



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Health System



Date: July 10, 2014
Board Meeting Date: September 9, 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 Fred Lui, MD

RECOMMENDATION:

Adopt a Resolution authorizing an agreement with Fred Lui, MD to provide nephrology services for the term of October 1, 2014 through September 30, 2017, in an amount not to exceed \$525,000.

BACKGROUND:

San Mateo County is responsible for providing necessary medical care to its medically indigent population, and access to services to its general population. Dr. Fred Lui offers San Mateo Medical Center (SMMC) the benefits of an experienced practitioner familiar with the complex nature of the County's patient base. Dr. Lui has provided services to SMMC patients since 2005.

DISCUSSION:

The County's need for nephrology services is increasing due to the aging of its patient population. SMMC will continue to meet this growing need through contracts with Dr. Lui and other nephrologists.

Dr. Lui will provide 8 half-day clinics per month and call coverage under the direction of the SMMC Department of Medicine, twenty-four hours a day, seven days a week, including inpatient and emergency care.

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

The agreement and Resolution have been reviewed and approved by County Counsel as to form. The contractor meets insurance certification requirements.

SMMC is also asking the Board to authorize the Chief of the Health System or designee to execute contract amendments which modify the County's maximum fiscal obligation by no more than \$25,000 (in aggregate) for each agreement 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.

The contractor has assured compliance with the County's Contractor Employee Jury Service Ordinance, as well as all other contract provisions that are required by County ordinance and administrative memoranda, including but not limited to insurance, hold harmless, non-discrimination and equal benefits.

Approval of this agreement contributes to the Shared Vision 2025 outcome of a Healthy Community by providing access to specialty nephrology services to County residents. It is anticipated that 100% of all nephrology services provided will adhere to the infection control standards as defined by the Joint Commission and the Title XXII of the State of California Code of Regulations, which will result in reduced risk of healthcare associated infections.

PERFORMANCE MEASURE(S):

Measure	FY 2013-14 Actual	FY 2014-15 Projected
Percent of provided nephrology services that will adhere to infection control standards as defined by Joint Commission, Title XXII, and other applicable standards	100%	100%

FISCAL IMPACT:

The term of the agreement is October 1, 2014 through September 30, 2017. The amount of the agreement is not to exceed \$525,000 for the three year term. Funds in the amount of \$131,250 are included in the SMMC FY 2014-15 Recommended Budget. Funds in the amount of \$175,000 will be included in the SMMC FY 2015-16 Recommended Budget. Similar arrangements will be made for future years. The payment provisions of the contract are different from the prior contract because of an increase in the Medical Group Management Association median pay rate for nephrology. The contract reflects a 17% increase over the previous contract.

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.