



County of San Mateo

Inter-Departmental Correspondence

Department: HEALTH

File #: 23-118

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: Amendment to the Agreement with Galen Inpatient Physicians, Inc. dba Vituity for Hospitalist Services

RECOMMENDATION:

Adopt a resolution authorizing an amendment to the agreement with Galen Inpatient Physicians, Inc. dba Vituity extending the agreement by three months through May 31, 2023, and increasing the agreement amount by \$933,333 to an amount not to exceed \$12,133,333.

BACKGROUND:

The term “hospitalist” or “hospitalists” refers to physicians whose job is to round, treat, and manage medical care for inpatients admitted to the hospital. Accordingly, hospitalist services are indispensable to inpatient and skilled nursing facility care at San Mateo Medical Center (SMMC). SMMC would not be able to operate or care for patients admitted to the hospital without hospitalists. In 2022, SMMC admitted 2449 patients that were cared for by its hospitalists.

Galen Inpatient Physicians, Inc. dba Vituity (Vituity) has been providing “hospitalist” physician coverage and medical director services to San Mateo Medical Center’s (SMMC) inpatient and skilled nursing units since 2017.

In February 2020, San Mateo Medical Center entered into an agreement with Vituity for hospitalist services for the term of March 1, 2020, through February 28, 2023, in an amount not to exceed \$9,600,000.

DISCUSSION:

Negotiations are continuing with Vituity regarding its continued services following the expiration of the current agreement. A three-month extension would provide additional time for those negotiations to be completed. An increase of \$933,333 would allow Vituity to continue providing services throughout the proposed extension of the contract term.

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 Vituity will complete admission history and physical examination within 48 hours of resident admission to Unit 1A, 100% of the time.

PERFORMANCE MEASURE:

Measure	FY 2021-22 Actual	FY 2022-23 Estimated
Percentage of time Vituity completes admission history and physical examination within 48 hours of resident admission to Unit 1A	100%	100%

FISCAL IMPACT:

The term of the amended agreement is March 1, 2020 through May 31, 2023. This amendment extends the term by three months and increases the not to exceed amount by \$933,333 to an amount not to exceed \$12,133,333 for the 39-month term. Funds in the amount of \$933,333 are included in the SMMC FY 2022-23 Adopted 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.