



# County of San Mateo

## Inter-Departmental Correspondence

**Department:** HEALTH

**File #:** 16-312

Board Meeting Date: 6/27/2017

**Special Notice / Hearing:**

None

**Vote Required:**

Majority

**To:** Honorable Board of Supervisors

**From:** Louise Rogers, Chief, Health System  
Chester J. Kunnappilly, MD, Chief Executive Officer, San Mateo Medical Center

**Subject:** Agreement with Peninsula Urology, LLC to Provide Urological Portable Laser Services

**RECOMMENDATION:**

Adopt a resolution authorizing an agreement with Peninsula Urology, LLC to provide portable laser equipment, supplies, and technician services for the term of October 1, 2017 through September 30, 2020, to an amount not to exceed \$1,219,176.

**BACKGROUND:**

San Mateo Medical Center (SMMC), unlike most hospitals in the area, does not own lasers or equipment for the treatment of urology ailments such as kidney or bladder stones or strictures. Therefore, this equipment must be leased from outside sources. Since June 2013, Peninsula Urology, LLC (Peninsula Urology) has been providing the lasers, support staff, and disposables used in urology procedures in a prompt, professional manner, at a savings to the County.

**DISCUSSION:**

SMMC has a continuous need for both sonic and laser equipment. Peninsula Urology is the sole provider of on premise leased laser equipment in the area. This enables SMMC's urologists to maintain consistency and quality of care by providing access to the equipment and a certified technician 24 hours a day, 7 days a week. Therefore, SMMC is requesting a waiver of the Request for Proposals process.

The resolution contains the County's standard provisions allowing amendment of the County fiscal obligations by a maximum of \$25,000 (in aggregate).

The agreement and resolution have been reviewed and approved by County Counsel as to form.

This agreement contributes to the Shared Vision 2025 of a Healthy Community by providing access to urological care for San Mateo County residents. It is anticipated that a certified technician will be on-call 24 hours a day, 7 days a week, and arrive at SMMC within 2 hours of a request 100% of the time.

**PERFORMANCE MEASURES:**

| Measure   | FY 2016-17 Estimated | FY 2017-18 Projected |
|---|----------------------|----------------------|
| Percentage of time a certified technician will be on-call 24 hours a day, 7 days a week, and arrive at SMMC within 2 hours of a request | 100%                 | 100%                 |

**FISCAL IMPACT:**

The term of the agreement is October 1, 2017 through September 30, 2020. The amount of the agreement is not to exceed \$1,219,176 for the three-year term. Funds in the amount of \$304,794 will be included in the SMMC FY 2017-18 Recommended Budget. Funds in the amount of \$406,392 will be included in the SMMC FY 2018-19 Recommended Budget. Similar arrangements will be made for future years.

The payment provisions of this agreement differ from the previous agreement due to a 14.8% increase in the amount of the agreement. This increase reflects the projected increase in annual volume of laser procedures.

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 are covered by the County's General Fund contribution to SMMC, and are within the existing annual appropriation.