



County of San Mateo

Inter-Departmental Correspondence

Department: HEALTH

File #: 22-071

Board Meeting Date: 1/25/2022

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: Fourth Amendment to the Agreement with Galen Inpatient Physicians, Inc. dba Vituity to Provide Hospitalist Services

RECOMMENDATION:

Adopt a resolution authorizing an amendment to the agreement with Galen Inpatient Physicians, Inc. dba Vituity, to provide hospitalist services, increasing the amount by \$1,575,000 to an amount not to exceed \$11,200,000 with no change to the agreement term.

BACKGROUND:

Galen Inpatient Physicians, Inc. dba Vituity (Vituity) has been providing all hospitalist services for San Mateo Medical Center (SMMC) since March 2017. On February 25, 2020, your Board approved the current agreement for the term of March 1, 2020 through February 28, 2023, in an amount not to exceed \$9,600,000. The agreement requires that Vituity provide 24-hour, 365 days per year coverage of the following SMMC units: 2AB, ICU, and 3AB. Additionally, the agreement requires Vituity to offer after hours coverage for SMMC's skilled nursing facility, Unit 1A. In August 2021, the agreement was amended twice to engage Vituity to temporarily provide medical director services to Unit 1A. In October 2021, the agreement was amended again to extend the temporary medical director services to Unit 1A and to increase the not to exceed amount by \$25,000 from \$9,600,000 to \$9,625,000.

DISCUSSION:

This agreement is being further amended to engage Vituity to provide medical director services to Unit 1A for the remainder of the term of the agreement.

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's fiscal obligation by a maximum of \$25,000 (in aggregate).

It is anticipated that Vituity will complete admission history and physical examination within 48 hours

of resident admission to Unit 1A 100% of the time.

PERFORMANCE MEASURE:

| Measure | FY 2021-22 Estimated | FY 2022-23 Projected |
|--|-----------------------------|-----------------------------|
| Percentage of time admission history and physical examination are completed within 48 hours of resident admission to Unit 1A | 100% | 100% |

FISCAL IMPACT:

The term of the amended agreement is March 1, 2020 through February 28, 2023. The amount of the amended agreement is not to exceed \$11,200,000 for the three-year term. This amendment increases the contract amount by \$1,575,000. Funds in the amount of \$1,575,000 are included in the SMMC FY 2021-22 Adopted Budget. Similar arrangements will be made for future years.

The payment provisions of this contract are based on the median rates for Hospitalist services in the 2019 Medical Group Management Association Provider Compensation and Production Report, which SMMC uses to benchmark its contracted provider rates.

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.