



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



**Date:** June 15, 2016  
**Board Meeting Date:** September 6, 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:** Agreement with Peter Schilling, MD for Specialty Orthopedic Services

**RECOMMENDATION:**

Adopt a resolution authorizing an agreement with Peter Schilling, MD to provide specialty orthopedic services, for the term of September 1, 2016 through August 31, 2017, in an amount not to exceed \$300,000.

**BACKGROUND:**

Dr. Peter Schilling has been providing orthopedic services to patients at San Mateo Medical Center (SMMC) since September 2014. He has expressed interest in continuing to provide orthopedic services at SMMC.

**DISCUSSION:**

SMMC Orthopedist Dr. Brad Graw recently accepted a position as an orthopedic provider for Palo Alto Medical Foundation/Sutter Health. SMMC has a backlog of knee and hip replacement surgeries. Dr. Schilling has agreed to continue to provide orthopedic services at SMMC, and he is familiar with SMMC's patient population, policies, and procedures.

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 orthopedic services to County residents. It is anticipated that 100% of all orthopedic services provided will adhere to the infection control standards as defined by the Joint Commission and Title XXII of the State of California, Code of Regulations, which will result in the reduced risk of healthcare-associated infections.

**PERFORMANCE MEASURE:**

Measure	FY 2015-16 Actual	FY 2016-17 Projected
Percent of orthopedic services that 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 September 1, 2016 through August 31, 2017. The amount of the agreement is not to exceed \$300,000 for the one-year term. Funds in the amount of \$250,000 have been included in the SMMC FY 2016-17 Approved Recommended Budget. Funds in the amount of \$50,000 will be included in the SMMC FY 2017-18 Recommended Budget.

The payment provisions and levels of service in this agreement are essentially the same as the previous agreement.

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.