



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Health System



DATE: February 15, 2012
BOARD MEETING DATE: March 13, 2012
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority

TO: Honorable Board of Supervisors

FROM: Jean S. Fraser, Chief, Health System
Susan Ehrlich, MD, MPP, Chief Executive Officer
San Mateo Medical Center

SUBJECT: Amendment No. 1 to Agreement with Lawrence J. Funk, FACHE

RECOMMENDATION:

Adopt a Resolution authorizing the:

- A) President of the Board to execute Amendment No. 1 to the Agreement with Lawrence J. Funk, FACHE, to expand the scope of work to include Project Management for the transition out of Burlingame Long Term Care, increasing the maximum amount by \$225,000 to a new maximum of \$325,000, and extending the term by two months for a new term of August 1, 2011 through September 30, 2013; and
- B) Chief of the Health System or designee to execute contract amendments which modify the County's maximum fiscal obligation by no more than \$25,000 (in aggregate), and/or modify the contract term and/or services so long as the modified term or services is/are within the current or revised fiscal provisions.

BACKGROUND:

On August 1, 2011, the Purchasing Agent approved an Agreement with Lawrence J. Funk, FACHE (Contractor), to evaluate the Burlingame Long Term Care (BLTC) infrastructure and assess whether resident needs are being adequately met in the current environment. With the Board approval of the plan to let the BLTC lease expire, the Health System now needs a project manager to oversee the complex plan to transition out of BLTC.

DISCUSSION:

It is now necessary to expand the scope of the Contractor's role to include Project Management relating to the implementation of the decision by the Board of Supervisors regarding BLTC and transition of its residents. Contractor will be responsible for managing this complex project and the multiple teams working on the

various aspects of the transition. Contractor will ensure that all licensing requirements are met during the transition. Contractor will create a detailed project work plan and timeline, and hold regular project team meetings. Contractor will provide reports regarding the project status, meeting of milestones, issues that need to be resolved, and compliance with the transition budget to ensure that the transition meets all regulatory requirements and is completed on time and on budget.

County Counsel has reviewed and approved the Amendment as to form.

The Contractor has assured compliance with the County's Contractor Employee Jury Service Ordinance, as well as all other contract provisions that are required by County ordinance and administrative memoranda, including but not limited to insurance, hold harmless, non-discrimination and equal benefits.

This Amendment contributes to the Shared Vision 2025 outcome of a Healthy Community in ensuring that the transition of the residents out of BLTC runs smoothly and all residents are transferred to appropriate placements in a timely manner. It is anticipated that San Mateo Medical Center's (SMMC) cost per adjusted patient day will increase from \$900 to \$920.

Performance Measure:

Measure	FY 2010-11 Actual	FY 2011-12 Projected
SMMC cost per adjusted patient day	\$900	\$920*

*Due to increase in operating costs

FISCAL IMPACT:

The new term of the Agreement is August 1, 2011, through September 30, 2013. The maximum fiscal obligation is \$325,000. Funds in the amount of \$137,500 are included in the SMMC FY 2011-12 Adopted Budget. Funds in the amount of \$150,000 will be included in the SMMC FY 2012-13 Recommended Budget. Similar arrangements will be made for future years.

Expenses at SMMC are covered by fees for services or third-party payors whenever possible. The portion of expenses for services provided to the medically indigent or to those covered by programs that do not meet the full costs of care are covered by the County's General Fund contribution to SMMC, and are within the existing annual appropriation.

RESOLUTION NO. _____

BOARD OF SUPERVISORS, COUNTY OF SAN MATEO, STATE OF CALIFORNIA

*** * * * ***

RESOLUTION AUTHORIZING THE: A) PRESIDENT OF THE BOARD TO EXECUTE AMENDMENT NO. 1 TO THE AGREEMENT WITH LAWRENCE J. FUNK, FACHE, TO EXPAND THE SCOPE OF WORK TO INCLUDE PROJECT MANAGEMENT FOR THE TRANSITION OUT OF BURLINGAME LONG TERM CARE, INCREASING THE MAXIMUM AMOUNT BY \$225,000 TO A NEW MAXIMUM OF \$325,000, AND EXTENDING THE TERM BY TWO MONTHS FOR A NEW TERM OF AUGUST 1, 2011 THROUGH SEPTEMBER 30, 2013; AND B) CHIEF OF THE HEALTH SYSTEM OR DESIGNEE TO EXECUTE CONTRACT AMENDMENTS WHICH MODIFY THE COUNTY'S MAXIMUM FISCAL OBLIGATION BY NO MORE THAN \$25,000 (IN AGGREGATE), AND/OR MODIFY THE CONTRACT TERM AND/OR SERVICES SO LONG AS THE MODIFIED TERM OR SERVICES IS/ARE WITHIN THE CURRENT OR REVISED FISCAL PROVISIONS

RESOLVED, by the Board of Supervisors of the County of San Mateo, State of California, that

WHEREAS, the Purchasing Agent approved an Agreement with Lawrence J. Funk, FACHE (Contractor), to evaluate the Burlingame Long Term Care (BLTC) infrastructure and assess whether resident needs are being adequately met in the current environment; and

WHEREAS, the evaluation was completed and delivered; and

WHEREAS, the Board of Supervisors has directed the Health System to transition out of BLTC by the end of the current term in June 2013; and

WHEREAS, it is now necessary to expand the scope of the Contractor's role to include Project Management, including planning, project management, creation of a

master project schedule for San Mateo Medical Center to follow during each phase of the transition, and other related tasks; and

WHEREAS, both parties wish to amend the Agreement to including having Contractor provide project management for the transition, increasing the maximum amount of the Agreement by \$225,000, for a new maximum of \$325,000, and extending the term by two months to September 30, 2013; and

WHEREAS, this Board has been presented with a form of such Amendment, has examined and approved it as to both form and content, and desires to enter into it.

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the President of this Board of Supervisors be and is hereby authorized and directed to execute Amendment No. 1 to the Agreement for and on behalf of the County of San Mateo, and the Clerk of the Board shall attest the President's signature thereto.

BE IT FURTHER RESOLVED that the Chief of the Health System or designee is authorized to execute contract amendments which modify the County's maximum fiscal obligation by no more than \$25,000 (in aggregate), and/or modify the contract term and/or services so long as the modified term or services is/are within the current or revised fiscal provisions.

* * * * *

**AMENDMENT NO. 1 TO AGREEMENT
BETWEEN THE COUNTY OF SAN MATEO AND
LAWRENCE J. FUNK, FACHE**

THIS AMENDMENT TO THE AGREEMENT, entered into this _____ day of _____, 2012, by and between the COUNTY OF SAN MATEO, hereinafter called "County," and LAWRENCE J. FUNK, FACHE, hereinafter called "Contractor";

W I T N E S S E T H:

WHEREAS, pursuant to Government Code, Section 31000, County may contract with independent contractors for the furnishing of such services to or for County or any Department thereof;

WHEREAS, the parties entered into an Agreement to provide a strategic plan to relocate patients now residing in the Burlingame Long Term Care (BLTC) facility to the San Mateo Medical Center (SMMC) on August 1, 2011; and

WHEREAS, the parties wish to amend the Agreement to increase the maximum amount by \$225,000, for a new maximum amount of \$325,000, to modify the scope of services, and to extend the term of the Agreement by two months to September 30, 2013.

**NOW, THEREFORE, IT IS HEREBY AGREED BY THE PARTIES HERETO
AS FOLLOWS:**

1. Paragraph 2, Contract Term, of the Agreement is amended to read as follows:
 2. Contract Term The term of this Agreement shall be from August 1, 2011, to September 30, 2013, unless terminated earlier by the County.
2. Paragraph 3, Payments, of the Agreement is amended to read as follows:
 3. Payments In consideration of the services rendered in accordance with all terms, conditions and specifications set forth herein and any Exhibit(s) or attachment(s) attached hereto, County shall make payment to Contractor in the manner specified herein and in Exhibit "A". In the event that the County makes any advance payments, Contractor agrees to refund any amounts in excess of the amount owed by the County at the time of contract termination. The County reserves the right to withhold payment if the County determines that the quantity or quality of the work performed is unacceptable. In no event shall total payment for services under this Agreement exceed THREE HUNDRED TWENTY-FIVE THOUSAND

DOLLARS (\$325,000).

3. Original Exhibit "A" is replaced with Revised Exhibit "A" (Revised 1/26/2012), a copy of which is attached to this Amendment and incorporated by this reference.
4. **All other terms and conditions of the agreement dated August 1, 2011, between the County and Contractor shall remain in full force and effect.**

IN WITNESS WHEREOF, the parties hereto, by their duly authorized representatives, have affixed their hands.

COUNTY OF SAN MATEO

By: _____
President, Board of Supervisors, San Mateo
County

Date: _____

ATTEST:

By: _____
Clerk of Said Board

LAWRENCE J. FUNK, FACHE

Contractor's Signature

Date: _____

**COUNTY OF SAN MATEO
AGREEMENT WITH INDEPENDENT CONTRACTOR**

Exhibit "A" Revised: (1/26/2012)
Agreement No. _____

Agreement between the County of San Mateo and Lawrence J. Funk, FACHE

I. Description of Services to be Performed by the Contractor

- A. In consideration of the payments described in paragraph II, Contractor will develop a strategic plan to safely relocate patients residing in the Burlingame Long Term Care (BLTC) facility to the San Mateo Medical Center (SMMC) by June 30, 2013, and will provide project management in relation to said plan.

The plan and project management engagement will include:

- Strategic analysis and recommendation of options for the relocation of long term care services currently provided at BLTC;
- Developing a detailed work plan and timeline for the project, and providing periodic updates as to progress on the workplan and timeline;
- Overseeing the development of a plan for, and overseeing the transition/relocation of residents from the BLTC facility to other appropriate placements;
- Overseeing the development and implementation of a Human Resource plan to manage out-going and in-coming personnel;
- Overseeing the development and implementation of a communications plan for the residents, staff and other stakeholders for the transition;
- Overseeing the relocation of equipment and recommendation of equipment purchases as needed;
- Overseeing the development and implementation of the facilities plan, including addressing licensing requirements, for structural modifications needed at SMMC;
- Overseeing the development and implementation of a process to reactivate skilled nursing beds at SMMC;
- Monitoring any outside contracts related to the transition;
- Monitoring of progress by all project leads on their workplans and regular reporting on progress and barriers to the Health System Chief
- Facilitating regular project meetings;
- Overseeing compliance with the transition budget with the milestone of delivering the project on time and on or under budget;
- Management of the process of transitioning out of the BLTC facility and meeting all lease requirements for delivering the building back to the landlord;
- Meeting all deadlines and tasks;
- Performing other tasks necessary to implement the decision of the Board of Supervisors regarding the transition from the BLTC facility; and
- Performing other implementation and facilities work as required in relation to the transition as directed by the Health System Chief.
- Performing all of these activities with the milestone of completing the transition out of BLTC no later than June 30, 2013.

II. Amount and Method of Payment

Revised 6/03

- A. In consideration of the services described in Section I, above, County will pay Contractor at a rate of \$150/hour on a time-and-materials basis. Contractor shall submit monthly invoices in arrears to the County showing amounts due based on hours worked and, if applicable, materials purchased.
- B. The term of the Agreement is August 1, 2011, through September 30, 2013. The maximum amount of the agreement is THREE HUNDRED TWENTY-FIVE THOUSAND DOLLARS (\$325,000). Invoices will be approved by the Health System Chief and paid within 30 days of receipt of invoice.