

525 Veterans Blvd. Redwood City, CA 94063

650-421-2155 Phone 650-421-2159 Fax

February 14, 2013

Mr. Ron Keating Materials Management San Mateo Medical Center 222 West 39th Avenue San Mateo, CA 94403

Dear Mr. Keating:

On May 2, 2012, Sequoia Healthcare District's Board of Directors approved continuing the grant to San Mateo Medical Center in the total amount of \$2 million for one year to supplement the cost for uninsured care at the Fair Oaks Clinic.

Accordingly, Sequoia Healthcare District will make grant payments to the Medical Center on a quarterly basis, not to exceed \$500,000 per quarter. The grant is for the fiscal year ending June 30, 2013. The Medical Center will invoice Sequoia Healthcare District, on a quarterly basis, to include reports indicating the volume of uninsured patients being served with District funding and an itemization, by line item, of the expenses of the Clinic, adjusted to demonstrate the amounts expended on uninsured patient care.

These funds are to be used solely to support the Medical Center for indigent and uninsured residents of Sequoia Healthcare District seeking care at the Fair Oaks Medical Clinic for outpatient primary medical care, ancillary services (laboratory, pharmacy, radiology) and specialty medical care.

Sincerely,

Lee Michelson

Chief Executive Officer

cc: Jonathan Mesinger