



24-5298

**DATE:** April 16, 2024 (Item No. 33)

**TO:** Board of Supervisors

**FROM:** Paul Lorenz, Chief Executive Officer, Santa Clara Valley Healthcare

**SUBJECT:** Second Amendment to Professionals Services Agreement with Bay Imaging Consultants Medical Group, Inc.

### **RECOMMENDED ACTION**

Approve retroactive Second Amendment to Administrative and Professional Services Agreement with Bay Imaging Consultants Medical Group, Inc., relating to providing diagnostic radiology services at O'Connor Hospital, increasing the maximum contract amount by \$4,372,712 from \$7,166,576 to \$11,539,288, and extending the agreement for a 12-month period through March 31, 2025, that has been reviewed and approved by County Counsel as to form and legality. A single source exception to competitive procurement has been approved by the Office of Countywide Contracting Management pursuant to Board of Supervisors Policy 5.6.5.1(D)(2)(a). (LA-1)

### **FISCAL IMPLICATIONS**

If approved, the recommended action would not require modification to the Fiscal Year (FY) 2023-2024 Adopted Budget.

The second amendment of this contract may increase the projected SCVH budget deficit for FY 2024-2025 and would thus need to be addressed by reducing ongoing expenditure appropriations in SCVH or increasing General Fund Investment.

### **CONTRACT HISTORY**

On March 22, 2022, The Board of Supervisors approved the Administrative and Professional Services Agreement with BIC Inc. relating to providing diagnostic radiology services at O'Connor Hospital (OCH) in an amount not to exceed \$5,166,576 for the period April 1, 2022, through March 31, 2024.

On November 7, 2023, the Board of Supervisors approved the First Amendment to the Administrative and Professional Services Agreement with BIC, Inc. relating to providing diagnostic radiology services, increasing the maximum contract amount by \$2,000,000 from \$5,166,576 to \$7,166,576 with no change to the term of the agreement.

## **REASONS FOR RECOMMENDATION AND BACKGROUND**

The Second Amendment to the Administrative and Professional Services Agreement with BIC Inc. (BIC), for the provision of diagnostic radiology services at O'Connor Hospital (OCH), is being presented to the Board of Supervisors for retroactive approval, increasing the maximum contract amount by \$4,372,712 from \$7,166,576 to \$11,539,288, and extending the agreement for a 12-month period through March 31, 2025. BIC Inc. will continue to provide professional diagnostic radiology services at OCH 24 hours per day, seven days a week, 365 days per year, including holidays. A single exception to competitive procurement has been approved by the Office of Countywide Contracting Management pursuant to Board of Supervisors Policy 5.6.5.1 (D)(2)(a) and is attached.

Retroactive approval of this Second Amendment is being requested due to extended contract negotiations.

### **Background**

On March 22, 2022, the Board of Supervisors executed a diagnostic radiology agreement with BIC, making them the contracted provider for radiology services at OCH. BIC offers professional diagnostic radiology services 24 hours, seven (7) days a week, 365 days a year, including holidays, both for inpatient and outpatient departments. Their services encompass Computed tomography (CT), Magnetic Resonance Imaging (MRI), Nuclear Medicine, Ultrasound, Mammography/biopsies, and related consultations.

BIC has been the provider of radiology services at OCH since April 1, 2022, and remains the vendor of choice for single-source radiology services. The agreement with BIC is structured around payment for professional work performed, based on the work relative value unit (wRVU) per procedure. While this incurs expenses, the County handles all professional and technical billing and retains all revenues within the system.

### **CHILD IMPACT**

The recommended action will have a positive impact on children and youth through the **Every Child Healthy** indicator, as the group has been providing diagnostic radiology services for children to diagnose and treat their health concerns accurately.

### **SENIOR IMPACT**

The recommended action will have a positive impact on seniors, as they will have seamless access to essential imaging services, timely diagnoses, and treatment planning, ultimately improving their healthcare outcomes and overall well-being.

### **SUSTAINABILITY IMPLICATIONS**

The recommended action will have no/neutral sustainability implications.

### **CONSEQUENCES OF NEGATIVE ACTION**

The lack of diagnostic radiology services at O'Connor Hospital would result in patients not receiving diagnostic care in a timely manner.

## **STEPS FOLLOWING APPROVAL**

Upon approval, the Clerk of the Board will send, immediately upon signature, one signed copy of the agreement to OCH contract department, 2105 Forest Avenue, San Jose 95128  
Attn: Barbara Mellin.

## **ATTACHMENTS:**

- Agreement Bay Imaging Consultants Medical Group Inc Diagnostic Radiology
- Amend 1 Bay Imaging Consultants Medical Group Inc Diagnostic Radiology
- Amend 2 Bay Imaging Consultants Medical Group Inc Diagnostic Radiology
- SIN OCH Bay Imaging Consultants Medical Group Inc 30039343 Final approved and signed
- BIC Inc Levine Form