



MEMORANDUM

Council Agenda
Item No. IX. CT
6/20/2023

The City of OKLAHOMA CITY

TO: Mayor and City Council

FROM: Craig Freeman, City Manager

Operational Agreement, Lease/Sub-Lease Agreement, and Business Associate Agreement with SSM Health Care of Oklahoma, Inc., owning and operating St. Anthony Hospital, 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, estimated cost \$648,478, July 1, 2023 through June 30, 2024.

Background:

On March 28, 2023, the Mayor and City Council approved a request for proposal (RFP) for a medical facility to provide space, facilities, medical and office supplies, nursing and clerical support, laboratory and collection services, radiology services, and medical supervision for the City physician assistants, all required to effectively operate the City's Occupational Health Clinic and comply with applicable drug testing policies.

Two responses were received from SSM Health Care of Oklahoma, Inc. and Concentra. A Selection Committee was established to evaluate the proposals. Selection criteria, including understanding of the RFP, demonstrated administrative and service capabilities, financial position, fee schedule, and proven capabilities of providing similar services were utilized to evaluate the proposals. After applying the criteria discussed above, the Selection Committee determined that SSM Health Care of Oklahoma, Inc. provided a proposal that best met the requirements of the RFP and recommended negotiating a contract with SSM Health Care of Oklahoma, Inc.

After several weeks of contract discussions, the parties have reached agreement on acceptable terms for FY24. 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 for FY25 through FY28, and subject to annual approval and funding by the City Council.

Estimated Cost:

\$648,478

Source of Funds:

Various funds and accounts

Review:

Human Resources Department

Recommendation: Agreements be approved.