

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

520



FROM: Riverside County Regional Medical Center

SUBMITTAL DATE:
March 29, 2011

SUBJECT: Amendment to the Contract Agreement between County of Riverside and Quest Diagnostics

RECOMMENDED MOTION: Move that the Board of Supervisors:

- 1) Approve the increase to Riverside County Regional Medical Center's (RCRMC's) estimated annual amount not to exceed \$805,000, effective February 1, 2011;
- 2) Ratify and authorize the Chairman of the Board to execute the Amendment between Quest Diagnostics and the County of Riverside for an aggregate amount of \$2,142,432, effective February 1, 2011; and
- 3) Authorize the Purchasing Agent, in accordance with Ordinance No. 459, to exercise renewal options, based on the availability of fiscal funding, and to sign amendments that do not change the substantive terms of the agreement, including amendments to the compensation provision that do not exceed the annual CPI rates.

Douglas D. Bagley
Douglas D. Bagley, Hospital Director

FINANCIAL DATA	Current F.Y. Total Cost:	\$203,000	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2010/2011

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

Debra Courmoyer
Debra Courmoyer

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Buster, seconded by Supervisor Stone and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Buster, Tavaglione, Stone, Benoit and Ashley
Nays: None
Absent: None
Date: May 10, 2011
xc: RCRMC, Purchasing

Kecia Harper-Ihem
Clerk of the Board
By: *Kecia Harper-Ihem*
Deputy

3.27

Prev. Agn. Ref.: 01/29/08: 3.42 District: 5 Agenda Number:

ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

FORM APPROVED COUNTY COUNSEL
BY: *Neal R. Kipnis* DATE
Departmental Concurrence
Purchasing: *Mark Seiler* Assistant Director
Policy ☒ Policy ☒
Consent ☐ Consent ☐
Dep't Recomm.: Per Exec. Ofc.:

BOARD OF SUPERVISORS

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BACKGROUND:

Riverside County Regional Medical Center, Community Health Agency, Human Resources Occupational Health Services, Department of Mental Health and the Probation Department routinely use laboratory services not performed by the County's in-house testing laboratories due to the complexity of the required tests involved. The services include stat fees, pick-up and delivery of samples, consultation, esoteric testing, field support, drug testing and phlebotomy services, and provides for tests performed per Medi-Cal Managed Care capitation rates.

On January 29, 2008, Agenda Item Number 3.42, the Board of Supervisors approved the Professional Services Agreement with Quest Diagnostics to secure lab services for the County of Riverside for an aggregate amount of \$1,818,248. RCRMC's estimated annual amount at the time was \$480,000. Thereafter, amendments executed by the Purchasing Agent increased the aggregate amount to \$1,939,432. As a result of the increase, RCRMC's estimated annual amount was \$601,184.

The hospital expends an average of \$67,600 per month on lab services with Quest Diagnostics. As these services are physician driven and as patient census continue to rise, demand for esoteric lab tests used in the diagnosis and monitoring of patient disorders increased.

Therefore, the Director of RCRMC request the Boards approval of the recommended motions.

FINANCIAL IMPACT:

Funding for this service is 100% Hospital Enterprise funded and does not require additional County funds.

REVIEW/APPROVAL:

County Counsel

County Purchasing

DB:ns

**COUNTY OF RIVERSIDE
AMENDMENT NO. 4 TO THE AGREEMENT
WITH
QUEST DIAGNOSTICS, INC.**

CONTRACTOR: Quest Diagnostics, Inc.
Contract Term: January 29, 2008 through June 30, 2013
Effective Date of Amendment: April 1, 2011
Annual Maximum Contract Amount: \$2,142,432.00

The Agreement between Riverside County, herein referred to as COUNTY and Quest Diagnostics, Inc., herein referred to as CONTRACTOR, is amended as follows:

1. On page 3 of the Agreement, amend Section 3 the "Compensation":
The COUNTY shall pay the CONTRACTOR for services performed and expenses incurred in accordance with the terms of the Agreement. CONTRACTOR understands that the COUNTY's budget for these services from the CONTRACTOR providing such services, shall not exceed the annual aggregate amount of two million, one hundred forty-two thousand, four hundred thirty two dollars (\$2,142,432) for all expenses, based on the availability of fiscal funding. The COUNTY is not responsible for any fees or costs incurred above or beyond the contracted amount and shall have no obligation to purchase any specified amount of services or products. The net annual amount for the Riverside County Regional Medical Center is \$805,000. Department annual amount is an estimate."

2. All other terms and conditions of the Agreement are to remain unchanged.

IN WITNESS WHEREOF, the Parties hereto have caused their duly authorized representatives to execute this Amendment.

County

Board of Supervisors
4080 Lemon Street, 4th Floor
Riverside, CA 92501

Contractor

Quest Diagnostics, Inc
8401 Fallbrook Avenue
West Hills, CA 91307

By: Bob Buster
Name: Bob Buster
Title: Chairman of Board of Supervisors
Date: MAY 10 2011

By: [Signature]
Name: Rob Mervin
Title: Managing Director
Date: 3-1-11

FORM APPROVED COUNTY COUNSEL

BY: NEAL R. KIPNIS

DATE

ATTEST:

KECIA HARPER-JHEM, Clerk

By: [Signature]
DEPUTY

RFP# PUARC-901
BOS agenda # & Date: 3.42 on 1-29-2008
Form #116-311 Revision Date: 04/21/09