

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

June 13, 2023

FROM

WILLIAM L. GILBERT, Director, Arrowhead Regional Medical Center

SUBJECT

Amendment to Agreement with Cepheid for the Purchase of Cepheid Reagent Tests

RECOMMENDATION(S)

Approve **Amendment No. 1 to Agreement No. 23-26** with Cepheid to expand the types of reagents available for purchase, with no change to the not-to-exceed amount of \$952,300 or the term of January 1, 2023 through December 31, 2025.

(Presenter: William L. Gilbert, Director, 580-6150)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

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 amendment has no additional financial impact as it is only expanding the types of reagents that may be purchased utilizing this agreement. The cost of \$952,300 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) 2022-23 budget and will be included in future recommended budgets.

BACKGROUND INFORMATION

The recommended Amendment No. 1 to Agreement No. 23-26 with Cepheid will allow ARMC to purchase Cepheid Clostridium Difficile and Epidemic 027 strain (C. diff/Epi) reagents directly from Cepheid. These reagents are used to diagnose Clostridium difficile (C. diff) infection, which has been identified as a cause of hospital outbreaks worldwide. Accurate and rapid diagnosis is essential to improve patient outcome and prevent disease spread.

ARMC was previously purchasing these reagents from Cepheid through Vizient Contract #LB0140. However, on March 20, 2023, Cepheid notified ARMC that Cepheid will not renew its contract with Vizient after it expires on June 30, 2023. Thus, in order for ARMC to continue to purchase these reagents, Cepheid requires that ARMC enter into a contract directly with Cepheid.

On January 24, 2023 (Item No. 11), the Board of Supervisors approved Sales Agreement No. 23-26, with Cepheid for the purchase of COVID-19 test kits in the amount of \$952,300 for the contract term of January 1, 2023 through December 31, 2025.

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ARMC recommends approval of the amendment as it will expand the items available for purchase from Cepheid and will now include additional reagents for the testing of C. diff. By adding these reagents to Agreement No. 23-26, Cepheid is offering ARMC the same pricing as with the Vizient contract. This amendment does not change the annual commitment or any other terms in the original agreement. It simply allows ARMC access to the discounted reagent pricing for the remaining term of the agreement.

PROCUREMENT

The Purchasing Department supports this non-competitive procurement based on equipment compatibility as Cepheid's reagents can be used with ARMC's current equipment and Cepheid is offering pricing that matches the Vizient contract which resulted from a competitive solicitation. A Request for Proposals will be released prior to expiration of the current agreement.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Charles Phan, Deputy County Counsel, 387-5455) on April 26, 2023; Purchasing (Ariel Gill, Buyer, 777-0722) on May 1, 2023; ARMC Finance (Chen Wu, Finance and Budget Officer, 580-3165) on May 22, 2023; Finance (Jenny Yang, Administrative Analyst, 387-4884) on May 22, 2023; and County Finance and Administration (Valerie Clay, Deputy Executive Officer, 387-5423) on May 24, 2023.

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Record of Action of the Board of Supervisors
San Bernardino County

APPROVED (CONSENT CALENDAR)

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

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: June 13, 2023



cc: ARMC - Gilbert w/ agree
Contractor c/o ARMC w/ agree
File w/ agree
JLL 06/27/2023