



**COUNTY OF SAN MATEO**  
Inter-Departmental Correspondence  
Health System



**Date:** August 27, 2014  
**Board Meeting Date:** October 7, 2014  
**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 to agreement with Castle Dental Laboratory

**RECOMMENDATION:**

Adopt a Resolution authorizing an amendment to the agreement with Castle Dental Laboratory to provide dental prosthodontic fabrication and repair services for patients seen at the San Mateo Medical Center or its clinics, increasing the amount by \$350,000 to an amount not to exceed \$450,000.

**BACKGROUND:**

On June 24, 2013, the Chief Executive Officer of the San Mateo Medical Center (SMMC) approved an agreement with Castle Dental Laboratory (CDL) to provide dental fabrication and repair of dental prosthodontics services for SMMC patients. At the time the agreement was executed, Medi-Cal did not reimburse for dental prosthodontics. Due in part to this lack of Medi-Cal coverage, SMMC had been providing some patients with transportation to the University of the Pacific (UOP) in San Francisco to receive reduced-cost dental care. UOP students fabricated the dental prosthodontics appliances, providing these services at a fraction of the normal cost.

**DISCUSSION:**

In November 2013, Medi-Cal began reimbursing Federally Qualified Health Centers (FQHC), including SMMC, for dental prosthodontics. In December 2013, SMMC opened the Fair Oaks Health Center (FOHC), increasing SMMC's capacity to treat patients at one of its own facilities.

Due to these two changes, in January 2014 all new SMMC comprehensive dental patients requiring prosthodontics were sent to FOHC (not UOP) for their treatment. This change in treatment increased the number of dental prosthodontics needed by SMMC for its patients.

SMMC recommends a waiver of the Request for Proposals (RFP) process for CDL to continue to provide fabrication and repair of dental prosthodontics based on its ongoing relationship with SMMC and the newness of SMMC working with a vendor to provide these services directly. Once a better baseline can be established for the SMMC Medi-Cal patients who require dental prosthodontics, an RFP can be conducted in order to ensure that future agreements for these services will maximize the quality of care while reducing costs as much as possible.

The Resolution contains the County's standard provisions allowing amendment of the County's fiscal obligations by a maximum of \$25,000 (in aggregate).

The amendment and Resolution have been reviewed and approved by County Counsel as to form.

Approval of this agreement contributes to the Shared Vision 2025 outcome of a Healthy Community by providing dental prosthodontics services at SMMC and its clinics to positively influence the patient experience. It is anticipated that SMMC and its clinics will receive a mean score of 75% from patient satisfaction surveys.

**PERFORMANCE MEASURE:**

Measure	FY 2013-14 Actual	FY 2014-15 Projected
Patient satisfaction survey scores	N/A*	75% Mean

\*New measure

**FISCAL IMPACT:**

The term of the agreement is July 1, 2013, through June 30, 2016, in an amount not to exceed \$450,000. Funds in the amount of \$150,000 are included in the SMMC FY 2014-15 Recommended Budget. Funds in the amount of \$200,000 will be included in the SMMC FY 2015-16 Recommended Budget. Additionally, the increased expense for more prosthodontic units is expected to be at least partially offset by the newly available Medi-Cal prosthodontics reimbursement.

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.