

726

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



FROM: Riverside County Regional Medical Center

SUBMITTAL DATE:
July 23, 2007

SUBJECT: Approval to reassign the agreement between the County of Riverside and Healthcare Purchasing Partners International (HPPI) to University HealthSystem Consortium (UHC).

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the reassignment of the existing agreement with HPPI to UHC.
2. Authorize the Director of Purchasing to expand the scope of the existing agreement to include additional hospital equipment and supply product lines negotiated by Novation, UHC's Group Purchasing Organization (GPO) and Service Agreements through UHC provided pricing and terms of such agreements prove to be the most advantageous to the County as demonstrated through the County's research and/or competitive bid process.
3. Authorize the Director of Purchasing to exercise the option to renew the contract annually for up to two additional years.

BACKGROUND: On August 10, 2004, agenda item 3.67 the Board of Supervisors approved the agreement with HPPI for the purchase of hospital supplies made available through the Group Purchasing Organization Novation.

Douglas D. Bagley

Douglas D. Bagley, Hospital Director

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 0	In Current Year Budget	N/A
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	
	Annual Net County Cost:	\$ 0	For Fiscal Year:	N/A

SOURCE OF FUNDS: N/A

Positions To Be Deleted Per A-30

Requires 4/5 Vote

C.E.O. RECOMMENDATION: APPROVE

BY: *Debra Cournoyer*
Debra Cournoyer

County Executive Office Signature

Dep't Recomm.: Consent

Per Exec. Ofc.: Consent

Policy

Policy

Prev. Agn. Ref.: _____ District: _____ Agenda Number: _____

3.92

Mark Seiler
Purchasing: Mark Seiler, Assistant Director

SUBJECT: Approval to reassign the agreement between the County of Riverside and Healthcare Purchasing Partners International to University Health System Consortium

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BACKGROUND (Continued): Through research and analysis it has been determined RCRMC would be able to obtain additional discounts and rebates from current agreements if access to these agreements was through the parent company UHC. In addition, UHC has a much larger support team to assist RCRMC in optimizing the use of negotiated agreements and has developed a large portfolio of Hospital Service agreements. Using UHC Service Agreements through their competitive bid process will significantly reduce current service agreement costs and staff time associated with contracting for these services.

In addition to the above benefits, accessing the Novation Agreements through UHC will significantly increase RCRMC's share of the Marketing Revenues generated by use of the Novation Agreements. Increasing RCRMC's ability to utilize all product lines of the GPO will improve benefits and savings for the hospital. This would not conflict with existing County contracts that have already been competitively bid through the Purchasing department.

PRICE REASONABLENESS: Provides lower costs of obtaining medical supplies, equipment and services for operating this facility.

FINANCIAL IMPACT: Reduction in current operating costs.

CONCUR/EXECUTE: County Purchasing