



COUNTY OF SAN MATEO
Inter-Departmental Correspondence

San Mateo Medical Center

DATE: March 25, 2005
BOARD MEETING DATE: April 12, 2005
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority

TO: Honorable Board of Supervisors
FROM: Nancy J. Steiger, Chief Executive Officer *BSM JMS NS*
SUBJECT: Amendment to the Agreement with Drs. Herbert and Cohen Medical Group

Recommendation

Adopt a resolution authorizing the President of the Board to execute an amendment to the agreement with Drs. Herbert and Cohen Medical Group to extend the length of service through August 31, 2005 and increase the rate of reimbursement from \$32 to \$35 per unit.

Vision Alignment

This agreement keeps the commitment to Ensure Basic Health and Safety for All and goal number 5: Provide residents access to healthcare and preventive care.

The amendment contributes to this commitment and goal by continuing to provide anesthesia services to county patients, and allowing the San Mateo Medical Center to fully operate a third surgical suite.

Performance Measure:

Measure	FY2004-05	FY2005-06
Fully staff third surgical suite to reduce patient wait times and surgical procedure backlog.	33%	75%

Background

San Mateo County is responsible for providing necessary medical care to its

medically indigent population. This care includes professional anesthesia services. Drs. Herbert and Cohen Medical Group, Inc. will provide professional anesthesia services including the management and supervision of those services. Dr. Aviva Cohen and Dr. William Tom provided these services as individual providers until Dr. Tom decided to terminate his service agreement as of February 29th, 2004. As of March 1, 2004 Drs. Herbert and Cohen Medical Group, Inc. began providing the same level of services as Dr. William Tom and Dr. Aviva Cohen delivered as individual providers.

Discussion

The San Mateo Medical Center is opening its third surgical suite now in preparation for the labor and delivery service starting later this year. Drs. Herbert and Cohen currently only service two suites at a discounted market rate per unit. They will be required to hire an additional anesthesiologist to cover the requirement of a new third room option but are unable to do so without offering a market rate of reimbursement.

The original Agreement budget of \$1,722,240 was also based on a projected number of surgeries to be performed over the length of the contract. A reduction in the provision of vascular and general surgery services by the UCSF surgery group at the beginning of the fiscal year impacted anesthesiology such that no additional budget is being requested to fund a three month extension.

A new contract for anesthesiology with a September 2005 effective date is currently being negotiated. The timing reflects a six month advance ramp up period to put in place a comprehensive anesthesiology program specifically addressing labor and delivery services, including the provisions of nurse anesthetists and expanded pain management protocols.

Anesthesia services are provided under the general direction of the Deputy Director of Patient Care Services. Monitoring and evaluation of the quality of services provided by contractor are accomplished through peer review by the Quality Assurance Committee and the Executive Committee of the medical staff.

Fiscal Impact

The term of the previous Agreement is being amended to extend the contract by three months from June 1, 2005 through August 31, 2005. The maximum amount the County shall be obligated to pay Contractor is unchanged at \$1,722,240. Funds are included in the San Mateo Medical Center's FY2004-05 Adopted Budget and will be included in the FY2005-06 Proposed Budget.