

# **County of San Mateo**

# Inter-Departmental Correspondence

**Department: HEALTH** 

File #: 23-1007 Board Meeting Date: 12/12/2023

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 Burlingame Orthopedics and Sports Medicine Associates Inc. to

Provide Orthopedic Services

## **RECOMMENDATION:**

Adopt a resolution authorizing an agreement with Burlingame Orthopedics and Sports Medicine Associates Inc. to provide orthopedic services for the term of January 1, 2024, through December 31, 2026, in an amount not to exceed \$1,787,904.

#### **BACKGROUND:**

This agreement with Dr. Gaurav Abbi's professional medical practice, Burlingame Orthopedics and Sports Medicine Associates Inc., will replace the prior orthopedic services contract with Gaurav Abbi, MD, A Professional Corporation, and provide for expanded coverage possibilities by making available three additional orthopedic specialists under Dr. Abbi's group practice - Drs. Edward Shin, Richard Han, and Kris Okumu. Dr. Abbi has been providing specialty orthopedic services to patients at San Mateo Medical Center (SMMC) since September 2016.

#### **DISCUSSION:**

The County meets community needs for orthopedic services through its contract with Dr. Abbi and other orthopedists at Burlingame Orthopedics and Sports Medicine Associates Inc.

County Administrative Memorandum B-1 provides that physician contracts 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 85% of patients who complete the Patient Satisfaction Survey would recommend

orthopedists of Burlingame Orthopedics and Sports Medicine Associates, Inc. as a provider.

### **PERFORMANCE MEASURE:**

Measure	FY 2023-24 Estimated	FY 2024-25 Projected
Percentage of patients who complete the Patient Satisfaction Survey that recommend orthopedists of Burlingame Orthopedics and Sports Medicine Associates, Inc. as a provider	85%	85%

# **FISCAL IMPACT:**

The term of the agreement is January 1, 2024, through December 31, 2026. The amount of the agreement is not to exceed \$1,787,904 for the three-year term. Funds in the amount of \$595,968 are included in the SMMC FY 2023-24 Adopted Budget. Funds in the amount of \$595,968 will be included in the SMMC FY 2024-25 Recommended Budget. Similar arrangements will be made for future years.

The payment provisions and levels of services in this contract differ from that of the previous contract, due to a 14% increase in the hourly rate charged by the Burlingame Orthopedics and Sports Medicine Associates, Inc.- previously \$325.50 per hour, and now \$371.50 per hour. The amount of coverage provided under the proposed contract is approximately double in terms of physician working hours at maximum.

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.