



County of San Mateo

Inter-Departmental Correspondence

Department: HEALTH

File #: 23-162

Board Meeting Date: 3/28/2023

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 CEP America - California, a California General Partnership dba Vituity for Emergency and Correctional Health Services

RECOMMENDATION:

Adopt a resolution authorizing an agreement with CEP America - California, a California General Partnership dba Vituity, to provide emergency and correctional health services, for the term of April 1, 2023, through March 31, 2026, in an amount not to exceed \$8,219,336.

BACKGROUND:

CEP America - California, a California General Partnership dba Vituity (Vituity), provides physicians, midlevel practitioners (known as “advanced provider practitioners”), and scribes to San Mateo Medical Center’s (SMMC) Emergency Department (ED) and Correctional Health Services (CHS) in the County’s jail.

SMMC routinely has one of the busiest EDs in San Mateo County. In 2022, approximately 33,400 County residents were cared for in SMMC’s ED by Vituity’s physicians and advance provider practitioners. Vituity also provided medical care to approximately 3,300 individuals while in the custody of San Mateo County’s Corrections Division of the Sheriff’s Department. Vituity, therefore, provides vital medical services to San Mateo County.

Vituity has been the primary vendor of SMMC’s emergency services since 1991; in 2011, SMMC released an emergency services request for proposals (RFP), and Vituity was identified as the strongest bidder. Vituity’s long tenure as SMMC’s emergency services provider demonstrates its deep commitment to SMMC and SMMC’s patients. Additionally, the continuity of this provider has significantly accelerated operational and quality improvement efforts in SMMC’s ED and CHS. Finally, the vendor’s seamless partnership and integration were critical to the rapid service changes required during the COVID-19 Pandemic and other emergencies.

DISCUSSION:

Vituity has agreed to continue providing correctional health and emergency services for SMMC. The

services will include administrative and clinical duties. Specifically, correctional clinical activities will include but are not limited to, clinical services at all correctional facilities to inmates, consult with clinical staff, review of medical records, and on-call service. Emergency services at SMMC will include but are not limited to the ED being staffed 24 hours a day, with physicians working a maximum of 12-hour shifts and responding to CHS and Cordilleras Mental Health Center calls. Not exceeding this contract's limit is intended to facilitate a reasonable amount of surge capacity. It will also facilitate the time and staff necessary for effective emergency medical provider training as SMMC and CHS proceed with a planned implementation of the Epic Electronic Health Record system.

Per the provisions of San Mateo County Administrative Memorandum B-1, contracts for physician and urgent medical services are exempt from competitive requirements, including RFPs.

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 98% of patients who leave the ED would have been seen by a physician. This is a standard measure of operational efficiency in emergency departments, and this target represents a high level of service.

PERFORMANCE MEASURE:

Measure	FY 2023-24 Estimated	FY 2024-25 Projected
Percentage of patients that leave the ED that have been seen by a physician	98%	98%

FISCAL IMPACT:

The term of the agreement is April 1, 2023, through March 31, 2026. The rate for these services was last negotiated in late 2019 and has remained flat since that time. The amount of this agreement is not to exceed \$8,219,336 for the three-year term. Annually, the maximum annual cost of the agreement is \$2,739,779, which reflects a 12% increase in cost during the first year of the agreement, no additional cost increase in the second year of the agreement, and an additional 0.9% increase in cost the third year of the agreement. Funds in the amount of \$ 2,739,779 will be included in the SMMC FY 2023-24 Recommended Budget and will be similarly budgeted for future years during the agreement's term.

SMMC has assessed this contract for Fair Market Value utilizing VMG Health, a nationally recognized medical services valuation firm that relies upon multiple industry-standard provider compensation surveys and aggregates that data. SMMC and CHS believe this contract will facilitate high-quality care at a reasonable cost.

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 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.