



County of San Mateo

Inter-Departmental Correspondence

Department: HEALTH

File #: 24-062

Board Meeting Date: 1/30/2024

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Louise F. Rogers, Chief, San Mateo County Health
Chester J. Kunnappilly, MD, Chief Executive Officer, San Mateo Medical Center

Subject: Amendment to the Agreement with Vaya Workforce Solutions, LLC to Provide Professional Registry Services

RECOMMENDATION:

Adopt a resolution authorizing an amendment to the agreement with Vaya Workforce Solutions, LLC to provide professional registry services, increasing the amount of the agreement by \$63,000,000 to an amount not to exceed \$108,000,000 with no change to the agreement term.

BACKGROUND:

San Mateo Medical Center (SMMC) often has a need to supplement clinical employees and contracted staff with “as needed,” short-term clinical staff such as nurses, doctors, and other providers due to staffing vacancies and patient volume fluctuations. Such services are contracted for through a third-party registry vendor.

Since February 2017, SMMC has been contracting with MedAssets registry staffing services, which changed their name to Vaya Workforce Solutions, LLC (Vaya) in October 2021.

In November 2021, SMMC completed a Request for Proposals (RFP) for professional registry services; Vaya was one of the responding bidders to this RFP and ultimately was selected to provide these registry services.

On January 25, 2022, the parties entered into an agreement for the term of February 1, 2022, through January 31, 2027, in an amount not to exceed \$45,000,000.

DISCUSSION:

The current contract is for \$45,000,000 over five years and was based on projected annual spending of \$9,000,000 for coverage of approximately 24 FTEs across the organization, the majority in nursing. In FY 2022-23, SMMC expended \$15,000,000 for 49 FTEs of coverage and the projection for FY 2023-24 is \$21,000,000 for 69 FTEs of coverage. The main drivers of these significant

increases above SMMC's original projection are persistent challenges in recruiting permanent staff; a nationwide shortage of nurses; and higher premium market rates. Using these projections, SMMC anticipates needing to add approximately \$62,000,000 to the current contract for the higher projected utilization. Additionally, San Mateo County Correctional Health Services (CHS) wishes to utilize this contract for needed staffing; the current CHS cost estimate for registry resources is \$1,020,000 for the remaining lifetime of the contract. This amendment will add funding to allow SMMC (and to a much lesser extent, CHS) to continue to access needed registry staffing through the current term of the agreement.

Funds to cover these expenditures are contained in the current SMMC budget between the allocated registry cost centers and salary savings from the vacant positions that are being backfilled.

County Attorney has reviewed and approved the resolution and amendment as to form.

The resolution contains the County's standard provisions allowing amendment of the County fiscal obligations by a maximum of \$25,000 (in aggregate).

It is anticipated that 100% of requests for temporary professional registry staff will be filled within 24 hours of request.

PERFORMANCE MEASURE:

| Measure | FY 2023-24 Estimated | FY 2024-25 Projected |
|---|----------------------|----------------------|
| Percentage of requests for temporary professional registry staff that are filled within 24 hours of request | 100% | 100% |

FISCAL IMPACT:

The term of the amended agreement is February 1, 2022, through January 31, 2027. The amendment increases the amount payable under the agreement by \$63,000,000 to an amount not to exceed \$108,000,000 for the five-year term. Funds in the amount of \$21,000,000 are included in the SMMC FY 2023-24 Adopted Budget. Funds in the amount of \$21,000,000 are included in the SMMC FY 2024-25 Recommended Budget. Similar arrangements will be made for future years based on updated staffing projections.

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 is covered by the County's General Fund contribution to SMMC and is within the existing annual appropriation.