



County of San Mateo

Inter-Departmental Correspondence

Department: HEALTH

File #: 18-164

Board Meeting Date: 2/27/2018

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 for Urology Services

RECOMMENDATION:

Adopt a resolution authorizing an agreement with Peninsula Urology, LLC to provide urology services for the term of February 1, 2018 through January 31, 2020, for an amount not to exceed \$800,000.

BACKGROUND:

In February 2013, Dr. Chris Threatt of Peninsula Urology, LLC (Peninsula Urology) began providing urology services at San Mateo Medical Center (SMMC), including all weekend call coverage for urology. In April 2014, Peninsula Urology began providing urodynamic services as well.

DISCUSSION:

Under this new agreement, Peninsula Urology will continue to provide urology services to SMMC's patients, including inpatient, ambulatory and surgical care, as well as urodynamic services and all weekend call coverage. Additionally, Dr. Threatt, in his capacity as a principal with Peninsula Urology, will provide urology-related administrative services for SMMC, which may include training of providers for the Provider Engagement Group, LEAP participation, Quality Assurance, Electronic Medical Records feedback and selection, and other administrative duties as assigned.

County Administrative Memorandum B-1 provides that contracts for physicians are exempt from the Request for Proposals process.

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

This agreement is coming to your Board late due to protracted negotiations.

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 contributes to the Shared Vision 2025 outcome of a Healthy Community by providing access to urology services to County residents. It is anticipated that 100% of all weekend Emergency Department call coverage for urology patients will be provided by Peninsula Urology, LLC.

PERFORMANCE MEASURE:

Measure	FY 2016-17 Actual	FY 2017-18 Projected
Percent of weekend urology call coverage provided	100% call coverage	100% call coverage

FISCAL IMPACT:

The term of the agreement is February 1, 2018 through January 31, 2020. The amount of the agreement is not to exceed \$800,000 for the two year term. Funds in the amount of \$170,000 are included in the SMMC FY 2017-18 Adopted Budget. Funds in the amount of \$400,000 will be included in the SMMC FY 2018-19 Recommended Budget. Similar arrangements will be made for future years.

The payment provisions and scope of services of the contract are different from the prior contract because the agreement reflects a 9% increase for urology clinics and surgical services, which is in line with the compensation benchmarking provided by the Medical Group Management Association.

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.