



County of San Mateo

Inter-Departmental Correspondence

Department: HEALTH

File #: 21-710

Board Meeting Date: 9/14/2021

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: 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 agreement with Sutter Bay Medical Foundation dba Palo Alto Medical Foundation for Healthcare, Research, and Education for otorhinolaryngology medical services for the term of October 1, 2021 through September 30, 2024, for an amount not to exceed \$1,650,000.

BACKGROUND:

San Mateo County is responsible for providing necessary medical care to its medically indigent population. This care includes otorhinolaryngology (ENT) surgery, and the management and supervision of this service. Palo Alto Medical Foundation for Healthcare, Research and Education has provided surgery services at San Mateo Medical Center (SMMC) for the past 14 years. The group became affiliated with Sutter Bay Medical Foundation in January 2017 and is now known as Sutter Bay Medical Foundation dba Palo Alto Medical Foundation for Healthcare, Research and Education (PAMF).

DISCUSSION:

PAMF will continue to provide ENT services at SMMC at the same level as the current agreement. PAMF ENT doctors are very familiar with SMMC and its patients. ENT medical services are provided under the general direction of the Chief of Surgery and the Chief Medical Officer. Monitoring and evaluation of the quality of PAMF's services are accomplished through peer review by the Quality Assurance Committee and the Medical Staff Executive Committee.

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.

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

The current average wait time for ENT surgery is approximately 3 months, as a result of the impact of the COVID-19 pandemic. It is anticipated that the average wait time for ENT surgery will be reduced to less than two months.

PERFORMANCE MEASURE:

Measure	FY 2020-21 Actual	FY 2021-22 Estimated
Average wait time for ENT surgery	3 months	< 2 months

FISCAL IMPACT:

The term of the agreement is October 1, 2021 through September 30, 2024. The amount of the agreement is not to exceed \$1,650,000 for the three-year term. Funds in the amount of \$550,000 are included in the SMMC FY 2021-22 Recommended Budget.

The payment provisions in this contract are based on the 2020 Medical Group Management Association (MGMA): Median Otorhinolaryngology compensation data. SMMC uses MGMA to benchmark its contracted provider rates and measure productivity.

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.