

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

230



FROM: Riverside County Regional Medical Center (RCRMC)

SUBMITTAL DATE:
September 13, 2011

SUBJECT: APPROVAL FOR 6-MONTH EXTENSION WITH ESOTERIX GENETIC LABORATORIES, LLC

RECOMMENDED MOTION: Move that the Board of Supervisors:

- 1) Ratify and authorize the Chairman of the Board to extend the contract with Esoterix Genetic Laboratories, LLC for a period of six months effective July 1, 2011 through December 31, 2011 not to exceed the aggregate amount of \$193,032, and;
- 2) Authorize the Purchasing Agent, in accordance with Ordinance No. 459, to sign amendments that do not change the substantive terms of the agreement and allow the Purchasing Agent to increase the total compensation not more than 10% should the need for services exceed the estimated volume.

Douglas D. Bagley

Douglas D. Bagley, Hospital Director

FINANCIAL DATA	Current F.Y. Total Cost:	\$193,032	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2011/2012

SOURCE OF FUNDS: 100% 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 Courmoyer*
Debra Courmoyer

County Executive Office Signature

- | | |
|--|--|
| <input checked="" type="checkbox"/> Policy | <input checked="" type="checkbox"/> Policy |
| <input type="checkbox"/> Consent | <input type="checkbox"/> Consent |

Dept's Recomm.:
Per Exec. Ofc.:

Prev. Agn. Ref.: 02/03/04, 3.13; 09/2/04, 3.36; 08/09/05, 3.34; (CONT'D PAGE 2) **District: ALL** **Agenda Number:** **3.24**
ATTACHMENTS FILED WITH THE CLERK OF THE BOARD

FORM APPROVED COUNTY COUNSEL
 BY: *Neal R. Kings*
 DATE: _____
 Departmental Concurrence
 Purchasing: *Mark Seiler*
 Mark Seiler, Assistant Director

BOARD OF SUPERVISORS

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PREVIOUS AGENDA REFERENCE:

07/25/06, 3.42; 07/31/07, 3.86; 07/29/08, 3.113

BACKGROUND:

Riverside County Regional Medical Center (RCRMC) has contracted with Esoterix Genetic Laboratories, LLC. (Formerly known as Genzyme Genetics, Inc.) since February, 2004 providing specialized surgical pathology testing and consultation used in the treatment of cancer and leukemia. LabCorp completed its acquisition of Genzyme Genetics as of December 1, 2010, through LabCorp's wholly-owned subsidiary, Esoterix Genetic Laboratories, LLC.

Esoterix's current contract agreement ended June 30, 2011, with no additional renewal options remaining. RCRMC is requesting for a six-(6) month (180 days) extension to the current contract with Esoterix to continue services until the Request for Proposal (RFP) for specialized surgical pathology consult and testing services is completed and a new contract is awarded.

Through this RFP, RCRMC will select a contractor to provide expert diagnostic pathology services for the hospital. Although price will be a key factor, the effectiveness of the proposal, the geographical area, the background and experience of the bidder will also be evaluated in addition to the bid price.

To ensure fair competition, RCRMC will advertise the RFP through County Purchasing & Fleet Services Department web site and will mail to current and previous Contractors and bidders. RCRMC will adhere to the Board of Supervisors Policy Number A-18, "Procedures for Contracting for Professional or Personal Services." In addition, the proposals received and identified as "responsive" will be assessed by a specific group of evaluators who are experts in the field. These individuals will be selected because of their extensive knowledge and expertise in specialized diagnostic pathology and lab services.

This amendment would resume the term of the current contract agreement and allow RCRMC to continue specialized lab services, without interruption to our patient services. Therefore, the Director of RCRMC requests the Boards approval of the recommended motions.

PRICE REASONABLENESS:

After the change of ownership, Esoterix's fee schedule/billing rates remain the same and will remain consistent with the current fiscal year's fee schedule.

FINANCIAL IMPACT:

100% Hospital Enterprise Funds

REVIEW/APPROVAL:

County Purchasing

County Counsel

DB:ns

NINTH AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT

WITH

ESOTERIX GENETIC LABORATORIES, LLC
(Specialized Pathology Consult and Testing Services)

That certain Agreement between County of Riverside ("COUNTY") and **Esoterix Genetic Laboratories, LLC**, ("CONTRACTOR"), first approved by the Board of Supervisors February 3, 2004, Agenda Item #3.13, first amended September 28, 2004, Agenda Item #3.36, second amendment approved on August 9, 2005, Agenda Item #3.34, third amendment approved July 25, 2006, Agenda Item #3.42, fourth amendment approved July 31, 2007, Agenda Item #3.86, fifth amendment approved July 29, 2008, Agenda Item #3.113, sixth amendment approved September 16, 2009, seventh amendment approved August 11, 2010, and eighth amendment approved February 9, 2011, is hereby amended as follows effective July 1, 2011:

1. Amend the language of Section **2.1 TERM**, to state the following:

"This Amendment extends the period of the Contract Agreement from July 1, 2011 through December 31, 2011, unless terminated as otherwise provided herein."

2. Amend the language of Section **5.3 COMPENSATION**, to include the following:

"Maximum compensation payable by COUNTY for the period of July 1, 2011 through December 31, 2011, shall not exceed one hundred ninety-three thousand thirty-two dollars (\$193,032).

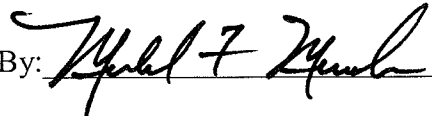
3. All other terms and conditions of this Agreement are to remain unchanged.

IN WITNESS WHEREOF, the parties have executed this Amendment.

CONTRACTOR

Esoterix Genetic Laboratories, LLC

COUNTY OF RIVERSIDE

By: 

Michael F. Minahan
Type or Print Name

Senior VP and General Manager,
Genzyme Genetics Business Unit
Type or Print Title

Date: 9/8/11

By: _____

Bob Buster
Type or Print Name

Chairman
Type or Print Title

Date: _____

FORWARDED TO COUNTY COUNCIL
BY: 
NEAL R. KIPNIS DATE