



County of San Mateo

Inter-Departmental Correspondence

Department: HEALTH

File #: 23-101

Board Meeting Date: 2/28/2023

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: Agreement with Bay Area Peninsula Anesthesia Associates, Inc. to Provide Anesthesiology Services

RECOMMENDATION:

Adopt a resolution authorizing an agreement with Bay Area Peninsula Anesthesia Associates, Inc. to provide anesthesia services for the term of March 1, 2023, through February 28, 2026, in an amount not to exceed \$6,616,890.

BACKGROUND:

San Mateo Medical Center's (SMMC) current agreement for anesthesiology coverage services with Medical Anesthesia Consultants Medical Group, Inc. (MAC) is scheduled to expire March 1, 2023, due to MAC's notification that it is terminating its SMMC contract, as a part of ceasing all of its medical services operations in Northern California.

DISCUSSION:

The proposed agreement with Bay Area Peninsula Anesthesia Associates, Inc. (BAPAA) is needed to replace MAC's expiring agreement and to ensure continuity of SMMC's surgical services and pain management services, which depend on anesthesiology coverage. BAPAA is led by Dr. Currie Lee, an anesthesiologist who currently provides professional medical services in the specialty of anesthesiology at SMMC.

County Attorney has reviewed and approved the resolution and agreement 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 BAPAA anesthesiologists will: cancel 0% of cases for pre-existing conditions, within one month of the Operating Room (OR) date; and (2) complete 100% of patient evaluations no later than 15 minutes prior to the scheduled start time of the first case, and within 30 minutes from

the end of the previous case for subsequent cases.

PERFORMANCE MEASURE:

Measure	FY 2023-24 Estimated	FY 2024-25 Projected
I. Percentage of case cancellations by anesthesiologists for pre-existing conditions within one month of the OR date. (For surgeries scheduled less than 30 days out, within 24 hours of receiving the chart). II. Percentage of time anesthesiologists complete patient evaluation no later than 15 minutes prior to the scheduled start time of the first case and within 30 minutes from end of the previous case for subsequent cases.	0% 100%	0% 100%

FISCAL IMPACT:

The term of the agreement is March 1, 2023, through February 28, 2026. The amount of the agreement is not to exceed \$6,616,890 for the three-year term. Funds in the amount of \$735,210 are included in the SMMC FY 2022-23 Adopted Budget. Funds in the amount of \$2,205,630 will be included in the SMMC FY 2023-24 Recommended Budget. Similar arrangements will be made for future years.

The payment provisions compare favorably to the current services agreement with MAC, whose fully loaded not to exceed (NTE) amount over the three-year term of the agreement was \$6,970,400. Based on the NTE projection, it is anticipated that BAPAA will save the County approximately 5% in annual cost for anesthesiology coverage over the three-year term of the new BAPAA 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 is covered by the County’s General Fund contribution to SMMC and is within the existing annual appropriation.