



County of San Mateo

Inter-Departmental Correspondence

Department: HEALTH

File #: 22-426

Board Meeting Date: 6/14/2022

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: Amendment to the Agreement with Alliance Healthcare Radiology to Provide Mobile Magnetic Resonance Imaging Services

RECOMMENDATION:

Adopt a resolution authorizing an amendment to the agreement with Alliance Healthcare Radiology to provide mobile magnetic resonance imaging services, extending the term through December 31, 2027, and increasing the amount by \$5,200,000 to an amount not to exceed \$5,400,000.

BACKGROUND:

San Mateo Medical Center (SMMC) has a continuing need for Medical Resonance Imaging (MRI) services. A request for proposals for MRI services was completed in March 2021 and SMMC's existing vendor Alliance Healthcare Radiology (Alliance) was selected, due to the comprehensive list of services they provide and for providing consistently excellent service since April 2008. In April 2022, SMMC entered into a new agreement with Alliance for the term of May 1, 2022 through July 31, 2022, in an amount not to exceed \$200,000, to avoid a lapse in services while SMMC prepared to bring an amendment to this Board for approval.

DISCUSSION:

This agreement contains provisions for a new MRI magnet that will provide enhanced images, offering a valuable tool for providers when making diagnoses. In addition, SMMC intends to bring this service into its radiology department by the end of the term of this agreement, offering greater flexibility and associated cost savings of owning its own equipment. Having this agreement in place will allow SMMC time to get the necessary regulatory approvals and construction services in place.

SMMC is requesting this Board approve the revised Non-Discrimination language requested by Alliance due to their size, allowing them to report to the County Executive Officer any claims submitted by contractors' employees in San Mateo County or any successful or partially successful claim of discrimination within Alliance.

County Attorney has reviewed and approved the resolution and amendment 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 Information Services Department has reviewed and approved the IT component of this amendment.

The County's Contract Compliance Committee has approved a waiver request for a 68-month term for this amendment.

It is anticipated that MRI services shall be provided to approximately 285 patients per month.

PERFORMANCE MEASURE:

Measure	FY 2021-22 Estimated	FY 2022-23 Projected
Number of patients per month that MRI services are provided to	~285 patients	~285 patients

FISCAL IMPACT:

The term of the amended agreement is May 1, 2022 through December 31, 2027. The amount of the amended agreement is not to exceed \$5,400,000 for a 68-month term. Funds in the amount of \$235,000 are included in the SMMC FY 2021-22 Adopted Budget. Funds in the amount of \$940,000 are included in the SMMC FY 2022-23 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.