

**City Council Action
Financial Impact Report**

Title of Item: Operational Agreement, Lease/Sub-Lease Agreement, and Business Associate Agreement between The City of Oklahoma City and SSM Health Care of Oklahoma, Inc., owning and operating St. Anthony Hospital, Oklahoma City, Oklahoma, for fiscal year 2023-2024, to provide facilities, equipment, supplies, labor, medical services, and medical supervision necessary for the operation of the City's Occupational Health Clinic and for continuation of laboratory and collection services required for the City's for cause, random, and post-job-offer drug testing policies, for the period from July 1, 2023 through June 30, 2024.

Originating Department: Human Resources Department

Description of Impact

The City of Oklahoma City has contracted with St. Anthony Hospital in excess of 25 years for space, facilities, medical and office supplies, nursing and clerical support, laboratory and collection services, radiology services, and medical supervision for the City's physician assistant(s).

On March 28, 2023 (Item No. IX CB.), the Mayor and City Council authorized the City Manager to advertise for a request for proposals for a facility to house and operate the City's Occupational Health Clinic. One response was received from St. Anthony Hospital, the City's current provider of these services. A Professional Selection Committee was established to evaluate the proposal and recommended negotiation of a new operating and lease agreement with St. Anthony Hospital.

After several weeks of contract discussions, the parties have reached agreement on acceptable contract terms for FY 2023-2024. The referenced Business Associate Agreement is incorporated into the Operational Agreement and is required by the Privacy Standards adopted under the Health Insurance Portability and Accountability Act ("HIPAA") regarding disclosure of certain protected health information of a patient. The proposed Operational Agreement, Business Associate Agreement and Lease/Sublease Agreement contain provisions creating options, which will allow for subsequent year renewals, subject to pre-negotiated rate increases in FY 2024-2025 through FY 2027-2028, and subject to annual approval and funding by the City Council.

Summary of Impact

a. **Cost to City Organization:** \$648,478

b. **Cost to Citizens:** None

c. **Cost to Business Community:** None

d. **Revenue Produced:** None

Source of Funds

Fund Name: Various

Agency Name: Various

Department Head Signature:  6/9/2023

OMB Review Completed by: *Latisha Thompson* 06/09/2023