



MULTNOMAH COUNTY AGENDA PLACEMENT REQUEST

(Revised: Feb. 2017)

APPROVED: MULTNOMAH COUNTY
BOARD OF COMMISSIONERS
AGENDA # 2.5 DATE 10/25/18
TAJA NELSON, ASST. BOARD CLERK

Board Clerk Use Only

Meeting Date: 10/25/18
Agenda Item #: R.5
Est. Start Time: 10:15 a.m.
Date Submitted: 10/8/18

Agenda Title: Approving a Contract-Specific Special Procurement for Lab Testing through Quest Diagnostics

Requested Meeting: 10/25/2018 **Time Needed:** 10 minutes

Department: Health **Division:** Integrated Clinical Services

Contact(s): Ritchie Longoria III, Pharmacy & Support Services Director

Phone: 503-988-8849 **Ext.** 88849 **Email:** Ritchie.longoria@multco.us

Presenters: Ritchie Longoria III and Brian Smith

General Information

1. What action are you requesting from the Board?

The Health Department requests a Contract-Specific Special Procurement with Quest Diagnostics, for lab testing and provision of a Lab Medical Director. The request is being made under PCRB rule 47-0285.1.a – Special Procurements, Contract Specific Special Procurement.

2. Please provide sufficient background information for the Board and the public to understand this issue. Please note which Program Offer(s) this action affects and how it impacts the results.

The Multnomah County Health Department currently contracts with Quest Diagnostics to perform lab testing for the patients of our Primary Care clinics, Student Health Clinics, Corrections Health clinics, Communicable Disease clinics, Occupational Infectious Disease clinic, STD clinic, Harm Reduction clinic, and HIV/Hepatitis clinic. Quest Diagnostics also provides a Lab Medical Director through the contract allowing for a greater complexity of on-site testing for our patients to meet their needs in an efficient manner as well as offering support to the various labs throughout the Multnomah County Health Department. We have used contracted Quest Diagnostic services since at least 1999. So that patient safety and patient services are not compromised by a disruption in this agreement with Quest Diagnostics, it is requested that we seek an extension of our contract.

During the Fiscal Year 2017, Quest Diagnostics performed 200,669 diagnostic tests for patients seen in Multnomah County Health Department clinics. Testing ranges from HIV screens, PAP smears to Lipid Panels, as well as many more tests. In the future, if

another lab vendor were identified through a competitive procurement process, it will take a significant amount of time, money, and labor to unwind existing workflows built between Quest Diagnostics, Multnomah County, and OCHIN/EPIC. Through a contract specific special procurement it is the desire of the Health Department to extend the existing contract long enough to complete a well thought out solicitation with all impacted parties as well as build in time for a comprehensive transition process if it is needed.

The latest contract with Quest Diagnostics (4400000702) was originally awarded under a Request for Proposal (4000001576) in 2013 ending in June 2018. Due to transitions of new leadership in regards to lab management, and realizing there was some level of complexity surrounding this procurement the Health Department procurement team requested a P-100 contract extension request (4000006576) in hopes that a new competitive solicitation could be developed, advertised, and awarded prior to the end of calendar year 2018. When meeting with both the Pharmacy & Clinic Support Services Director and Lab Manager to plan for the procurement the following was determined:

- Lab tests require hours of coding in the background to streamline and operationalize the communication between Multnomah County Healthcare providers and Quest Diagnostics in the Electronic Health Record (OCHIN/EPIC).
- The coding requires the cooperation of multiple entities spending thousands of dollars to ensure that accurate, timely sensitive patient information makes it to the Healthcare provider.
- It is estimated that following a Request for Proposal (RFP) resulting in a new lab contract, it would take a minimum of two years to build the interface, write codes, update lab procedure lists, perform validation testing and retrain staff.

It was clear that the Health Department would need to build in significant transition time in regards to any solicitation. The Health Department would also need to include partners from DCA-IT as well as our OCHIN/EPIC system team in the development of the new RFP which adds additional complexity to the procurement process. With this in mind, the Health Department is requesting a 4 year contract specific special procurement with a start date of 12/25/2018 and an end date of 12/24/2022. With this contract extension the Health Department will include any necessary language in the current contract to allow for transition services in the case that a new bidder is awarded in the subsequent RFP.

Lab management will begin procurement planning in January 2019 with a desired RFP advertisement date of around March 2020 if not earlier. A new contract will be executed by 7/1/2020 allowing for 2 and half years of transition time if required.

3. Explain the fiscal impact (current year and ongoing).

The estimated contract amount for 12/25/2018-12/24/2022 is \$2,000,000. This is based on prior fiscal year spend.

4. Explain any legal and/or policy issues involved.

The Public Contract Review Board (PCRB Rule 47-0275) allows special procurements from the competitive contracting processes if it is determined to serve the best interest of the public.

5. Explain any citizen and/or other government participation that has or will take place.

None.

Required Signature

**Elected
Official or
Department
Director:**

Vanetta Abdellatif/s/

Date:

10/8/18

**BEFORE THE BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON**

RESOLUTION NO. _____

Approving a Contract-Specific Special Procurement for Lab Testing through Quest Diagnostics

The Multnomah County Board of Commissioners Finds:

- a. The Board, acting as the Multnomah County Public Contract Review Board (PCRB) and pursuant to PCRB Rule 47-0285, must approve special procurements for service contracts of \$150,000 or more.
- b. The Health Department currently contracts with Quest Diagnostics, Inc. to perform lab testing for all of its clinics as well as for the provision of a Lab Medical Director. After procurement planning was initiated, the Department determined that development of the solicitation document required additional stakeholders, adding complexity and time to the drafting process, and that at least two years of transition time was required for purposes of system recoding and testing if a contract was awarded to a new supplier.
- c. This contract-specific special procurement with Quest Diagnostics, Inc. extends the current contract for four years to provide continued lab diagnostic services using previously established protocols and software systems while the Program conducts a formal solicitation process and builds in transition timelines to the existing contract.

The Multnomah County Board of Commissioners Resolves:

To approve a contract-specific special procurement authorizing the County to contract with Quest Diagnostics from December 25, 2018 to December 24, 2022 for an estimated \$2,000,000.

ADOPTED this ____ day of _____, 20__.

BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

Deborah Kafoury, Chair

REVIEWED:
JENNY M. MADKOUR, COUNTY ATTORNEY
FOR MULTNOMAH COUNTY, OREGON

By _____
Bernadette D. Nunley, Senior Assistant County Attorney

SUBMITTED BY:
Vanetta Abdellatif, Co-Interim Director, Health Department

Memorandum

TO: Brian Smith, DCM Purchasing Manager
FROM: Vanetta Abdellatif
SUBJECT: Request for Contract-Specific Special Procurement
DATE: October 3rd, 2018

The Health Department requests a Contract-Specific Special Procurement with Quest Diagnostics, for lab testing and provision of a Lab Medical Director. The request is being made under PCRB rule 47-0285.1.a – Special Procurements, Contract Specific Special Procurement.

Background

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Basis of Special Procurement

Below are the Departments findings as outlined in PCRB 47-0285 Special Procurements.

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