



MEMORANDUM

Council Agenda
Item No. IX. BU
5/20/2025

The City of OKLAHOMA CITY

TO: Mayor and City Council

FROM: Craig Freeman, City Manager

Resolution approving Renewal No. 2 to the Operational Agreement, Lease/Sublease Agreement, and Business Associate Agreement with SSM Health Care of Oklahoma, Inc., owning and operating SSM Health St. Anthony Hospital – Oklahoma City for fiscal year 2025-2026, 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 \$684,630, July 1, 2025 through June 30, 2026.

Background:

The City of Oklahoma City has contracted with St. Anthony Hospital in excess of 25 years for facilities, medical and office supplies, nursing and clerical support, laboratory and collection services, radiology services, and medical supervision necessary for the City's Occupational Health Clinic.

On June 20, 2023, (Item No. IX. CT.) the Mayor and City Council approved an Operating Agreement, Lease/Sub-Lease Agreement, and Business Associate Agreement with SSM Health Care of Oklahoma, Inc., owning and operating St. Anthony Hospital – Oklahoma City, Oklahoma City, Oklahoma, to provide facilities, equipment, supplies, labor 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 and post-job-offer drug testing policies. The Operating Agreement contains a specific provision allowing The City of Oklahoma City to exercise renewal options for four additional one-year terms, contingent upon City Council approval.

Staff has determined it to be in the best interest of the City to exercise the second option to renew the Operational and Lease Agreements for FY 2025-2026, and has provided notice to representatives of SSM Health Care of Oklahoma, Inc. SSM Health Care of Oklahoma, Inc., has indicated its willingness to extend the renewal option for the 2025-2026 fiscal year, subject to City Council approval of the agreed upon fee and lease increases (See Attachment No. 1 to the Resolution). The fee and lease increases were contemplated in the original Operation and Lease Agreements approved by the City Council on June 20, 2023. The Operations Agreement and Lease/Sublease provisions allow for subsequent year renewals, subject to pre-negotiated rate increases in fiscal 2025-2026, and subject to annual approval and funding by the City Council.

Estimated Cost:

\$684,630

Source of Funds:

Various funds and accounts

Review:

Human Resources Department

Recommendation: Resolution be adopted.