31, 2021 – RECEIVED AND FILED
Pelz-Kitchen: 6 Ayes; 1 Absent - Brar

ADJOURNED TO CLOSED SESSION

Berjis-Pelz

CLOSED SESSION

- 18) Request for Closed Session regarding peer review of health practitioners (Health and Safety Code Section 101855(j)(2)) – SEE RESULTS BELOW
- 19) CONFERENCE WITH LEGAL COUNSEL – FORMALLY INITIATED LITIGATION (Government Code Section 54956.9(d)(1)) Name of case: In the Matter of the Accusation Against County of Kern, California, DBA Kern Medical Center Campus Pharmacy, et al., Respondents, Case No. 7026 – SEE RESULTS BELOW
- 20) CONFERENCE WITH LABOR NEGOTIATORS - Agency designated representatives: Chief Executive Officer Russell V. Judd, and designated staff - Employee organizations: Service Employees International Union, Local 521 (Government Code Section 54957.6) – SEE RESULTS BELOW

- 21) CONFERENCE WITH LABOR NEGOTIATORS - Agency designated representatives: Vice President & General Counsel Karen S. Barnes, and designated staff – Unrepresented Employee: Chief Executive Officer (Government Code Section 54957.6) – SEE RESULTS BELOW

RECONVENED FROM CLOSED SESSION
Berjis-Kitchen

REPORT ON ACTIONS TAKEN IN CLOSED SESSION

Item No. 18 concerning Request for Closed Session regarding peer review of health practitioners (Health and Safety Code Section 101855(j)(2)) – HEARD; BY A UNANIMOUS VOTE OF THOSE DIRECTORS PRESENT (MOTION BY DIRECTOR BERJIS, SECOND BY DIRECTOR PELZ; 2 ABSENT - DIRECTORS BRAR AND MCLAUGHLIN) THE BOARD APPROVED ALL PRACTITIONERS RECOMMENDED FOR INITIAL APPOINTMENT, REAPPOINTMENT, REVIEW/RELEASE OF PROCTORING, AND AUTOMATIC TERMINATION OF PRIVILEGES; NO OTHER REPORTABLE ACTION TAKEN

Item No. 19 concerning CONFERENCE WITH LEGAL COUNSEL – FORMALLY INITIATED LITIGATION
(Government Code Section 54956.9(d)(1)) Name of case: In the Matter of the Accusation Against County of Kern, California, DBA Kern Medical Center Campus Pharmacy, et al., Respondents, Case No. 7026 – HEARD; NO REPORTABLE ACTION TAKEN

Item No. 20 concerning CONFERENCE WITH LABOR NEGOTIATORS - Agency designated representatives: Chief Executive Officer Russell V. Judd, and designated staff - Employee organizations: Service Employees International Union, Local 521 (Government Code Section 54957.6) – HEARD; NO REPORTABLE ACTION TAKEN

Item No. 21 concerning CONFERENCE WITH LABOR NEGOTIATORS - Agency designated representatives: Vice President & General Counsel Karen S. Barnes, and designated staff – Unrepresented Employee: Chief Executive Officer (Government Code Section 54957.6) – HEARD; NO REPORTABLE ACTION TAKEN

ADJOURNED TO WEDNESDAY, DECEMBER 15, 2021 AT 11:30 A.M.

Alsop

/s/ Mona A. Allen
Authority Board Coordinator

/s/ Russell E. Bigler
Chairman, Board of Governors
Kern County Hospital Authority



**BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING**

December 15, 2021

Subject: Proposed Amendment No. 2 to Agreement 014-2019 with Meridian Healthcare Partners, Inc.

Recommended Action: Approve; Authorize the Chairman to sign

Summary:

Attached is proposed Amendment No. 2 to the agreement with Meridian Healthcare Partners, Inc. (Meridian), for Chief Executive Officer and healthcare management services to the hospital authority and Kern Medical for the period December 16, 2018 through December 15, 2025.

The purpose of the amendment is two-fold. First, the amendment extends the contract term for an additional three years through December 15, 2028, with three additional two-year terms, provided Meridian is given written notice of such under the same terms as presently provided (18 months prior written notice of the Authority's intent to extend the term).

Second, effective December 16, 2021, the amendment provides for a 3% increase in the monthly management fee, which had remained static since 2019, and an additional 3% increase in the management fee, effective December 16, 2022. For the one-year period starting December 16, 2021 and continuing through December 15, 2022, a 3% increase adds \$155,813 to the maximum payable for an annual total of \$5,349,581 (\$445,798.41 monthly). For the one-year period starting December 16, 2022 and continuing through December 15, 2023, a 3% increase adds \$160,487 to the maximum payable for an annual total of \$5,510,068 (\$459,172.36 monthly). The amendment reflects the new maximum payable of 10,859,649 for that two-year period.

Therefore, it is recommended that your Board approve Amendment No. 2 to the agreement with Meridian Healthcare Partners, Inc., and authorize the Chairman to sign.

**AMENDMENT NO. 2
TO
AGREEMENT FOR PROFESSIONAL SERVICES
INDEPENDENT CONTRACTOR
(Kern County Hospital Authority – Meridian Healthcare Partners, Inc.)**

This Amendment No. 2 to the Agreement for Professional Services is made and entered into this ____ day of _____, 2021, between the Kern County Hospital Authority, a local unit of government (“Authority”), which owns and operates Kern Medical Center (“KMC”), and Meridian Healthcare Partners, Inc., a California corporation (“Contractor”), with its principal place of business located at 3511 Union Avenue, Bakersfield, California 93306.

RECITALS

(a) Authority and Contractor have heretofore entered into an Agreement for Professional Services (Agt. #014-2019, dated February 20, 2019) (“Agreement”), for the period December 16, 2018 through December 15, 2025, whereby Contractor provides healthcare consulting and executive management services including supervision and management of the day-to-day operations of KMC; and

(b) The parties agree to amend certain terms and conditions of the Agreement as hereinafter set forth; and

(c) The Agreement is amended effective December 16, 2021;

NOW, THEREFORE, in consideration of the mutual covenants and conditions hereinafter set forth and incorporating by this reference the foregoing recitals, the parties hereto agree to amend the Agreement as follows:

1. Section 1, Term, shall be deleted in its entirety and replaced with the following:

“1. **Term.** The term of this Agreement shall be for a period of ten (10) years, commencing as of December 16, 2018 (the “Commencement Date”), and shall end December 15, 2028, unless earlier terminated pursuant to other provisions of this Agreement as herein stated. Authority reserves the right to extend the term of this Agreement for three (3) additional terms of two (2) years each, provided that Authority notifies Contractor in writing of its intention to renew at least 18 months prior to the expiration of the then current term. Any renewal shall be in writing and signed by both parties through a formal amendment to this Agreement.”

2. Section 6, Payment for Services, paragraph 6.1, Management Fee, shall be deleted in its entirety and replaced with the following:

“6.1 Management Fee.

6.1.1 Effective December 16, 2021. Authority shall pay Contractor a Management Fee monthly in the amount of \$445,798, as follows: Contractor shall be entitled to receive two (2) payments per month, each payment being equal to \$222,899, payable on or before the 1st day, but no later than the 5th day, and the 15th day, but no later than the 20th day, of each month for the period December 16, 2021 through December 15, 2022.

6.1.2 Effective December 16, 2022. Authority shall pay Contractor a Management Fee monthly in the amount of \$459,172, as follows: Contractor shall be entitled to receive two (2) payments per month, each payment being equal to \$229,586, payable on or before the 1st day, but no later than the 5th day, and the 15th day, but no later than the 20th day, for the period December 16, 2022 through December 15, 2023.

6.1.3 Fiscal Provisions. The fiscal provisions of the Management Fee are set forth in Exhibit “B,” attached hereto and incorporated herein by this reference. Authority shall have no obligation to pay the Management Fee set forth in Exhibit “B” until Contractor has incurred such expenses. The Management Fee shall be calculated on a prorated basis as positions are filled and/or vacated, based on the hourly rate for the position plus a percentage of costs (benefits and expenses) not to exceed 35%.

6.1.4 Meet and Confer. In the 90-day period prior to December 16, 2023, and each subsequent December 16, the parties shall meet and confer in good faith regarding the Management Fee paid to Contractor hereunder. If the parties are unable to reach an agreement concerning the Management Fee before the applicable anniversary date, the Management Fee currently in effect will remain in effect until an agreement is reached, subject to possible retroactive adjustment as may be mutually agreed. Any adjustment in the Management Fee shall be in writing and signed by both parties through a formal amendment to this Agreement.

6.1.5 Fair Market Value. The parties hereby acknowledge that the Management Fee set forth herein was negotiated at arm’s length without taking into account the value or volume or referrals between the parties, represents the parties’ best estimate of fair market value, and covers Contractor’s actual cost to provide the services on a fully loaded basis.”

3. Section 6, Payment for Services, paragraph 6.4, Maximum Payable, shall be deleted in its entirety and replaced with the following:

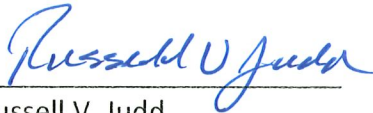
“6.4 Maximum Payable. The maximum payable under this Agreement shall not exceed \$10,859,649 for the period December 16, 2021 through December 15, 2023.”

4. Exhibit "B", Estimated Allocation of Management Fee, shall be deleted in its entirety and replaced with Amendment No. 1 to Exhibit "B", Estimated Allocation of Management Fee, attached hereto and incorporated herein by this reference.
5. All capitalized terms used in this Amendment and not otherwise defined, shall have the meaning ascribed thereto in the Agreement.
6. This Amendment shall be governed by and construed in accordance with the laws of the state of California.
7. This Amendment may be executed in counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.
8. Except as provided herein, all other terms, conditions, and covenants of the Agreement and any and all amendments thereto shall remain in full force and effect.

[Signatures follow on next page]

IN WITNESS TO THE FOREGOING, the parties have executed this Amendment No. 2 as of the day and year first written above.

MERIDIAN HEALTHCARE PARTNERS, INC.

By 
Russell V. Judd
Its President

KERN COUNTY HOSPITAL AUTHORITY

By _____
Chairman
Board of Governors

APPROVED AS TO FORM:
LEGAL SERVICES DEPARTMENT

By _____
Vice President & General Counsel
Kern County Hospital Authority

Amend2.Meridian.112221

**Amendment No. 1
To
EXHIBIT "B"
Estimated Allocation of Management Fee
Meridian Healthcare Partner, Inc.**

| Category | Effective Date | |
|---|--------------------|--------------------|
| | 12/16/2021 | 12/16/2022 |
| Estimated Salaries | \$3,158,243 | \$3,252,713 |
| Estimated Benefits (retirement, health and dental insurance, etc.) | \$869,709 | \$895,800 |
| Estimated Insurance and Taxes (workers' compensation, payroll, liability, etc.) | \$444,937 | \$458,285 |
| Estimated Business Expenses (legal, accounting, professional fees, travel etc.) | \$450,542 | \$464,058 |
| Estimated Operation Fee | \$426,420 | \$439,212 |
| Annual Total | \$5,349,581 | \$5,510,068 |

Note: Allocation of funds are approximate and may have variance based upon associated risks and changes in business operations.