



# County of San Mateo

## Inter-Departmental Correspondence

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**Department:** TREASURER

**File #:** 24-155

Board Meeting Date: 2/27/2024

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**Special Notice / Hearing:** None  
**Vote Required:** Majority

**To:** Honorable Board of Supervisors

**From:** Sandie Arnott, Treasurer-Tax Collector

**Subject:** Amendment to Master Agreement with Elavon Inc. to Provide Merchant Card Services

**RECOMMENDATION:**

Adopt a resolution authorizing a fifth amendment to the agreement with Elavon, Inc., for the provision of Elavon's MedEpay platform and executing subsequent MedEpay Services addendum, increasing the maximum amount payable by \$200,000 to an amount not to exceed \$2,625,000 with no change to the term of the agreement.

**BACKGROUND:**

On November 21, 2017, following a Request for Proposal (RFP) for merchant card services, this Board of Supervisors, by Resolution No. 075597, approved an agreement with Elavon, Inc. "Elavon" based on their proven abilities to provide the necessary and desired services to offer County departments the platform to accept payments through electronic means.

On June 4, 2019, this Board of Supervisors, by Resolution No. 076690, approved and executed the first amendment to the agreement with Elavon to increase the total amount payable under the agreement by \$300,000 for a total obligation not to exceed \$900,000; and

The Treasurer - Tax Collector executed a second amendment to the agreement with Elavon on August 18, 2020, to increase the total amount payable under the agreement by \$25,000 for a total obligation not to exceed \$925,000.

On November 17, 2020, this Board of Supervisors, by Resolution No. 077874, approved and executed a third amendment to the agreement with Elavon to increase the total amount payable under the agreement by \$600,000 for a total obligation not to exceed \$1,525,000 and amended the terms through November 30, 2022.

On September 13, 2022, this Board of Supervisors, by Resolution No. 079149, approved and executed a fourth amendment to the agreement with Elavon to increase the total amount payable under the agreement by \$900,000 for a total obligation not to exceed \$2,425,000 and amended the

terms through November 30, 2025.

**DISCUSSION:**

The Treasurer’s Office desires to increase the total obligation amount of the contract with Elavon by \$200,000 and proceed with amending the scope of the services Elavon offers to utilize Elavon’s dedicated healthcare payment solution.

The Department works closely with 16 separate County department to offer merchant card services through the partnership that has been established with Elavon. The current scope of services has been satisfactory to date with implementation of merchant card processing capabilities to accept payments at the varying points of service throughout the County from a department’s office to a department’s digital presence online as systems of record have evolved over time. However, recently a new opportunity has been identified that Elavon is well positioned to offer to our partners at San Mateo County Health. Through the adoption of Elavon’s healthcare payment processing services solution, “MedEpay Platform”, it is expected, through various additional new initiatives San Mateo County Health is undertaking including the introduction of EHR MyChart and incorporating payment processing, that patients will significantly benefit from these offerings by being able to settle patient billing with greater flexibility. Presently, patients looking to settle their payments with credit cards must do so in person at a point of care during regular operating hours. The proposed solution would enable patients to review and process payments at their convenience on their devices at any time of the day or night.

Additionally, the Department proposes to amend the scope of work with Elavon through the acceptance and execution of the “MEDEPAY SERVICES ADDENDUM”. There would be no change to the term of the agreement which is presently set through November 30, 2025.

The County Attorney’s Office has reviewed and approved the resolution and amendment as to form.

**PERFORMANCE MEASURE:**

<b>Measure</b>	<b>FY 2020-21 Actuals</b>	<b>FY 2021-22 Actuals</b>	<b>FY 2022-23 Actual</b>
Transactions processed with Elavon	134,229	148,424	163,040
Average Transaction Amount	\$74.33	\$83.31	\$100.82

**FISCAL IMPACT:**

The cost of merchant card services incurred under this fifth amendment to the agreement will be funded by each participating department’s FY 2023-24 Adopted Budgets and will be factored in future Recommended Budgets.