



# County of San Mateo

## Inter-Departmental Correspondence

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**Department:** HEALTH

**File #:** 19-881

Board Meeting Date: 9/17/2019

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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 May 31, 2022, and increasing the amount by \$830,000 to an amount not to exceed \$930,000.

### **BACKGROUND:**

In May 2019, San Mateo Medical Center (SMMC) completed a Request for Proposals (RFP) for pathology and histology services. Peninsula Pathologists Medical Group (PPMG) was the only vendor who responded to the RFP. The Chief Executive Officer of SMMC approved an agreement with PPMG for the term of June 1, 2019 through August 31, 2019, in an amount not to exceed \$100,000 to ensure services were continued and allow SMMC time to bring an amendment to your Board.

### **DISCUSSION:**

This amendment will extend PPMG's pathology and histology services through May 31, 2022, and increase the amount by \$830,000 to an amount not to exceed \$930,000.

The amendment and resolution have been reviewed and approved by County Counsel as to form. The agreement is coming to your Board late due to prolonged negotiations.

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

Approval of this 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:**

<b>Measure</b>	<b>FY 2018-19 Actual</b>	<b>FY 2019-20 Projected</b>
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 June 1, 2019 through May 31, 2022. The amount of the agreement is not to exceed \$930,000 for the two-year-term. The amendment increases the contract amount by \$830,000. Funds in the amount of \$251,515 are included in the SMMC FY 2019-20 Approved Recommended Budget. Similar arrangements will be made for future years.

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

**ATTACHMENT:**

RFP Matrix