



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Health System



DATE: August 29, 2011
BOARD MEETING DATE: September 27, 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: Continuation of Payments for the Veterans Affairs Willow Campus

RECOMMENDATION:

Adopt a Resolution authorizing the Controller to continue payments to the Department of Veterans Affairs Palo Alto Health Care System for the Willow Clinic and Methadone Treatment Program for the period of August 11, 2011 through February 10, 2012, for a maximum fiscal obligation of \$360,000.

BACKGROUND:

In March 1997, your Board approved a Sharing Agreement with the Department of Veterans Affairs (VA) Palo Alto Health Care System for space in Building 334 on the Menlo Park campus to locate and operate the Willow Clinic. Your Board approved subsequent Amendments and Supplemental Agreements to add space and services such as the Methadone Treatment program. In October 2006 your Board approved a five-year Agreement for continued County operations at the VA Willow Campus. The clinic has been operational since that time.

DISCUSSION:

The County is developing a consolidated South County Clinic at the Fair Oaks Clinic site in unincorporated Redwood City. It is anticipated that consolidation of the Willow Clinic at that site will be accomplished in July 2013. In the interim a lease extension at the VA campus is required. Until the terms of the new lease can be finalized, a continuing resolution authorizing payments is required. The resolution authorizes the Controller to continue to make payments in a hold over of the Agreement. The rate of payment for the six-month period is estimated based on the most recent terms of the five-year lease that expired in August 2011.

The Resolution has been reviewed and approved by County Counsel.

This Agreement contributes to the Shared Vision 2025 outcome of a Healthy Community by continuing to provide health services for patients at the Willow Clinic and at the Methadone Clinic. It is anticipated that patient satisfaction results will increase from 81% to 83%.

Performance Measure:

Measure	FY 2010-11 Actual	FY 2011-12 Projected
Patient satisfaction results	81%	83%

FISCAL IMPACT:

The estimated cost for providing these services for the period of August 11, 2011 through February 10, 2012, is \$360,000. Funds for the annual cost of this Agreement, including the extension, have been included in the San Mateo Medical Center (SMMC) FY 2011-12 Recommended Budget.

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 CONTROLLER TO CONTINUE PAYMENTS TO
THE DEPARTMENT OF VETERANS AFFAIRS PALO ALTO HEALTH CARE
SYSTEM FOR THE WILLOW CLINIC AND METHADONE TREATMENT PROGRAM
FOR THE PERIOD OF AUGUST 11, 2011 THROUGH FEBRUARY 10, 2012, FOR A
MAXIMUM FISCAL OBLIGATION OF \$360,000**

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

WHEREAS, an Agreement between the County and the Veterans Administration (VA) allowing the County to use space at the VA's Palo Alto Health Care System campus for the County's Willow Clinic, the Methadone Treatment Program, and related programs expired on August 10, 2011, and a renewal Agreement has not been completed due to delays in the lease negotiation process; and

WHEREAS, the Controller does not have the authority to make payments to this contractor between the expiration date and time of completion of the Agreement; and

WHEREAS, this Board wishes to continue payments through February 10, 2012, pending execution of the new agreement at the estimated monthly rate of \$60,000, for a total not to exceed amount of \$360,000.

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the Board authorizes the Controller to continue payments for the County's use through

February 10, 2012, of property located at the VA's Palo Alto Health Care System campus for and on behalf of the County up to a maximum fiscal obligation of \$360,000, subject to the contractors' continued compliance with all terms and conditions of the most recent and previous Agreements with the County.

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