



County of San Mateo

Inter-Departmental Correspondence

Department: HEALTH

File #: 23-60

Board Meeting Date: 1/31/2023

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 Vijay Pottathil, MD, to Provide Gastroenterology Services

RECOMMENDATION:

Adopt a resolution authorizing an agreement with Vijay Pottathil, MD, to provide gastroenterology services for the term of February 1, 2023 through January 31, 2026 in an amount not to exceed \$2,314,440.

BACKGROUND:

San Mateo Medical Center (SMMC) has contracted with Dr. Pottathil since 2019. In 2020 Dr. Pottathil expanded his work at SMMC where he provides in-clinic, inpatient, and on-call coverage.

DISCUSSION:

Dr. Pottathil will assume the clinic duties that include the provision of gastroenterology services, in addition to providing on-call coverage.

County Administrative Memo B-1 provides that contracts for physician services are exempt from the Request for Proposals process.

County Attorney has reviewed and approved the resolution and agreement 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).

It is anticipated that Dr. Pottathil will review incoming referrals for appropriateness within one business day for urgent cases and three business days for routine cases 100% of the time. It is also anticipated that the 85% of patients who respond to surveys concerning patient satisfaction will recommend Dr. Pottathil as a provider.

PERFORMANCE MEASURE:

Measure	FY 2022-23 Estimated	FY 2023-24 Projected
Contractor shall review incoming referrals for appropriateness within one (1) business day for urgent cases and three (3) business days for routine cases	100%	100%
% of patients who completed the Patient Satisfaction Survey would recommend Contractor as a provider	85%	85%

FISCAL IMPACT:

The term of the agreement is February 1, 2023 through January 31, 2026. The amount of the agreement is not to exceed \$ 2,314,440.00 for the three (3) year term. Funds in the amount of \$ 771,480.00 are included in the SMMC FY 2024-25 Recommended Budget. Similar arrangements will be made for future years.

The cost of the proposed agreement will increase by nine percent (9%) compared to the prior agreement. Although incremental on-call compensation rates decreased, arm's length negotiation increases in the hourly clinical services rate and medical directorship compensation rate resulted in an overall increase in contract cost. The increased rates in the new contract are within fair market value according to VMG Health, a nationally recognized medical services valuation firm that relies upon multiple industry-standard provider compensation surveys and aggregates that data.

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.