



# County of San Mateo

## Inter-Departmental Correspondence

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**Department:** HEALTH

**File #:** 24-339

Board Meeting Date: 5/7/2024

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**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 Royal Ambulance, Inc. to Provide Non-Emergent Patient Transport Services

### **RECOMMENDATION:**

Adopt a resolution authorizing an amendment to the agreement with Royal Ambulance, Inc. to provide non-emergent patient transport services and increase the maximum amount payable by \$240,000 to an amount not to exceed \$690,000 with no change to the term.

### **BACKGROUND:**

San Mateo Medical Center (SMMC) often needs non-emergent patient transport service to transfer patients to other facilities for continuity of care, typically for testing and other services that may not be available at the medical center, such as cardiac catheterizations, nuclear med scans, CT scans, dialysis services, and to other hospitalization for admissions. Generally, the transport vendor bills the patient's insurance company for the transportation service and SMMC is the payor of last resort, except in the case of the uninsured and lateral transfers (transfers between hospitals for continuity of care and/or testing).

In August 2021, SMMC completed a Request for Proposals for non-emergent patient transport services. Royal Ambulance, Inc. (Royal) was identified as the superior proposal due to their cost and broad variety of special services offered.

In September 2021, SMMC and Royal entered into an agreement for the term of November 1, 2021, through October 31, 2024, in an amount not to exceed \$200,000.

In February 2023, the parties amended the agreement to add services for Aging and Adult Services (AAS) and Behavioral Health and Recovery Services (BHRS) and increase the amount of the agreement by \$250,000 to an amount not to exceed \$450,000.

### **DISCUSSION:**

The current contract supports three departments in County Health for an amount not to exceed \$450,000 over three years. The breakdown is as follows, SMMC: \$200,000; AAS: \$150,000; and BHRS: \$100,000.

This amendment to increase the not to exceed amount by \$240,000 is now necessary, primarily due to the increase in cost related to lateral transfers for treatment and tests. In the 12-month period from January to December 2023, SMMC moved 347 patients at a total cost of \$347,172. Of that number, 133 patients were lateral transfers costing \$178,725. Using these projections, SMMC anticipates needing to add approximately \$240,000 to the current contract. These additional funds would ensure that County Health would be able to meet the anticipated transportation needs of - and provide timely care to - its patients and clients.

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 100% of pre-scheduled transports shall arrive within 15 minutes of scheduled pickup time.

**PERFORMANCE MEASURE:**

Measure	FY 2023-24 Estimated	FY 2024-25 Projected
Percentage of pre-scheduled transports that arrive within 15 minutes of scheduled pickup time	100%	100%

**FISCAL IMPACT:**

The term of the amended agreement is November 1, 2021, through October 31, 2024. The amendment increases the amount payable under the agreement by \$240,000 to an amount not to exceed \$690,000 for the three-year term. Funds in the amount of \$137,000 are included in the SMMC FY 2023-24 Adopted Budget. Similar arrangements will be made for future years.

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.