

RESOLUTION NUMBER R- 307436

DATE OF FINAL PASSAGE MAY 29 2012

A RESOLUTION OF THE COUNCIL OF THE CITY OF  
SAN DIEGO APPROVING THE FIRST AND SECOND  
EXTENSIONS TO THE INDUSTRIAL MEDICINE  
CONTRACTS WITH SHARP REES-STEALY MEDICAL  
GROUP AND U.S. HEALTHWORKS MEDICAL GROUP.

WHEREAS, when a City of San Diego employee is injured, his or her Worker's  
Compensation claim is processed by the Risk Management Department in accordance with the  
laws of the State of California for self-insured and self-administered agencies; and

WHEREAS, in order to provide the best medical care available to its injured workers and  
to comply with Workers' Compensation benefit mandates and California Occupational Safety  
and Health Administration-required testing, the City issued a Request for Proposals (RFP) in  
July 2009 for industrial medical providers; and

WHEREAS, the RFP resulted in a contract award to Sharp Rees-Stealy Medical Group  
(SRSMG) and U.S. Healthworks Medical Group (USHWMG), who were the top two candidates  
in the competitive RFP bid process; and

WHEREAS, in order to provide a robust medical panel and ensure the availability of  
specialty physicians, both SRSMG and USHWMG were selected to provide industrial medicine  
services and serve as the City's Medical Provider Network (MPN); and

WHEREAS, the California Labor Code and California Code of Regulations allow for  
insurers and employers to create an MPN consisting of a variety of physicians where injured  
workers can be directed for treatment of industrial injuries; and

WHEREAS, this MPN must be approved by the State. The City's state-approved MPN consists of a large base of quality specialty care physicians from both the SRSMG and USHWMG; and

WHEREAS, these contractual agreements result in cost containment for the City while allowing the City's injured employees to have a wide choice of healthcare providers in the San Diego region; and

WHEREAS, funding for this contract is available in Fund 720044; and

WHEREAS, this agreement is subject to the City's Equal Opportunity Contracting (San Diego Ordinance O-18173, sections 22.2701 through 22.2708) and Non-Discrimination in Contracting Ordinance (San Diego Municipal Code sections 22.3501 through 22.3517); and

WHEREAS, this item was originally brought to the City Council in April 2010; and

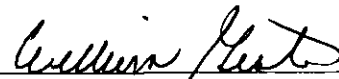
WHEREAS, the City Council unanimously approved a two-year agreement with one year extension options beyond required City Council approval; NOW, THEREFORE,

BE IT RESOLVED, by the Council of the City of San Diego that the City Council authorizes the Mayor to enter into a two-year agreement extension with Sharp Rees-Stealy Medical Group and U.S. Healthworks Medical Group to provide industrial medicine services to City employees.

BE IT FURTHER RESOLVED, that the Council authorizes the Chief Financial Officer to appropriate and expend \$4,750,000 for fiscal year 2012 from the Workers' Compensation Fund 720044, contingent upon the Chief Financial Officer first furnishing one or more certificates certifying that the funds necessary for expenditure are, or will be, on deposit with the City Treasurer.

BE IT FURTHER RESOLVED, that the Council authorizes the Chief Financial Officer to appropriate and expend \$5,000,000 for fiscal year 2013 from the Workers' Compensation Fund 720044, contingent upon the Chief Financial Officer first furnishing one or more certificates certifying that the funds necessary for expenditure are, or will be, on deposit with the City Treasurer.

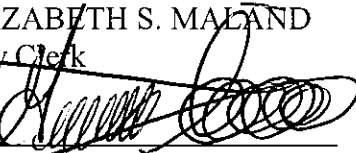
APPROVED: JAN I. GOLDSMITH, City Attorney

By  \_\_\_\_\_  
William Gersten  
Deputy City Attorney

WG:cm  
4/13/2012  
Or.Dept:Risk Management  
Doc. No.: 353051

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of MAY 15 2012.

ELIZABETH S. MALAND  
City Clerk

By   
Deputy City Clerk

Approved: 5.29.12  
(date)

  
JERRY SANDERS, Mayor

Vetoed: \_\_\_\_\_  
(date)

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JERRY SANDERS, Mayor