



# County of San Mateo

## Inter-Departmental Correspondence

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**Department:** HEALTH

**File #:** 18-1144

Board Meeting Date: 12/11/2018

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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 Peninsula Pathologists Medical Group for Pathology and Histology Services

### **RECOMMENDATION:**

Adopt a resolution authorizing an amendment to the agreement with Peninsula Pathologists Medical Group for pathology and histology services, extending the term of the agreement through April 30, 2019 and increasing the amount payable by \$80,000 in an amount not to exceed \$716,000.

### **BACKGROUND:**

In August 2015, San Mateo Medical Center (SMMC) completed a Request for Proposals (RFP) for pathology and histology services. Peninsula Pathologist Medical Group (PPMG) was chosen based on their price and their extensive experience in providing pathology and histology services. In March 2016, your Board also approved an agreement with PPMG - May 1, 2016 through April 30, 2019 - to provide clinical pathology physician services, exempting physicians from the RFP process as outlined in County Administrative Memorandum B-1.

### **DISCUSSION:**

SMMC believes that it would be in the best interest of the County to issue a combined RFP for pathology, histology and clinical pathology physician services in the first quarter of 2019. Therefore, SMMC requests that your Board extend the term of the current pathology and histology agreement with PPMG through April 30, 2019, with the associated increase in funding (\$80,000). The latter agreement, once revised, will end at the same time as the existing contract for clinical pathology physician services.

The County's Contract Compliance Committee has approved a waiver request for a term by four months beyond the three-year term for this agreement.

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

The amendment contributes to the Shared Vision 2025 outcome of a Healthy Community by providing pathology blocks and slide preparation for accurate diagnosis and treatment of disease. It is anticipated that 100% of blocks and slides will be returned to the lab for analysis within 48 hours from time of pick-up.

**PERFORMANCE MEASURE:**

Measure	FY 2017-18 Actual	FY 2018-19 Projected
Percentage of blocks and slides returned to the lab for analysis within 48 hours from time of pick-up	100%	100%

**FISCAL IMPACT:**

The term of the revised agreement is January 1, 2016 through April 30, 2019. The amount of the agreement is not to exceed \$716,000. The amendment increases the contract amount by \$80,000. Funds in the amount of \$80,000 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.