



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Health System



Date: November 3, 2015
Board Meeting Date: December 15, 2015
Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Louise Rogers, Chief, Health System
Susan Ehrlich, MD, MPP, Chief Executive Officer,
San Mateo Medical Center

Subject: Agreement with Scott Oesterling MD, Inc. for Obstetrics and Gynecology Services

RECOMMENDATION:

Adopt a resolution authorizing an agreement with Scott Oesterling MD, Inc. to provide obstetrics and gynecology services for the term of January 1, 2016, through December 31, 2017, in an amount not to exceed \$5,160,000.

BACKGROUND:

Scott Oesterling MD, Inc.'s providers have a long history of providing obstetrics and gynecology services to San Mateo Medical Center (SMMC). In particular, Scott Oesterling MD, Inc.'s providers have a history of providing routine evaluation and treatment of pre, intra, and post-partum care (obstetrics) and the evaluation, diagnosis, treatment, and monitoring of uterine, ovarian, endometrial, and vaginal disease (gynecology).

DISCUSSION:

SMMC has a continuous need for obstetrics and gynecology services. Dr. Oesterling's group offers the hospital the benefits of experienced practitioners familiar with the complex nature of the County's patient base. The group of physicians providing services under this agreement is composed of eleven primary providers who deliver over 1,000 newborns per year.

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 obstetrics and gynecology services to County residents. It is anticipated that 95% of all gynecology consults will be seen by a specialist within 30 days of referral.

PERFORMANCE MEASURE:

Measure	FY 2014-15 Actual	FY 2015-16 Projected
Percent of gynecology consults to be seen by a specialist within 30 days of referral	N/A *	95%

*** New measurement**

FISCAL IMPACT:

The term of the agreement is January 1, 2016, through December 31, 2017. The amount of the agreement is not to exceed \$5,160,000 for the two-year term. Funds in the amount of \$1,290,000 are included in the SMMC FY 2015-16 Adopted Budget. Funds in the amount of \$2,580,000 will be included in the SMMC FY 2016-17 Recommended Budget. Similar arrangements will be made for future years.

The payment provisions of the contract are different from the prior contract because the prior contract was a three year contract and included services for Correctional Health Services (CHS). This contract is a two year contract and does not include any portion for CHS.

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.