



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



**Date:** March 21, 2016  
**Board Meeting Date:** April 26, 2016  
**Special Notice / Hearing:** None  
**Vote Required:** Majority

**To:** Honorable Board of Supervisors

**From:** Louise Rogers, Chief, Health System  
Chester J. Kunnappilly, MD, Interim Chief Executive Officer, San Mateo Medical Center

**Subject:** Amendment to the agreement with Golden State Anesthesia Consultants, Inc. for anesthesia and pain management services

**RECOMMENDATION:**

Adopt a resolution authorizing an amendment to the agreement with Golden State Anesthesia Consultants, Inc. to provide specialty anesthesia and pain management services, extending the term of the agreement through July 31, 2016 and increasing the amount by \$425,000, to an amount not to exceed \$5,825,000.

**BACKGROUND:**

In December 2012, the San Mateo Medical Center (SMMC) completed a Request for Proposals (RFP) for anesthesia services. After careful consideration and evaluation, Golden State Anesthesia Consultants, Inc. (GSAC) was selected as the successful proposer, replacing the previous vendor, by offering a broader range of services that include anesthesia for invasive surgical procedures, acute and chronic pain management, and emergency or consultative critical care services. GSAC and SMMC entered into an agreement with the term of May 1, 2013 through April 30, 2016.

**DISCUSSION:**

Negotiations for a new contract with GSAC, to begin on May 1, 2016, began in September 2015 and are still ongoing; County Administrative Memorandum B-1 provides that contracts for physicians are exempt from the Request for Proposals process. However, because negotiations with GSAC are not expected to be concluded before the expiration of the current contract, we are requesting your Board's approval of an amendment to allow for the continuation of GSAC's services and payment of invoices for those services.

The County's Contract Compliance Committee has approved a waiver request to extend the agreement by an additional three months beyond the current term.

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

This amendment contributes to the Shared Vision 2025 outcome of a Healthy Community by providing access to professional anesthesia and pain management services to residents of San Mateo County. It is anticipated that 100% of physician surveys of anesthesia services assessing communication, timeliness, and overall quality will be rated at levels 4 or 5 on a 5-point scale, which is an indicator of the highest level of quality care.

**PERFORMANCE MEASURE:**

Measure	FY 2014-15 Actual	FY 2015-16 Projected
Percentage of physician surveys of anesthesia services assessing communication, timeliness and overall quality rated at levels 4 or 5 on a 5-point scale	100%	100%

**FISCAL IMPACT:**

The term of the amended agreement is May 1, 2013 through July 31, 2016. The amount of the agreement is not to exceed \$5,825,000. Funds in the amount of \$243,332 are included in the SMMC Adopted FY 2015-16 Budget. Funds in the amount of \$181,668 will be included in the SMMC FY 2016-17 Recommended Budget.

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.