



County of San Mateo

Inter-Departmental Correspondence

Department: HEALTH

File #: 18-496

Board Meeting Date: 6/19/2018

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

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

Subject: Issuance of Purchase Orders to Medtronic USA, Inc.

RECOMMENDATION:

Adopt a resolution authorizing the County Purchasing Agent to issue purchase orders to Medtronic USA, Inc. in an amount not to exceed \$180,000.

BACKGROUND:

San Mateo Medical Center (SMMC) has been renting Medtronic USA, Inc.'s (Medtronic) guided electromagnetic image equipment for sinus and transnasal brain tumor removal for past two years.

DISCUSSION:

Image guided surgery has become the industry standard for Ear Nose and Throat specialists. Due to the highly vascular nature of the subject area of the body, this type of procedure offers maximum visualization and improved precision. Ultimately, image guided surgery results in better patient outcomes by minimizing mucosal damage, reducing surgical bleeding, producing faster healing, and reducing the chance of a surgical site infection.

SMMC spends approximately \$90,000 annually in rental fees for the StealthStation Non-Invasive navigation system on an as-needed basis. SMMC's Director of Surgery has determined that it would be more economical and efficient to own image guidance equipment and keep it onsite; with a one-time purchase price of \$180,000, the equipment would pay for itself in 2 years (based on a \$90,000 annual rental fee). In addition, physicians have requested that SMMC continue to use the current equipment that they were trained on, as opposed to changing to another system. As a result, SMMC is requesting that your Board waive the Request for Bid process in order to purchase the current SMMC equipment outright. Maintenance for the equipment will be negotiated separately.

The resolution has been reviewed and approved by County Counsel 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).

The purchase contributes to the Shared Vision 2025 outcome of a Healthy Community by using technology to improve SMMC's patient outcomes. It is anticipated that 100% of services provided at SMMC will adhere to the infection control standards as defined by the Joint Commission and Title XXII of the State of California Code of Regulations.

PERFORMANCE MEASURE:

Measure	FY 2016-17 Actual	FY 2017-18 Projected
Percentage of services provided at SMMC will adhere to the infection control standards as defined by the Joint Commission and Title XXII of the State of California Code of Regulations	100%	100%

FISCAL IMPACT:

The amount of the purchase is not to exceed \$180,000. Funds in the amount of \$180,000 are included in the SMMC FY 2017-18 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 are covered by the County's General Fund contribution to SMMC, and are within the existing annual appropriation.