



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Health System



DATE: July 6, 2011
BOARD MEETING DATE: September 13, 2011
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority

TO: Honorable Board of Supervisors

FROM: Jean S. Fraser, Chief, Health System
Susan Ehrlich, MD, MPP, Chief Executive Officer
San Mateo Medical Center

SUBJECT: Second Amendment to Agreement with Andrew J. Maxwell, MD

RECOMMENDATION:

Adopt a Resolution authorizing the:

- A) President of the Board to execute a Second Amendment to the Agreement with Andrew J. Maxwell, MD to provide pediatric cardiology services for the term September 1, 2009 through August 31, 2011, to address billing of third party payors for services beyond those for which the Agreement provides compensation and to increase the maximum obligation by \$25,000 to \$125,000; and
- B) Chief of the Health System or designee to execute contract amendments which modify the County's maximum fiscal obligation by no more than \$25,000 (in aggregate), and/or modify the contract term and/or services so long as the modified term or services is/are within the current or revised fiscal provisions

BACKGROUND:

On July 9, 2009, the Purchasing Agent approved an Agreement with Dr. Andrew J. Maxwell to provide pediatric cardiology services for the term September 1, 2009 through August 31, 2011, for a maximum fiscal obligation of \$78,000. On June 7, 2011, the Purchasing Agent approved an Amendment to Dr. Maxwell's Agreement increasing the maximum fiscal obligation thereunder by \$22,000 to \$100,000. An increase in the need for services provided by Contractor has resulted in funds for this Agreement being expended more quickly than anticipated, thereby necessitating a further amendment to authorize an additional \$25,000 in funds to be payable under this Agreement.

DISCUSSION:

The need for Dr. Maxwell's services continues to increase again resulting in the

expenditure of funds more quickly than anticipated. The increase in need for services is the result of the rise in the number pediatric cardiology referrals. An increase in the funding to this Agreement is necessary to ensure the ability to pay invoices received during the term of the Agreement.

Dr. Maxwell’s contract is for outpatient clinic services only. This Amendment allows him to charge third party payors for services provided beyond those for which this Agreement provides compensation. However, only those patients who have insurance will be billed for such services and no additional charges will be billed to the County or to uninsured patients.

The Amendment and Resolution have been reviewed and approved by County Counsel as to form.

The contractor has assured compliance with the County’s Contractor Employee Jury Service Ordinance, as well as all other contract provisions that are required by County ordinance and administrative memoranda, including but not limited to insurance, hold harmless, non-discrimination and equal benefits.

This amended Agreement contributes to the Shared Vision 2025 outcome of a Healthy Community by providing access to pediatric cardiology services to residents of San Mateo County. It is anticipated that 100% of all pediatric cardiology services will adhere to the infection control standards as defined by the Joint Commission and Title 22 of the State of California Code of Regulations, which will result in reduced risk of healthcare-associated infections.

Performance Measure:

Measure	FY 2010-11 Estimate	FY 2011-12 Projected
Reduce the risk of healthcare-associated infections and adhere to infection control standards as defined by Joint Commission, Title 22, and other applicable standards	100%	100%

FISCAL IMPACT:

The term of this amended Agreement is September 1, 2009 through August 31, 2011, and the maximum fiscal obligation under the Agreement, as revised, is \$125,000. Additional funds in the amount of \$25,000 are included in the SMMC FY 2010-11 Adopted Budget for the amended Agreement.

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 are covered by the County’s General Fund contribution to SMMC.

RESOLUTION NO. _____

BOARD OF SUPERVISORS, COUNTY OF SAN MATEO, STATE OF CALIFORNIA

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RESOLUTION AUTHORIZING THE: A) PRESIDENT OF THE BOARD TO EXECUTE A SECOND AMENDMENT TO THE AGREEMENT WITH ANDREW J. MAXWELL, MD TO PROVIDE PEDIATRIC CARDIOLOGY SERVICES FOR THE TERM SEPTEMBER 1, 2009 THROUGH AUGUST 31, 2011, TO ADDRESS BILLING OF THIRD PARTY PAYORS FOR SERVICES BEYOND THOSE FOR WHICH THE AGREEMENT PROVIDES COMPENSATION AND TO INCREASE THE MAXIMUM OBLIGATION BY \$25,000 TO \$125,000; AND B) CHIEF OF THE HEALTH SYSTEM OR DESIGNEE TO EXECUTE CONTRACT AMENDMENTS WHICH MODIFY THE COUNTY'S MAXIMUM FISCAL OBLIGATION BY NO MORE THAN \$25,000 (IN AGGREGATE), AND/OR MODIFY THE CONTRACT TERM AND/OR SERVICES SO LONG AS THE MODIFIED TERM OR SERVICES IS/ARE WITHIN THE CURRENT OR REVISED FISCAL PROVISIONS

RESOLVED, by the Board of Supervisors of the County of San Mateo, State of California, that

WHEREAS, on July 9, 2009, the Purchasing Agent approved an Agreement with Dr. Andrew J. Maxwell to provide pediatric cardiology services for the term September 1, 2009 through August 31, 2011, for a maximum fiscal obligation of \$78,000; and

WHEREAS, on June 7, 2011, the Purchasing Agent approved an Amendment to this Agreement increasing the maximum fiscal obligation by \$22,000 to \$100,000; and

WHEREAS, as a result of the rise in number of pediatric cardiology referrals, the need for Dr. Andrew Maxwell's services continues to increase, creating a need for additional funding for this Agreement; and

WHEREAS, the parties wish to further amend the Agreement by revising Exhibit B, Payments, to allow the charging of the professional billing component for electrocardiograms and inpatient consultations, and increasing the maximum obligation by \$25,000 to \$125,000; and

WHEREAS, this Board has been presented with a form of such Amendment and has examined and approved it as to both form and content and desires to enter into it.

NOW, THEREFORE, IT IS HEREBY RESOLVED that the President of this Board of Supervisors be and is hereby authorized and directed to execute said Amendment for and on behalf of the County of San Mateo, and the Clerk of the Board shall attest the President's signature thereto.

BE IT FURTHER RESOLVED that the Chief of the Health System or designee is authorized to execute contract amendments which modify the County's maximum fiscal obligation by no more than \$25,000 (in aggregate), and/or modify the contract term and/or services so long as the modified term or services is/are within the current or revised fiscal provisions.

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**SECOND AMENDMENT TO AGREEMENT
BETWEEN THE COUNTY OF SAN MATEO AND
ANDREW J. MAXWELL, MD**

THIS SECOND AMENDMENT TO THE AGREEMENT, entered into this _____ day of _____, 20____, by and between the COUNTY OF SAN MATEO, hereinafter called "County," and Andrew J. Maxwell, MD, hereinafter called "Contractor";

W I T N E S S E T H:

WHEREAS, pursuant to Government Code, Section 31000, County may contract with independent contractors for the furnishing of such services to or for County or any Department thereof;

WHEREAS, on July 9, 2009, the County, acting through the Purchasing Agent, and the Contractor entered into an Agreement for pediatric cardiology services for the period of September 1, 2009 through August 30, 2011, with a maximum fiscal obligation of \$78,000; and

WHEREAS, on June 7, 2011, the Purchasing Agent approved an Amendment to the Agreement which increased the maximum fiscal obligation by \$22,000 to \$100,000; and

WHEREAS, the parties wish to further amend the Agreement to increase the maximum fiscal obligation thereunder by \$25,000 to \$125,000

NOW, THEREFORE, IT IS HEREBY AGREED BY THE PARTIES HERETO AS FOLLOWS:

1. Exhibit B is amended in its entirety to read as set forth in the Exhibit B dated July 5, 2011, which is attached hereto and incorporated herein by reference.
2. **Except as reflected in Exhibit B dated July 5, 2011, all other terms and conditions of the Agreement dated July 9, 2009, as amended by the Amendment dated June 7, 2011, between the County and Contractor shall remain in full force and effect.**

IN WITNESS WHEREOF, the parties hereto, by their duly authorized representatives, have affixed their hands.

COUNTY OF SAN MATEO

By: _____
President, Board of Supervisors
San Mateo County

Date: _____

ATTEST:

By: _____
Clerk of Said Board

ANDREW J. MAXWELL, MD

Contractor's Signature

Date: _____

EXHIBIT B - DATED JULY 5, 2011

PAYMENTS

In consideration of the services specified in **EXHIBIT A**, County will pay Contractor based on the following:

- I. Contractor shall be paid at rates set forth below, to include the complete professional component associated with pediatric cardiology services.
- II. Payment shall be calculated in a manner consistent with reimbursement for pediatric cardiology services.
- III. Contractor shall be paid monthly at the rate of \$750 for each half-day session of pediatric cardiology services provided during the month. Such half-day sessions shall be four hours in length.
- IV. Contractor shall submit a monthly invoice no later than the 10th day of the month after each month in which services are provided.
- V. Contractor may separately bill third party payors for any services provided beyond Clinic consultation work for which this Agreement provides for compensation, including echocardiograms and inpatient consultations. Contractor will not submit invoices to patients, their guarantor, nor San Mateo Medical Center for such additional services that are not reimbursable, nor shall Contractor bill patients who have no third party payor coverage for such services. Contractor shall not directly submit a billing or statement of charges to any County patient or other entity for services arising from the practice of medicine, nor shall Contractor make any surcharge or give any discount for care provided without the prior written authorization of County. The Contractor shall have sole responsibility and liability for ensuring the appropriateness, accuracy, and regulatory compliance of all such billing referenced in this Section V of Exhibit B and the indemnification provisions of this Agreement shall apply to any claims against the County and its agents related to billing by Contractor pursuant to this Section V of Exhibit B.
- VI. The term of this Agreement is September 1, 2009 through August 31, 2011.
- VII. Total payment for services under this Agreement will not exceed ONE HUNDRED TWENTY FIVE THOUSAND DOLLARS (\$125,000).