



County of San Mateo

Inter-Departmental Correspondence

Department: HUMAN RESOURCES

File #: 16-852

Board Meeting Date: 12/12/2017

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Donna Vaillancourt, Human Resources Director
Scott Johnson, Deputy Director, Human Resources

Subject: Amendment to the Agreement with Kaiser On-the-Job

RECOMMENDATION:

Adopt a resolution authorizing an amendment to the agreement with Kaiser On-the-Job to conduct pre-placement and Occupational Health and Safety Administration (OSHA) mandated physical examinations for an additional year to a new term of June 1, 2014 through May 31, 2019 in an amount not to exceed \$2,800,000.

BACKGROUND:

The County has collaborated with Kaiser On-the-Job to establish an Occupational Health Service program. Kaiser On-the-Job provides Occupational Health Services to County employees and they have effectively administered this program by working closely with County employees and the County's Occupational Health Nurse to secure the scheduling of all pre-placement physicals and annual health surveillance exams.

At the inception of the contract with Kaiser, our occupational/annual medical surveillance required a Skin Puncture test for tuberculosis, a \$20 test. In 2012, the County's Health Officer recommended a change from skin test to Quantiferon -TB Gold. It is a more accurate test but also more expensive. Additionally, Kaiser increased their rates from \$65 to \$147 per test. Although the price increase by Kaiser is substantial, it is in line with other labs. Access Labs charges \$149 and Quest Diagnostics charges \$157 for the same test.

The increase in the contract amount is due to three changes: 1) in County protocol requirements for existing employees who are a part of the annual medical surveillance program including Health System, Sheriff's Office, Probation, Medical Center, Public Health, Family Health, BHRS; 2) an increase in hiring for the Sheriff's department related to the new jail, and 3) an increase in pricing by our vendor.

We use the test for pre-placement and annual health surveillance about 3,400 times per year.

DISCUSSION:

Kaiser On-the-Job is staffed with skilled health professionals who respond quickly and efficiently to the needs that arise from work related injuries and are committed to providing attention to prevention and wellness. Kaiser On-the-Job provides examinations to determine a job applicant’s current limitations in relation to the essential job tasks identified by the employer, annual health surveillance examinations and provide vision testing and hearing screening. The Contractor will also provide fitness for duty and return to work examinations

This resolution contains the County’s standard provision allowing amendments of the County’s fiscal obligations by a maximum of \$25,000 (in aggregate).

County Counsel has reviewed and approved the resolution and agreement as to form.

Approval of this amendment contributes to Shared Vision 2025 outcome of Collaborative Community by providing a comprehensive Occupational Health Program that will increase administrative efficiency and help to effectively manage the County’s costs.

PERFORMANCE MEASURES:

Measure	FY 2016-17 Actual	FY 2017-18 Projected
Pre-placement Physicals	700	700
Health Surveillance	600	3,400

FISCAL IMPACT:

Funding for the Occupational Health costs are offset by the Risk Management Workers’ Compensation Trust Fund. The fee for the initial three-year term of the contract is not to exceed \$1,390,000. The proposed amendment increases the contract by \$705,000 per year for the fourth and fifth years for a new total fiscal obligation of \$2,800,000. There is no impact to net County cost associated with this amendment.