

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

107



FROM: Riverside County Regional Medical Center

SUBMITTAL DATE:
5/30/08

SUBJECT: Amendment to the Agreement between Genzyme, Inc. and Riverside County Regional Medical Center (RCRMC)

RECOMMENDED MOTION: That the Board of Supervisors:

- 1) Pursuant to applicable California Code, approve and authorize the Chairman of the Board to execute a three year amendment (renewable annually) to the Professional Services Agreement with Genzyme, Inc. without securing competitive bids, in accordance with Ordinance 459.4;
- 2) Authorize the Purchasing Agent to renew the Agreement annually on behalf of the County for up to two (2) additional years not to exceed \$225,000 annually;
- 3) Direct the Clerk of the Board to retain one original and return two (2) original copies of the amendment to RCRMC - Contract Administration for further distribution and processing

BACKGROUND: RCPMC has contracted with Genzyme, Inc. for specialized pathology testing and consulting services since February 2004. Genzyme, Inc. provides RCRMC with the specialized surgical pathology testing and consultation used in the treatment of cancer and leukemia. Genzyme, Inc. is the premier institution for these studies and simultaneously affords RCRMC direct telephonic access to surgical and hematological pathology.

DB/cm

Douglas D. Bagley

Douglas D. Bagley, Hospital Director

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 225,000	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	08/09

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

C.E.O. RECOMMENDATION:

APPROVE

BY: *Debra Cournoyer*
Debra Cournoyer

County Executive Office Signature

Prev. Agn. Ref.: 2/3/04, 9/28/04, 8/9/05,
7/25/06, 7/31/07

District:

Agenda Number: 3.13, 3.36,
3.34, 3.42, 3.86

ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

3.113

FORM APPROVED COUNTY COUNSEL
BY: *Robert M. Pepper, Jr.*
DATE: 7/7/08
ROBERT M. PEPPER, JR.

Departmental Concurrence

Purchasing: *Mark Seiler*
Mark Seiler, Assistant Director

Dept't Recomm.: Consent Policy

Per Exec. Ofc.: Consent Policy

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BACKGROUND (Continued):

All submissions to the contractor are returned to the RCRMC submitting pathologist for review and clinical pathological correlation. All diagnoses submitted by Genzyme are reviewed for completeness and accuracy. Any discrepancies are challenged by the submitting pathologist and brought to the attention of the Pathology Department Chair for further consideration. This amendment will renew the agreement with Genzyme, Inc. with the option to renew annually for up to two additional years for an amount not to exceed two hundred thousand dollars.

JUSTIFICATION:

Genzyme, Inc is one of two laboratories identified in the area that provide the expertise, and combined services required to provide expert diagnostic pathology services at RCRMC.

Laboratories outside of the area are not able to provide these services due to the timeframe necessary to deliver and process specimens. In addition, Genzyme, Inc. provides the use of a comprehensive antibody library, staining and reporting of slides. RCRMC Physician's have confidence with Genzyme, Inc. for their past performance and the highly trained customer service department that is able to answer technical or logistical questions.

PRICE REASONABLENESS:

The Department of Pathology at RCRMC received and compared pricing and services from Genzyme, Inc. and Esoterix, Inc. for the performance of Pathology Consultative services and specialized testing used in the diagnosis of patients with clinical pathology.

Genzyme, Inc. continues to have the lowest overall cost of the two vendors compared for this area and is offering the same pricing structure as the previous Board approved agreement.



May 29, 2008

Memorandum

To: Riverside County Board of Supervisors

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

Via: Riverside County Purchasing Agent

Subject: **Sole Source Procurement: Request for Specialized Pathology Testing Services**

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: Specialized surgical pathology testing and consultation used in the treatment of cancer and leukemia.

Supplier being requested: Genzyme, Inc.

Alternative suppliers that can or might be able to provide supply/service: Esoterix

Extent of market search conducted: Internet research

Unique features of the supply/service being requested from this supplier, which no alternative supplier can provide: Contractor performing these specialized services in this geographic area and within delivery and processing time necessary for standard of care. RCRMC Pathologists have responsibility for the review, accuracy and completeness of the diagnoses from Genzyme and are confident with their history and past performance.

Reasons why my department requires these unique features and what benefit will accrue to the county: Local area contractor provides the necessary delivery timeframe for specimens. This contractor has the expertise and trained personnel to answer RCRMC Pathologist's technical and logistical questions.

Price Reasonableness: Of the two area providers, Genzyme is the lowest cost to the County for the services.

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

N. Bagley

Department Head Signature
Purchasing Department Comments:

6/2/08

Date

Approve

Approve with Condition/s

Disapprove

M. [Signature]

Purchasing Agent

6-5-08

Date