

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS  
OF SAN BERNARDINO COUNTY  
AND RECORD OF ACTION**

**August 20, 2024**

**FROM**

**ANDREW GOLDFRACH, ARMC Chief Executive Officer, Arrowhead Regional Medical Center**

**SUBJECT**

Amendment to Agreement with Vizient, Inc. for eCommerce Exchange Services and Interim Supply Chain Manager

**RECOMMENDATION(S)**

Approve **Amendment No. 3**, effective September 1, 2024, to **Agreement No. 21-915** with Vizient, Inc., for the provision eCommerce Exchange Services, Transaction Management Services, Catalog Services, and an interim Supply Chain Manager, increasing the not to exceed amount by \$420,494, from \$1,029,265 to \$1,449,759, with no change to the contract term of January 1, 2022 through December 31, 2026.

(Presenter: Andrew Goldfrach, ARMC Chief Executive Officer, 580-6150)

**COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES**

**Operate in a Fiscally-Responsible and Business-Like Manner.**

**Provide for the Safety, Health and Social Service Needs of County Residents.**

**FINANCIAL IMPACT**

Approval of this item will not result in the use of Discretionary General Funding (Net County Cost). The cost of \$420,494 is funded by State Medi-Cal, Federal Medicare, private insurances, and other departmental revenue. Funding sources may change in the future pending any legislative activity related to the repeal and/or replacement of the Affordable Care Act. Adequate appropriation and revenue have been included in the Arrowhead Regional Medical Center (ARMC) 2024-25 budget and will be included in future recommended budgets.

**BACKGROUND INFORMATION**

The recommended Amendment No. 3 (Amendment) to Agreement No. 21-915 (Agreement) with Vizient Inc. (Vizient) will enable Vizient to provide ARMC with eCommerce exchange services, transaction management services, catalog services, and an interim Supply Chain Manager, which will assist ARMC in modernizing the ARMC healthcare supply chain through increased standardization and automation. Traditionally, ARMC has manually managed the order cycle of general hospital supplies to perform patient care which can increase error rates and impact performance.

eCommerce Exchange Services (Services) is a proprietary ecommerce platform that automates the purchase ordering process by electronically connecting members to suppliers and enabling both to exchange documentation needed to facilitate a purchase including, purchase orders (PO). Vizient will provide transaction management services to members who subscribe to

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August 20, 2024**

Vizient's Services. The Services are designed to improve purchasing operations efficiency and accuracy by automating POs for vendors not capable of Electronic Data Interchange technology and minimize price discrepancies and increase contract compliance through real time price matching for contracted items.

On December 7, 2021 (Item No. 46), as the result of Request for Proposals (RFP) No. AGENCY21-PURC-4090, the Board of Supervisors (Board) approved the Agreement with Vizient for a County Group Purchasing Organization Associate Membership, enrollment in Vizient Data Management Platform and DataLYNX, and Vizient Savings Actualizer – Supplies with Benchmarking Program, at a not-to-exceed amount of \$769,824, for the period of January 1, 2022 through December 31, 2026.

On August 23, 2022 (Item No. 11), the Board approved Amendment No. 1 to the Agreement with Vizient for the provision of a supply chain consultant for an eight-month period, effective on September 1, 2022, increasing the not-to-exceed contract amount by \$182,168, from \$769,824 to \$951,992, with no change to the total term of January 1, 2022 through December 31, 2026.

On February 7, 2023 (Item No. 8), the Board approved Amendment No. 2 to the Agreement with Vizient for Supplier Diversity Premium Platform subscription for 36 months, increasing the not-to-exceed contract amount by \$77,273, from \$951,992 to \$1,029,265, with no change to the contract term of January 1, 2022 through December 31, 2026.

ARMC recommends approval of the Amendment to provide for the health and safety of County residents by ensuring the hospital has the infrastructure in place to manage and distribute its inventory through an efficient supply chain management process.

**PROCUREMENT**

Not applicable.

**REVIEW BY OTHERS**

This item has been reviewed by County Counsel (Charles Phan, Supervising Deputy County Counsel, 387-5455) on July 31, 2024; Purchasing (Veronica Pedace, Buyer III, 387-2464) on July 31, 2024; ARMC Finance (Chen Wu, Finance and Budget Officer, 580-3165) on July 31, 2024; Finance (Jenny Yang, Administrative Analyst, 387-4884) on July 31, 2024; and County Finance and Administration (Valerie Clay, Deputy Executive Officer, 387-5423) on August 5, 2024.

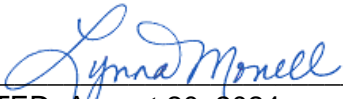
**Amendment to Agreement with Vizient, Inc. for eCommerce Exchange  
Services and Interim Supply Chain Manager  
August 20, 2024**

Record of Action of the Board of Supervisors  
San Bernardino County

**APPROVED (CONSENT CALENDAR)**

Moved: Curt Hagman   Seconded: Joe Baca, Jr.  
Ayes: Col. Paul Cook (Ret.), Jesse Armendarez, Dawn Rowe, Curt Hagman, Joe Baca, Jr.

Lynna Monell, CLERK OF THE BOARD

BY   
DATED: August 20, 2024



cc:     ARMC - Goldfrach w/agree  
          Contractor - c/o ARMC w/agree  
          File - w/agree  
MBA    08/21/2024