



County of San Mateo

Inter-Departmental Correspondence

Department: HEALTH

File #: 22-283

Board Meeting Date: 4/19/2022

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 Peninsula Pathologists Medical Group, Inc. for Pathology Services

RECOMMENDATION:

Adopt a resolution authorizing an amendment to the agreement with Peninsula Pathologists Medical Group, Inc. for pathology services, extending the term by one month through May 31, 2022 and increasing the amount by \$43,055 to an amount not to exceed \$1,643,055.

BACKGROUND:

San Mateo County is responsible for providing necessary medical care to its medically indigent population. Since 2005 Peninsula Pathologists Medical Group Inc. (PPMG) has provided pathology services for San Mateo Medical Center (SMMC).

On June 25, 2019, your Board approved an agreement with PPMG to provide SMMC with pathology services for the term of May 1, 2019 through April 30, 2022 in an amount not to exceed \$1,600,000.

DISCUSSION:

Under this amendment, PPMG has agreed to continue to provide pathology services for one additional month to allow time to negotiate a new agreement.

As a result, it is now necessary to increase the contract amount by \$43,055, to an amount not to exceed \$1,643,055, to cover the cost of pathology services during the one-month extension of the contract.

County Administrative Memorandum B-1 provides that contracts for physicians are exempt from the Request for Proposals process.

The agreement and resolution have been reviewed and approved by County Counsel 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 that 100% of all laboratory and pathology services provided will comply with standards as defined by the Joint Commission and Title XXII of the State of California Code of Regulations.

PERFORMANCE MEASURE:

Measure	FY 2020-21 Actual	FY 2021-22 Estimated
Percentage of laboratory and pathology services provided that comply with standards as defined by the Joint Commission and Title XXII of the State of California Code of Regulations	100%	100%

FISCAL IMPACT:

The term of the amended agreement is May 1, 2019 through May 31, 2022. The amendment increases the contract amount by \$43,055 to an amount not to exceed \$1,643,055 for the 37-months term. Funds in the amount of \$344,440 are included in the SMMC FY 2022-23 Recommended Budget.

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.