



COUNTY OF SAN MATEO
Inter-Departmental Correspondence

Department of Hospital and Clinics

DATE:

BOARD MEETING DATE:

TO: Honorable Board of Supervisors

FROM: Nancy J. Steiger, Chief Executive Officer, San Mateo Medical Center

SUBJECT: Amendments to the Agreements with On-Call Therapists, Inc.,
and Preferred Healthcare Registry, Inc.

Recommendation

Adopt a resolution authorizing the President of the Board to waive the Request for Proposal process and to execute amendments to the agreements with On-Call Therapists, Inc., and Preferred Healthcare Registry, Inc. for Outpatient, Acute and Long Term Care Rehabilitation Services at San Mateo Medical Center.

Background

San Mateo County is responsible for providing necessary medical care to its medically indigent adult population. San Mateo Medical Center is certified to provide general rehabilitation services. Services must cover three distinct areas: acute hospital patients, long term care residents and ambulatory care. County employees cover physical therapy, speech therapy and occupational therapy. Registry assistance is required during times of staff absences or high patient census. Audiology testing is provided through a separate contractual arrangement. Very frequently, one registry may not have staff available to respond to our needs because of prior commitments. Having multiple providers broadens the availability of back-up therapists with specific experience required to serve the diverse populations and needs. County patients frequently present more complex problems that often exceed the capacity of one registry provider. Without full coverage, San Mateo Medical Center will not meet full clinical standards required to provide care, will lose revenue and may encounter problems with regulatory agencies such as JCAHO and State Department of Health Services Licensing and Certification. San Mateo Medical Center then risks losing certification for rehabilitation services, which

could result in patients being referred to other facilities at a higher cost to the county.

In April 2002, San Mateo Medical Center issued a Request for Proposals (RFP) for outpatient, acute and long term care rehabilitation services. On August 20, 2002, your Board approved agreements with the three providers. The term of the agreements was July 1, 2002 to June 30, 2004. The three agreements were approved collectively under single resolution at a maximum of \$300,000 for the term of the agreements.

Discussion

Two of the three agreements approved on August 20, 2002 are being amended to extend the agreement, to increase rates, to add speech therapy services and to incorporate HIPAA language. The third vendor is unable to comply with insurance requirements and therefore will not be included in this amendment. The increase in rates will not affect the maximum amount of the agreement.

On-call Therapists, Inc. and Preferred Healthcare Registry, Inc. have provided skilled rehabilitation specialists and are willing to provide services at rates at or below the community standards.

San Mateo Medical Center Rehabilitation is requesting a year extension to stay, in the short run, with providers we have used over a long period. Collaboratively with Nursing and Respiratory Therapy, Rehabilitation Services were recently part of a multi-provider registry contract (which underwent the RFP process) and was approved by the Board of Supervisors. A one-year extension, with the two providers we've used for several years, will give us the security of the registries we know, and a chance to explore other options if needed. The rates for these renewed registries is the same as the negotiated rates for the ones offering Nursing and Respiratory Therapy services.

For these reasons, a waiver of the Request for Proposals process is being requested at this time.

County Counsel and Risk Management have approved the amendment to these agreements.

Vision Alignment

This agreement keeps the commitment responsive, effective and collaborative governments and goal number 20: Government decisions are based on careful consideration of future impact, rather than temporary relief or immediate gain.

Fiscal Impact

This Amendment extends the term of the agreement by one year making the new term, from July 1, 2002 through June 30, 2005. The maximum amount of \$300,000 remains the same.