



**San Joaquin General Hospital/P. O. Box 1020 • Stockton • CA 95201 • (209) 468-6000**

October 1, 2019

Board of Supervisors  
County Administration Building  
Stockton, California 95202

Dear Board Members:

**Approval of Second Amendment to Professional Services Agreement  
With Delta Sierra Medical Group, Inc. for Cardiology and Pulmonary Services,  
Extending the Term From November 1, 2019 to January 31, 2020,  
and Increasing the Maximum Amount by \$300,000 to an Overall Total  
Not to Exceed Amount of \$2,808,087**

**RECOMMENDATION**

It is recommended that the Board of Supervisors approve and authorize the Chair to sign the professional services agreement between San Joaquin General Hospital (SJGH) and Delta Sierra Medical Group, Inc. (DSMG) for cardiology and pulmonary services, extending the term by three months from November 1, 2019 to January 31, 2020, and increasing the maximum amount by \$300,000 to an overall total not to exceed \$2,808,087.

**REASON FOR RECOMMENDATION**

SJGH has contracted with DSMG, Inc. since March 1, 1998, to provide specialty professional services in the areas of cardiology and pulmonary medicine. DSMG physicians hold weekly outpatient clinics, manage cardiac and pulmonary medicine patients in the inpatient and Emergency Department settings, and are available for on-call services as necessary. The DSMG pulmonary medicine physician oversees SJGH's sleep lab. DSMG is the only group providing SJGH cardiology services, including cardiac catheterizations. The same group provides professional services to the California Department of Corrections and Rehabilitation patients at SJGH and at the California Health Care Facility – Stockton prison.

On August 13, 2019, your Board approved an amendment to extend the term of the agreement from August 1, 2019 to October 31, 2019 and increased the maximum amount by \$123,045 to an overall total not to exceed \$2,508,087 (A-19-266). This second amendment is recommended to allow additional time to finalize the reimbursement methodology. The members of DSMG will continue to provide medical services during these extended discussions. It is recommended that the agreement be

extended for three months ending January 31, 2020, at an additional cost of up to \$300,000 for an overall not to exceed amount of \$2,808,087 in order to allow sufficient time to complete negotiations and bring a new agreement to your Board for consideration.

**FISCAL IMPACT**

All financial terms of the agreement with DSMG remain the same during the three-month extension period. The additional cost of this amendment is \$300,000, which will increase the overall maximum amount to \$2,808,087. Cost of these services is included in the approved 2019-2020 Hospital Enterprise Fund budget. There is no additional cost to the General Fund as a result of this action.

**ACTION TO BE TAKEN FOLLOWING APPROVAL**

Upon approval by the Board of Supervisors, the Chair will execute the amendment. One copy will be sent to DSMG and the County will retain one copy. Staff will return to the Board for consideration of a new agreement prior to January 31, 2020.

Sincerely,



David K. Culberson  
Chief Executive Officer  
San Joaquin General Hospital

DKC:SLG:az  
Board Letter – Delta Sierra Medical Group

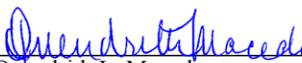
cc: Auditor-Controller  
Purchasing and Support Services  
Clerk of the Board (Agenda 10/22/19)

Reviewed by County Administrator's Office:

Reviewed by County Counsel's Office:

  
Rod Kawano

10/8/2019

  
Quendrith L. Macedo

10/8/2019