

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

903



FROM: Riverside County Regional Medical Center

SUBMITTAL DATE:
March 17, 2009

SUBJECT: Purchase of surgical instruments, supplies, and implants without securing competitive bids for Riverside County Regional Medical Center (RCRMC), Operating Room.

RECOMMENDED MOTION: That the Board of Supervisors:

1. Authorize the County Purchasing Agent to approve the agreements with the attached vendors, without seeking competition.
2. Authorize the County Purchasing Agent to exercise the option to renew annually for up to four (4) years in one-year increments, providing the unit price does not exceed the Consumer Price Index.

BACKGROUND: The Board of Supervisors approved on February 24, 2004, Agenda Item 3.30 the purchase of surgical instruments, supplies and implants from various vendors to allow the hospital an opportunity to compile a purchase history, evaluate, and verify the need to continue these proprietary contracts. The Board subsequently approved a list of vendors on July 11, 2006, Agenda Item 3.52, and on June 26, 2007, Agenda Items 3.51 and 3.52 approved two additional vendors to that list.

(continued on page 2)

Reviewed by
CH
TEAM
Christopher Hans

Ellie Bennett For Douglas D. Bagley
Ellie Bennett, Chief Operating Officer for
Douglas D. Bagley, Hospital Director

FINANCIAL DATA	Current F.Y. Total Cost:	\$12,513,975.00	In Current Year Budget:	YES
	Current F.Y. Net County Cost:	\$	Budget Adjustment:	NO
	Annual Net County Cost:	\$	For Fiscal Year:	07/09-06/10

SOURCE OF FUNDS: ENTERPRISE FUND (40050)	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

Dept't Recomm.: Consent Policy Policy

Per Exec. Ofc.: Consent Policy Policy

Prev. Agn. Ref.: _____ District: _____ Agenda Number: **3.35**

ORM APPROVED COUNTY COUNSEL
 BY: *JAWNY LIEU*
 DATE: 3/16/09

Purchasing: *Mark Spitzer*
 Mark Spitzer, Assistant Director

SEARCHED SERIALIZED
INDEXED FILED
MAR 23 2009
RIVERSIDE COUNTY

BACKGROUND (continued):

The attached spreadsheets list new and previously approved vendors, annual expenditures for each vendor, commodities, vendor status, and the net cost to the County. Justifications for purchase of these items are physician recommended to insure the health and safety of patients.

The aggregate amount of procedures has steadily increased at the hospital. Procedures performed in the Operating Room in 2003 totaled 7715; current data indicates 8,824 procedures in 2008. Standardization of physicians' requests is coordinated throughout the hospital, including the OR.

JUSTIFICATION

1. An extensive survey was performed by RCRMC Purchasing and Operating Room personnel, with input from physicians, for patient treatment related supplies and equipment or services. Vendors selected are the preferred source by physicians, who under State Code make this decision.
2. Patient-matched grafts are often required during surgical procedures and the hospital has to locate the nearest patient-match available. There are multiple transplant foundations that are non-profit organizations that provide bone, tendon, ligament, and corneas. These grafts are in high demand and the supply of grafts by each foundation is based upon an established regional hierarchy. The grafts are allocated first to recovery hospitals, then to secondary hospitals, and then to practitioners. Due to this allocation process, hierarchy patient-matched grafts are not always available from one source and it is of immense benefit to utilize other foundations as resources.
3. The vendor listed is the original manufacturer, patent holder, publisher, or only factory authorized parts and/or service center. Purchasing has been unable to locate an acceptable third party alternative and continues to search.

PRICE REASONABLENESS

1. The vendor certifies that the prices are the lowest offered any comparable customer.
2. Prices offered are Federal, State, or Local Government pricing. Prices paid are based on competitively bid/negotiated State or Local Government contracts.
3. Price and/or cost analysis was performed by County Purchasing Department and it was determined that the sole source vendor's price offered was reasonable and comparable to vendors providing like commodities.
4. County receives maximum discount for purchases as a member of the Group Purchasing Organization "Novation", a hospital group purchasing organization that contract with hospital suppliers on behalf of more than 400 hospitals. The County received discounts equal to comparable customers.

FINANCIAL IMPACT:

All costs for purchases will be provided from RCRMC Enterprise Funds.

CONCUR/EXECUTE: County Purchasing

PREVIOUSLY APPROVED VENDOR LIST

VENDOR	ANNUAL EXPEDITURE	ITEM DESCRIPTION	SOLE SOURCE AND MULTIPLE SOURCES	JUSTIFICATION (See Attachment)	PRICE REASONABLENESS (See Attachment)	NET COUNTY COST	FUND SOURCE	IN CURRENT YEAR BUDGET
ACCUMED (Formerly INTERMED)	\$25,000	Ortho plates, screws, pins, guidewires, drills	Proprietary Renewal	1	1,3	\$0	40050	Yes
ALCON LABS	\$219,239	Intraocular Lens and accessories	Proprietary Renewal	2	3,4	\$0	40050	Yes
ANSPACH	\$20,000	Surgical Instruments for Orthopedic Implants	Sole Source Renewal	1,3	3	\$0	40050	Yes
ARTHREX	\$258,354	ACL Shoulder Procedure Instrumentation and Accessories	Proprietary Renewal	1	3	\$0	40050	Yes
BOSTON SCIENTIFIC	\$272,489	Specialized Catheters. Intra Cardiac Defibrillator-ICD	Proprietary Renewal	1,3	1,4	\$0	40050	Yes
BIOMET EBI	\$150,000	Orthopedic Mesh Cathode, Plates, Fixation Pins	Proprietary Renewal	1,2	3	\$0	40050	Yes
BIOMET MICROFIXATION (Formerly WALTER LORENZ)	\$117,650	Cranial & Maxillofacial Implants and Instruments	Sole Source Renewal	2	3	\$0	40050	Yes
COOPER SURGICAL	\$83,677	Electrodes, Dilators for Tubal Ligations	Proprietary Renewal	1	1,3	\$0	40050	Yes
CONMED	\$231,085	Laparoscopic supplies	Proprietary Renewal	1	1,4	\$0	40050	Yes
DEPUY ORTHO	\$395,382	Orthopedic Knee Implants and Accessories	Proprietary Renewal	1,2	1	\$0	40050	Yes
ETHICON/J & J	\$50,000	TVT Tape for Bladder Surgery Electro-Mech Products	Proprietary Renewal	1,3	1,3	\$0	40050	Yes
GYRUS ACMI	\$210,630	Surgical supplies, Bowie Pads & Pencils	Proprietary Renewal	1	1	\$0	40050	Yes
HOWMEDICA/Stryker Ortho	\$210,000	Ortho implants	Proprietary Renewal	1	1,4	\$0	40050	Yes
INTEGRA NEUROCARE	\$28,952	Neurogen and Duragen Implants, Ventricular Kits	Sole Source Renewal	1,2	3	\$0	40050	Yes

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JOHNSON & JOHNSON	\$255,780	Orthopedic Instruments, Bipolar Cords, Cranioplastic Kits	Proprietary Renewal	1,3	3	\$0	40050	Yes
LIFECCELL	\$50,000	Regenerative Human Tissue Matrix	Proprietary Renewal	2	1,3	\$0	40050	Yes
MEDTRONIC SOFAMOR DANEK	\$150,000	Orthopedic Valves, Rods and Spinal Implants	Proprietary Renewal	1,2	1	\$0	40050	Yes
MEDTRONIC U.S.A.	\$108,321	Heart Monitor Implant Device & Accessories	Proprietary Renewal	1,3	3	\$0	40050	Yes
MUSCULOSKELETAL TRANSPLANT/MTF	\$266,857	Skeletal Tissue Grafts	Proprietary Renewal	2	3	\$0	40050	Yes
ORTHOPIX	\$25,888	Orthopedic Screws and Drills	Proprietary Renewal	1,3	3	\$0	40050	Yes
ORTHOVITA	\$289,255	Bone & Putty Implants for Ortho/Spine	Proprietary Renewal	1,3	1,3	\$0	40050	Yes
OSTEOMED	\$55,000	Oral Maxillofacial Implants and instruments	Proprietary Renewal	2	3	\$0	40050	Yes
SEASPINE (formerly INTERPORE CROSS)	\$2,545,187	Spinal Fusion System, Cage Back Implants	Sole source Renewal	1	3	\$0	40050	Yes
SMITH & NEPHEW	\$25,000	Orthopedic Plates, Screws, Nails and Instruments.	Proprietary Renewal	1,3	4	\$0	40050	Yes
ST. JUDE MEDICAL	\$610,857	Pacemakers. Intra Cardiac Defibrillator-ICD	Proprietary Renewal	1,3	2	\$0	40050	Yes
STRYKER LIEBINGER	\$713,795	Neuro Plates, Screws, Pins	Proprietary Renewal	1,3	4	\$0	40050	Yes
STRYKER SALES	\$400,000	Orthopedic Instruments	Proprietary Renewal	1,3	1,3	\$0	40050	Yes
SYNTHESE	\$2,488,231	Ortho Implants Plates/screws	Proprietary Renewal	1,3	1,3,4	\$0	40050	Yes

PREVIOUSLY APPROVED VENDOR LIST

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WRIGHT MEDICAL	\$502,766	Reconstructive Implants for Knees, hips & other joints	Proprietary Renewal	3	3	\$0	40050	Yes
ZIMMER (FORMERLY CENTERPULSE)	\$562,000	Orthopedic and Neuro Implants	Proprietary Renewal	3	3,4	\$0	40050	Yes
TOTAL	\$11,321,395							

