

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

226



FROM: Department of Public Health

SUBMITTAL DATE:
July 2, 2013

SUBJECT: Authorize the Department of Public Health to make purchases from the State Agreement with Masimo Corporation for Masimo Pronto Spot Check Pulse CO-Oximeter sensors.

RECOMMENDED MOTION: That the Board of Supervisors:

- 1) Authorize the Department of Public Health to make purchases from the State Agreement with Masimo Corporation for Masimo Pronto Spot Check Pulse CO-Oximeter sensors in the amount of \$137,476 for the period of July 1, 2013 through September 30, 2013; and,
- 2) Approve and direct the Auditor Controller to adjust the budget as specified in the Schedule A; and,
- 3) Authorize the Purchasing Agent, in accordance with Ordinance No. 459, to exercise renewal options for four additional years, based on the availability of fiscal grant funding not to exceed \$150,000 annually, and to procure the ancillary product from Masimo without obtaining competitive quotes that do not change the substantive terms of the State agreement.

GH:nw

Susan D. Harrington
Susan Harrington, Director of Public Health

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 137,476	In Current Year Budget:	No
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	Yes
	Annual Net County Cost:	\$ 0	For Fiscal Year:	13/14

SOURCE OF FUNDS: 100% Federal Funds	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input checked="" type="checkbox"/>

C.E.O. RECOMMENDATION: APPROVE

BY: *Debra Cournoyer*
Debra Cournoyer

County Executive Office Signature

PURCHASING & FLEET SERVICES:
Robert Howdyshell
 Robert Howdyshell, Director

Departmental Concurrence

FISCAL PROCEDURES APPROVED
 PAUL ANGULO, CPA, AUDITOR-CONTROLLER
 BY: *Samuel Wong* 6/27/13
 SAMUEL WONG

Policy
 Consent
 Policy
 Consent

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

Prev. Agn. Ref.: 2/28/12, Item: 3.24 | District: All | Agenda Number:

ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

3-65

5010 707 -3 4410:23
 RECEIVED RIVERSIDE COUNTY

Form 11

Subject: Authorize the Department of Public Health to make purchases from the State Agreement with Masimo Corporation for Masimo Pronto Spot Check Pulse CO-Oximeter sensors.

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BACKGROUND:

The Department of Public Health has received \$160,000 in funds from California Women, Infants and Children Nutrition Program to participate in a pilot program for anemia screening of WIC participants. Funds will be used for the procurement of sensors used with the Masimo Pronto Spot Check Pulse CO-Oximeter. Participation in the pilot will allow WIC staff to perform a noninvasive anemia screening at the WIC sites to ensure all participants requiring documentation of anemia screening comply with the state requirement.

As specified in the state WIC April 19, 2013 WIC Local Agency Authority to Spend (ATS) letter, WIC local agencies participating in the pilot are authorized to procure sensors from Masimo, as the sole provider of the equipment.

PRICE REASONABLENESS:

For this pilot program, state WIC is using Masimo as a sole source. The state will provide DOPH forty-nine (49) Masimo Pronto Spot Check Pulse CO-Oximeters at no cost to the County. In addition, \$137,476 of the funds will be used to procure 212 Masimo sensors to be used with the Masimo Pronto Spot Check Pulse CO-Oximeters, with the capability of performing 400 tests per sensor at a cost of \$1.50 per test.

ATTACHMENT(S): Sole Source Justification

Form 11

Subject: Authorize the Department of Public Health to buy off the State Agreement with Masimo Corporation for Masimo Pronto Spot Check Pulse CO-Oximeter sensors.

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SCHEDULE A
Department of Public Health
Budget Adjustment
Fiscal Year 2013/2014

INCREASE IN APPROPRIATION:

10000-4200100000-HS100004-526960	Small Tools and Instruments	\$ 137,476
TOTAL INCREASE IN APPROPRIATION:		<u>\$ 137,476</u>

INCREASE IN ESTIMATED REVENUE:

10000-4200100000-HS100004-762040	Fed - Health Grants	\$ 137,476
TOTAL INCREASE IN REVENUE:		<u>\$ 137,476</u>

Date: May 13, 2013
From: Susan Harrington Department/Agency: Department of Public Health
To: Board of Supervisors/Purchasing Agent
Via: Purchasing Agent
Subject: Sole Source Procurement; Request for Masimo Corporation

The below information is provided in support of my Department requesting approval for a sole source. 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: An Agreement with Masimo Corporation to procure sensors to be used with the Masimo Pronto Spot Check Pulse CO-Oximeter used as part of the State WIC funded anemia screening pilot program.

Supplier being requested: Masimo Corporation

Alternative suppliers that can or might be able to provide supply/service: Masimo is currently the sole manufacturer and distributor of FDA approved noninvasive hemoglobin technology, which is incorporated in the handheld Pronto device. DOPH has been funded by the State WIC program to participate in a pilot program for anemia screening using products manufactured and distributed solely by Masimo Corporation.

Extent of market search conducted: State WIC has identified Masimo as the sole manufacturer and distributor of FDA approved noninvasive hemoglobin technology, which is incorporated in the handheld Pronto device. In order to accept funding from State WIC to participate in this pilot program, participating agencies are required to use Masimo as a sole source per State WIC Authorize to Spend (ATS) letter dated April 19, 2013.

Unique features of the supply/service being requested from this supplier, which no alternative supplier can provide: Masimo Pronto Spot Check Pulse CO-Oximeter is unique in that it uses noninvasive hemoglobin technology. Masimo is currently the sole manufacturer and distributor of FDA approved noninvasive hemoglobin technology. This technology will allow WIC staff to perform noninvasive anemia screening of WIC participants.

Reasons why my department requires these unique features and what benefit will accrue to the county: The WIC program requires all local agencies to obtain documentation of anemia screening for prenatal women and children participating on WIC. Normally this documentation is provided by the WIC participant who obtains the documentation from their medical provider. Historically this has been a barrier to enrollment and/or continued participation on the WIC program, because the participant often finds it difficult to obtain the required documentation. This pilot will allow WIC staff to perform a noninvasive anemia screening at the WIC site, thus eliminating this barrier for our WIC participants.

Price Reasonableness including purchase price and any ongoing maintenance or ancillary costs from the supplier: As part of the pilot program, State WIC has negotiated with Masimo to provide DOPH with 49 Masimo Pronto Spot Check Pulse CO-Oximeters at no cost. DOPH will purchase the

sensors used with the device for anemia screening. These products are only available through Masimo. Product cost per test is \$1.50. As part of this pilot program, all cost associated with the product and program are 100% funded by State WIC.

Does moving forward on this product or service further obligate the county to future similar contractual arrangements or any ongoing costs affiliated with this single source? (Maintenance, support, or upgrades, if so, please explain). Yes, as required by the WIC program the County will continue to test clients annually. The County will have to purchase test strips for testing. Masimo will replace equipment at no charge to the County if the equipment become defective.

Period of Performance: July 1, 2013 through September 30, 2013

(Provide a defined period of performance. Please note multi-year terms require Board approval, unless renewable in one year increments and the Purchasing Agent approves the terms.)

Susan D. Harrington
Department Head Signature

6/27/13
Date

Purchasing Department Comments:

Approve

Approve with Condition/s

Disapprove

Not to exceed: \$137,476.00

One time

Annual Amount through _____

[Signature]
Purchasing Agent

6/24/2013
Date

14-025
Approval Number

(Reference on Purchasing Documents)