



County of San Mateo

Inter-Departmental Correspondence

Department: HEALTH

File #: 18-975

Board Meeting Date: 10/23/2018

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: Amendment to the Agreement with Sutter Bay Medical Foundation dba Palo Alto Medical Foundation for Healthcare, Research and Education to Provide Otorhinolaryngology Medical Services

RECOMMENDATION:

Adopt a resolution authorizing an amendment to the agreement with Sutter Bay Medical Foundation dba Palo Alto Medical Foundation for Healthcare, Research and Education to provide otorhinolaryngology services, extending the term through December 31, 2018 and increasing the amount payable by \$212,500, to an amount not to exceed \$1,062,500.

BACKGROUND:

Sutter Bay Medical Foundation dba Palo Alto Medical Foundation for Research and Education (Sutter) has provided otorhinolaryngology (ENT) medical services to the patients of San Mateo Medical Center (SMMC) for many years. Patients treated at SMMC have a continuous need for such ENT care services and Sutter offers SMMC the benefits of an experienced provider familiar with the complex nature of the County's patient base. This agreement has been previously amended twice, once to change the name of the vendor and a second time to update the list of service providers in the agreement.

DISCUSSION:

Negotiations for a new agreement with Sutter have been prolonged due to extensive and ongoing negotiations. Therefore, SMMC is requesting your Board extend the term of the current agreement to allow enough time to complete negotiations and get a new agreement in place by December 31, 2018.

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

The agreement contributes to the Shared Vision 2025 outcome of a Healthy Community by providing ENT services to the patients of SMMC. It is anticipated that ENT urgent surgery wait times will be

reduced to less than two months.

PERFORMANCE MEASURE:

Measure	FY 2017-18 Actual	FY 2018-19 Projected
ENT urgent wait times will be reduced	Less than 3 months	Less than 2 months

FISCAL IMPACT:

The term of the agreement is July 1, 2016 through December 31, 2018. The amount of the agreement is not to exceed \$1,062,500. The amendment increases the contract amount by \$212,500. Funds in the amount of \$212,500 are included in the SMMC FY 2018-19 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.