



County of San Mateo

Inter-Departmental Correspondence

Department: HEALTH

File #: 22-489

Board Meeting Date: 6/28/2022

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 Sutter Bay Medical Foundation dba Palo Alto Medical Foundation for Vascular Surgery Services

RECOMMENDATION:

Adopt a resolution authorizing a third amendment to the agreement with Sutter Bay Medical Foundation, a California Nonprofit Public Benefit Corporation dba Palo Alto Medical Foundation for Health Care, Research and Education for vascular surgery services, extending the term by two months through August 31, 2022, and increasing the amount by \$75,770 to an amount not to exceed \$1,098,670.

BACKGROUND:

San Mateo County is responsible for providing necessary medical care to its medically indigent population. Since 2018, Sutter Bay Medical Foundation, a California Nonprofit Public Benefit Corporation dba Palo Alto Medical Foundation for Health Care, Research and Education (PAMF), has provided vascular surgery services for San Mateo Medical Center (SMMC).

On May 5, 2020, this Board approved an agreement with PAMF to provide SMMC with vascular surgery services for the term of April 1, 2020, through March 31, 2022, in an amount not to exceed \$909,245.

On March 22, 2022, this Board approved an amendment with PAMF to extend the term of the agreement by two months and increase the contract amount by \$75,770 to an amount not to exceed \$985,015.

On May 17, 2022, this Board approved a second amendment with PAMF to extend the term of the agreement by one month and increase the contract amount by \$37,885 to an amount not to exceed \$1,022,900.

DISCUSSION:

Under this proposed third amendment, PAMF would continue to provide vascular surgery services for an additional two months to allow sufficient time to conclude negotiations for a new agreement, and the maximum amount payable under the agreement would be increased by \$75,770 to an amount not to exceed \$1,098,670.

County Administrative Memorandum B-1 provides that contracts for physicians are exempt from the Request for Proposals process.

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

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

It is anticipated that the percentage of surgical site infection rates for vascular surgery will be less than 2.5% throughout the term of this agreement.

PERFORMANCE MEASURE:

Measure	FY 2021-22 Estimated	FY 2022-23 Projected
Percentage of surgical site infection rates for vascular surgery	<2.5%	<2.5%

FISCAL IMPACT:

The term of the agreement, as amended, is April 1, 2020, through August 31, 2022. The amendment increases the amount authorized to be expended by \$75,770 to an amount not to exceed \$1,098,670 for the 29-month term. Funds in the amount of \$75,770 are included in the SMMC FY 2022-23 Recommended 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 is covered by the County's General Fund contribution to SMMC and is within the existing annual appropriation.