

**SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

412



**FROM:** Riverside County Regional Medical Center(RCRMC)

**SUBMITTAL DATE:**  
1/23/07

**SUBJECT: APPROVAL OF THE AMENDMENT TO THE AGREEMENT WITH SOUTHCOAST LITHOTRIPSY**

**RECOMMENDED MOTION:** That the Board of Supervisors:

- 1) Pursuant to applicable California Code, approve the amendment to the agreement between SouthCoast Lithotripsy, Inc., and RCRMC, without securing competitive bids, in accordance with Ordinance 459.4;
- 2) Authorize the Purchasing Agent to execute the amendment to the Agreement;
- 3) Authorize the Purchasing Agent to renew the Agreement annually on behalf of the County for up to three (3) additional one year periods, not to exceed \$85,000.00 annually.
- 4) Direct the Clerk of the Board to retain one original and return two (2) original copies of the amendment to Riverside County Regional Medical Center - Contract Administration for further distribution and processing

**BACKGROUND:** RCRMC surgeons require a contractor to provide Extracorporeal Shock Wave Lithotripsy equipment and specially trained technicians to perform the minimally invasive procedures for the treatment of patients with kidney stones. In May 2006, RCRMC entered into an agreement with SouthCoast Lithotripsy to provide Lithotripsy services in-house. Previously patients requiring these services were referred outside and transported to another facility, which resulted in longer inpatient stays.

DB/cm

*Douglas D. Bagley*  
\_\_\_\_\_  
Douglas D. Bagley, Hospital Director

<b>FINANCIAL DATA</b>	Current F.Y. Total Cost:	\$ 85,000.00	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	06/07

<b>SOURCE OF FUNDS:</b> Hospital Enterprise Fund	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

**C.E.O. RECOMMENDATION:** APPROVE

**County Executive Office Signature** *Delia Cournoyer*

00011EB 51 VVII: 10  
RECEIVED RIVERSIDE COUNTY

**Prev. Agn. Ref.:** **District:** **Agenda Number:** 3.70

Purchasing: *M. B. Baker* Assistant Director  
 Departmental Concurrence  
 Dep't Recomm.:  Consent  Policy  
 Per Exec. Ofc.:  Consent  Policy

**SUBJECT:**

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**BACKGROUND (Cont.):**

The agreement with SouthCoast Lithotripsy has proven to be more cost effective and provides patients with more timely and convenient service. This amendment is to increase the current agreement and to continue to provide RCRMC patients with these services in-house.

**JUSTIFICATION:**

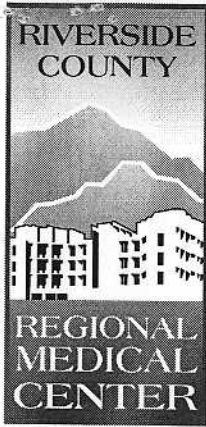
A market research was conducted and SouthCoast Lithotripsy was found to be the only local area provider for these services assisting physicians at hospitals in this geographic area. This contractor has the ability to perform these specialized services within the scheduled times necessary for standard of care. The physicians at RCRMC recognize SouthCoast Lithotripsy as the preferred contractor for the specially trained technicians and equipment providing the most timely, expert and economical services.

**PRICE REASONABLENESS:**

Patients requiring these services that have to be referred outside and are RCRMC's financial responsibility represent a cost of \$3,200 per procedure plus the physician fee. SouthCoast Lithotripsy's rate for the same procedure is \$1,300 for each patient treatment performed at RCRMC. SouthCoast Lithotripsy certifies that the rates they have offered are as low as or lower than any other government facility they service.

**REVIEW/APPROVAL:**

Purchasing and County Counsel have reviewed and concur with this request.



**Memorandum**

January 23, 2007

**To:** Riverside County Board of Supervisors

**From:** Douglas D. Bagley, Chief Executive Officer  
Riverside County Regional Medical Center

**Via:** Riverside County Purchasing Agent

**Subject:** **Sole Source Procurement: Request for the Amendment to the Agreement between South Coast Lithotripsy and Riverside County Regional Medical Center.**

The below information is provided in support of my Department requesting approval for a sole source. Please note that outside of a duly declared emergency, the time to develop a statement of work or specifications is not in itself justification for sole source.

Supply/Service being requested: **Professional Service for a contractor to provide Extracorporeal Shock Wave Lithotripsy equipment and specially trained technicians to perform the minimally invasive procedures for the treatment of patients with kidney stones.**

Supplier being requested: **SouthCoast Lithotripsy**

Alternative suppliers that can or might be able to provide supply/service: **None located within this geographic area.**

Extent of market search conducted: **Internet, other local hospitals.**

Unique features of the supply/service being requested from this supplier, which no alternative supplier can provide: **SouthCoast Lithotripsy is the only contractor for these services located within the Inland Empire providing immediate and scheduled services as needed to meet standards of care. SouthCoast Lithotripsy has been providing services at RCRMC since May 2006, and the physicians at the hospital recognize SouthCoast Lithotripsy as the preferred contractor for the specially trained technicians and equipment to provide the most timely, economical and expert services.**

Reasons why my department requires these unique features and what benefit will accrue to the county: **Southcoast Lithotripsy's availability and timely treatment of patients who require these procedures reduces inpatient stays and allows the physicians more flexibility in scheduling. The reduced inpatient stays reduce overall cost to the hospital. Contractors from out of the area would not be able to meet the scheduling requirements and response time.**

Price Reasonableness: **SouthCoast Lithotripsy currently provides services at Arrowhead Regional Medical Center and Loma Linda University Medical Center and certifies that the rates offered are equal to or lower than those offered to any other government facility.**

Does moving forward on this product or service further obligate the county to future similar contractual arrangements? **No**

  
\_\_\_\_\_  
**Department Head Signature**  
Purchasing Department Comments:

1/25/07  
\_\_\_\_\_  
**Date**

Approve

Approve with Condition/s

Disapprove

  
\_\_\_\_\_  
**Purchasing Agent**

1-26-07  
\_\_\_\_\_  
**Date**