

**SANTA BARBARA COUNTY
BOARD AGENDA LETTER**



Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Agenda Number:
Prepared on: 5/12/03
Department Name: General Services
Department No.: 063
Agenda Date: 5/27/03
Placement: Administrative
Estimate Time:
Continued Item: NO
If Yes, date from:

TO: Board of Supervisors

FROM: Ronald S. Cortez, Director
General Services

STAFF Bobbie Overgaard, Supervising Risk Analyst
CONTACT: 805.884.6866

SUBJECT: Workers' Compensation Medical Providers

Recommendation(s):

That the Board of Supervisors:

Execute an agreement with Sansum-Santa Barbara Medical Foundation Clinic for discounted provision of workers' compensation medical services. The annual amount of the contract is estimated to be \$277,871.00 and the contract period will commence on June 1, 2003, for an initial period of three (3) years, with two (2) one year options, and will end no later than May 31, 2008.

Alignment with Board Strategic Plan:

The proposed contract is consistent with the following adopted Strategic Goals:

- Goal #1: Efficient Government
- Goal #2: Community Health and Safety

Executive Summary and Discussion:

As part of a broad effort to reduce workers' compensation program costs, Risk Management seeks to contract directly with local medical clinics to obtain discounts on workers' compensation medical services.

Through a Request for Quote, Risk Management will be able to consolidate various medical providers into one provider and at the same time procure a five percent (5%) discount off the State of California's Official Medical Fee Schedule for workers' compensation medical services provided by Sansum-Santa Barbara Medical Foundation Clinic (SSBMFC). SSBMFC offers a large local network of providers and a dedicated

occupational medicine clinic. This contract will generate costs savings, in addition to providing the highest possible quality of medical care to employees that suffer a work related injury/illness.

Sansum-Santa Barbara Medical Foundation Clinic will service employees in the cities of Santa Barbara, Goleta and Carpinteria. Risk Management is in the process of obtaining discounts with medical service providers in Lompoc, Santa Maria and Ventura. These contracts will be brought before the Board of Supervisors at a later date.

Mandates and Service Levels:

No change in program or service levels.

Fiscal and Facilities Impacts:

The County will achieve an approximate 5% savings on qualifying workers' compensation medical services in the Sansum-Santa Barbara Medical Foundation Clinic's service area. In FY 01-02, the County spent \$277,871 on workers' compensation medical services in this service area (qualifying and non-qualifying expenses). At the FY 01-02 level of expenditures, the County would achieve a maximum annual savings of approximately \$13,894 and a savings of \$69,470 over the life of the contract.

Special Instructions:

Return one copy of the executed agreement to Risk Management.

Concurrence:

Auditor/Controller
County Counsel
Risk Management