



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Health System



Date: February 28, 2014
Board Meeting Date: April 8, 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 Stericycle, Inc.

RECOMMENDATION:

Adopt a Resolution authorizing an agreement with Stericycle, Inc. for medical waste disposal for the term of March 1, 2014 through February 28, 2017, in an amount not to exceed \$360,000.

BACKGROUND:

Since March 2009, San Mateo Medical Center (SMMC) has been contracting with Stericycle Inc. (Stericycle) to provide transportation, treatment and disposal of medical waste. In October 2011, the agreement was amended to expand this service to other locations throughout the Health System.

DISCUSSION:

In October 2013, SMMC completed a comprehensive Request for Proposals (RFP) for treatment and disposal of medical waste. Stericycle was chosen for its innovative approach to handling SMMC's environmental waste. Specifically, Stericycle offers a Sharps Management Program (Sharps Program), which features reusable containers. Stericycle is projecting a 30% reduction in SMMC's medical waste disposal expense through participation in the Sharps Program. In addition, SMMC is opting to enroll in Stericycle's Pharmaceutical Waste Compliance Program for the characterization, collection and disposal of Rx waste. SMMC's participation in the latter program ensures compliance with the Resource Conservation and Recovery Act (RCRA). The agreement has been delayed due to the need for review time for various divisions within the Health System who are participating in this agreement.

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

SMMC also requests that your Board 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), 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.

This Agreement contributes to the Shared Vision 2025 outcome of a Healthy Community by providing responsible, environmentally friendly disposal of hazardous medical waste. It is anticipated that the medical and pharmaceutical waste generated by the Health System will be disposed of in 100% compliance with RCRA.

PERFORMANCE MEASURE:

Measure	FY 2013-14 Actual	FY 2014-15 Projected
Compliance with RCRA for disposal of medical and pharmaceutical waste	N/A*	100%

*New Measure

FISCAL IMPACT:

The term of the agreement is March 1, 2014 through February 28, 2017, in an amount not to exceed \$360,000. Funds in the amount of \$40,000 are included in the SMMC FY 2013-14 Adopted Budget. Funds in the amount of \$120,000 will be included in the SMMC FY 2014-15 Recommended Budget. Similar arrangements will be made for Future Budget years.

The terms of this agreement differ from the previous agreement due to SMMC's participation in the contractor's Sharps Program. As a result of its participation, SMMC is anticipating a reduction in its medical waste disposal expense, estimated at \$5,000 per year.

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.

Request for Proposals – Matrix

1	Where was the RFP advertised?	www.smcgov.org/RFP http://www.sanmateomedicalcenter.org/content/RFP.htm
2	In addition to any advertisement, list others to whom the RFP announcement was sent:	Converge Medical Solutions, LLC. Stericycle Practice Greenhealth Medasend Biomedical XMED Disposal, Inc. Sharps Solutions PSC Environmental Services
3	State the total number of RFP's sent to prospective proposers:	7
4	How many proposals did you receive?	8
5	List in alphabetical order the names of the proposers (or finalists, if applicable) and the location:	Converge Medical Solutions, LLC.; San Jose, CA HealthWise Services; Fowler, CA Medasend Biomedical National Green Gas; Chowchilla, CA North State Environmental; South San Francisco, CA Sharps Solutions; Hayward, CA Stericycle; Hayward, CA Waste Management; Houston, TX