



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Health System



Date: October 4, 2012
Board Meeting Date: November 20, 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

Subject: Agreement with ARAMARK Healthcare Technologies, LLC

RECOMMENDATION:

Adopt a Resolution authorizing an agreement with ARAMARK Healthcare Technologies, LLC for the provision of service and preventative maintenance on biomedical and diagnostic imaging equipment for the term of November 1, 2012 through October 31, 2017, in an amount not to exceed \$4,000,000.

BACKGROUND:

San Mateo Medical Center (SMMC) has been using biomedical engineering services for the maintenance and repair of patient care and non-patient care medical equipment for the past 30 years. Due to variety of such equipment, the complexity of the technology involved, and the County's limited ability to secure parts it was determined that it was in best interest of the County to use a vendor to provide this service.

DISCUSSION:

SMMC conducted a comprehensive Request for Proposals (RFP) in August of 2012. Aramark was selected to provide these services based on being the most economical provider that could meet the criteria listed in the RFP. Depending on SMMC's equipment needs, the monthly cost of services may range from \$55,833 to \$66,667, and the Agreement permits this flexibility based on SMMC's needs for maintenance and un-anticipated repair of the hospital's medical equipment.

The Contract Compliance Committee has approved a waiver request to extend the agreement beyond three years for a five-year term.

SMMC is requesting that the Chief of the Health System or designee be 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.

County Counsel has reviewed and approved the Agreement and Resolution as to form. Contractor meets insurance certification requirements.

The County Manager has approved a waiver of Equal Benefits, Non-discrimination and Employee Jury Service requirements for all contracts with MedAssets GPO members.

This Agreement contributes to the Shared Vision 2025 outcome of a Healthy Community by ensuring that SMMC's biomedical and diagnostic imaging equipment are consistently maintained for use in diagnosis and treatment of its patients. It is anticipated that preventative maintenance on biomedical and diagnostic imaging will be maintained 100% of the time.

PERFORMANCE MEASURE:

Measure	FY 2011-12 Actual	FY 2012-13 Projected
Preventative maintenance on biomedical and diagnostic imaging equipment will be maintained 100% of the time	100%	100%

FISCAL IMPACT:

The term of the Agreement is November 1, 2012 through October 31, 2017, in the maximum amount of \$4,000,000. Funds in the amount of \$533,333 are included in the SMMC FY 2012-13 Adopted Budget. Funds in the amount of \$800,000 will be included in the SMMC FY 2013-14 Recommended Budget. Similar arrangements will be made for future years.

The payment provisions of the contract are different from the prior contract because SMMC is receiving Group Purchasing Organization pricing through MedAssets. The amount of the new agreement is a 29% reduction from the last agreement for the same length of time for essentially the same services.

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.