



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



**Date:** September 17, 2014  
**Board Meeting Date:** October 21, 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:** Agreement with San Mateo Multispecialty Physicians

**RECOMMENDATION:**

Adopt a Resolution authorizing an agreement with San Mateo Multispecialty Physicians to provide internal medicine, cardiology and hospitalist services for the term of October 1, 2014 through September 30, 2017, in an amount not to exceed \$13,050,000.

**BACKGROUND:**

San Mateo Multispecialty Physicians (SMMP), formerly known as Associated Medical Specialists (AMS), has provided inpatient and outpatient internal medicine services and the management and supervision of those services at San Mateo Medical Center (SMMC) since 1975. The medical services provided by SMMP are non-invasive cardiology, pulmonology, gastroenterology, oncology, endocrinology and rheumatology.

**DISCUSSION:**

SMMC would like SMMP to continue providing the services listed above going forward. Under this new agreement, SMMP services will be provided with an emphasis on performance metrics and productivity. The agreement includes withholding of compensation for failure to meet certain metrics and a continued focus on quality metrics. Unlike the previous contract, this agreement does not contain a hospitalist component. However, SMMP will continue to provide hospitalist services until the contract for the new hospitalist group has been signed.

County Administrative Memorandum B-1 provides that contracts for physicians are exempt from the Request for Proposals process.

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

The agreement contributes to the Shared Vision 2025 outcome of a Healthy Community by providing access to internal medicine, cardiology and subspecialty services to residents of San Mateo County. It is anticipated that 95% or greater of all electrocardiograms (EKGs) will be read electronically.

**PERFORMANCE MEASURE:**

<b>Measure</b>	<b>FY 2013-14 Actual</b>	<b>FY 2014-15 Projected</b>
Percentage of electrocardiograms (EKGs) to be read electronically	95%%	95%%

**FISCAL IMPACT:**

The term of the agreement is October 1, 2014 through September 30, 2017. The amount of the agreement is not to exceed \$13,050,000 for the three-year term. Funds for these services were included in the SMMC FY 2014-15 Recommended Budget. Similar arrangements will be in place for future years.

The payment provisions and levels of service in this contract differ from the prior contract due to the removal of the hospitalist component.

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.