



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Health System



Date: August 13, 2015
Board Meeting Date: September 22, 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 Larry K. Fan, MD, Inc. for Specialty Plastic Surgery Services

RECOMMENDATION:

Adopt a resolution authorizing an agreement with Larry K. Fan, MD, Inc. to provide specialty plastic surgery services, for the term of September 1, 2015 through August 31, 2016, in an amount not to exceed \$130,000.

BACKGROUND:

Plastic surgery services are provided under the general direction of the Chief of Surgery of San Mateo Medical Center (SMMC). Such care includes professional plastic surgery services, specifically in the area of non-cosmetic post-traumatic, post-cancer, and hand reconstructive care. Dr. Fan has provided professional plastic surgery services at SMMC since July 2006.

DISCUSSION:

Dr. Fan will continue to perform plastic surgeries one full day (8 hours) every other week and provide one half day (4 hours) clinic every other week. In addition, Dr. Fan will provide Emergency Department call coverage every third night. Dr. Fan shares call coverage with Dr. Donnis Hobson and Dr. Kenton Fong.

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 specialty plastic surgery services to County residents. It is anticipated that 100% of all plastic surgery 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(S):

Measure	FY 2014-15 Actual	FY 2015-16 Projected
Percent of plastic surgery 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, 2015 through August 31, 2016. The amount of the agreement is not to exceed \$130,000 for the one-year term. Funds in the amount of \$108,333 are included in the SMMC FY 2015-16 Recommended Budget. Funds in the amount of \$21,667 will be included in the SMMC FY 2016-17 Recommended Budget.

The payment provisions in this contract are increased by 2% based on market for this specialty and in line with the rates from the Medical Group Management Association, upon which this contract is based. The levels of service in this contract are essentially the same as the prior contract. Dr. Fan's last increase in compensation was in FY 2011-12.

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.