

Agenda Report

December 16, 2002

TO: City Council

FROM: City Manager

SUBJECT: Authorization to enter into a Contract with the Huntington Memorial Hospital to Provide Medical Services to City Employees and Prospective City Employees

RECOMMENDATION:

It is recommended that the City Council:

1. Authorize the City Manager to enter into a contract with the Huntington Memorial Hospital in an amount not to exceed \$105,000 to provide medical services (pre-employment/post-offer physicals to prospective employees as well as other employment physicals required by law to City employees). The proposed contract is exempt from competitive bidding pursuant to City Charter Subsection 1002(f), professional or unique services.
2. Grant the proposed contract an exemption from the competitive selection process, pursuant to P.M.C. Section 4.08.049(B), contracts for which the City's best interests are served.
3. Authorize the City Manager to extend the contract for up to three additional years.

BACKGROUND:

The City of Pasadena provides pre-employment/post-offer physical exams to all prospective employees after a tentative job offer is made and accepted, to ensure that individuals are able to physically function in the position. The City is also required to provide periodic physicals and medical monitoring of employees in specified occupations consistent with Cal/OSHA, DMV, and Department of Labor requirements. Examples include a medical evaluation for employees required to wear a respirator; an audiogram for those exposed to excessive noise; Hepatitis B vaccine for those potentially exposed to infectious materials; chest x-rays for those

exposed to asbestos; blood tests and monitoring for lead exposure; random and for cause drug testing, etc.

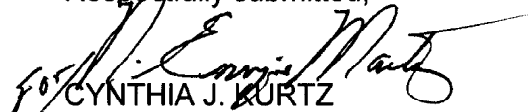
The current contract with the Huntington Memorial Hospital for medical services, was awarded through a competitive selection process six years ago, and will expire on December 31, 2002. Normally the City would undertake a new competitive selection process to select an agency to provide these services. However, with the recent closure of Saint Luke's Hospital, Huntington Memorial Hospital is the only local agency able to provide the comprehensive and responsive medical services. Additionally, since the Huntington also treats employees with job related injuries, it is advantageous to have one local provider for all industrial medical services.

The City of Pasadena has enjoyed excellent services from the Huntington Memorial Hospital over the past years. It is on this basis that staff requests Council approval of a contract effective January 2, 2003 for a period of one year, subject to renewal for three additional years.

FISCAL IMPACT:

The total expenditures may vary each year, depending upon the number and type of medical examinations provided. Based on prior years, the medical services for pre-employment and other required physicals have approximated \$100,000 per year. As a result of a new contract, the Huntington will maintain its current fee structure except for a few areas such as Hepatitis B vaccinations, DMV physicals, drug testing, first aid treatment, and pre-employment physicals for sedentary positions. Based on current utilization, it is projected that the increased costs for these services may total approximately \$5,000 additional per year, for an overall annual cost of \$105,000. Sufficient funds are budgeted in the Human Resources Department to cover the cost of this contract for the remainder of this fiscal year.

Respectfully submitted,


CYNTHIA J. KURTZ
City Manager

Approved by:


KARYN S. EZELL
Director of Human Resources

Prepared by:


DOROTHY KIRKLAND
Human Resources Manager