



San Bernardino County

Legislation Text

File #: 1451, Agenda Item #: 4

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

December 17, 2019

FROM

WILLIAM L. GILBERT, Director, Arrowhead Regional Medical Center

SUBJECT

Multiple Product Purchase Agreement with Integra LifeSciences Sales, LLC for Neurological Products and Supplies

RECOMMENDATION(S)

Approve Multiple Product Purchase Agreement with Integra LifeSciences Sales, LLC in an amount not to exceed \$1,350,000 total for the purchase of neurological supplies and equipment accessories used by Arrowhead Regional Medical Center's Operative Services Department and Sterile Processing Department for the period of December 17, 2019 to December 16, 2022 with the option to renew for a maximum of two additional one-year periods.

(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 these recommendations will not result in the use of Discretionary General Funding (Net County Cost) as the total cost of \$1,350,000 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) 2019-20 budget and will be included in future recommended budgets.

BACKGROUND INFORMATION

Approval of the recommendation to award a product purchase agreement to Integra LifeSciences Sales, LLC (Integra) will allow for the purchase of neurological grafts, disposable pressure monitoring catheters and related supplies utilized by ARMC Operative Services during surgeries and patient after care. Neurological procedures are utilized in urgent and emergency trauma situations, as well as elective spinal and neurological cases to fix identified issues.

Integra provides a Multiple Product Purchase Agreement that includes product pricing and discounts, terms of use and limited product warranty. The proposed agreement shall have a three-year term beginning December 17, 2019 and ending December 16, 2022.

Integra's Multiple Product Purchase Agreement (MPPA) is its standard commercial license, as negotiated by the County, which contains terms that differ from the standard County contract. The non-standard terms include the following:

1. Limitations of liability to the County of two times (2X) the value of the products purchased in the calendar year in which the liability arises, excluding liability arising from Integra's gross negligence, willful misconduct, violation of law or indemnity obligations.
 - The County standard contract does not include a limitation of liability.

Potential impacts of this non-standard provision includes:

1. Integra caps its liability to the County at a maximum of two times (2X) the value of the products purchased in the calendar year in which the liability arises, excluding liability arising from Integra's gross negligence, willful misconduct, violation of law or indemnity obligations. Claims could exceed the liability cap and the contract amount leaving the County financially liable for the excess. In addition, the County's liability under the contract is not similarly limited.

ARMC recommends approval of the Multiple Product Purchase Agreement with Integra LifeSciences L.L.C. as approval of the contract will allow ARMC to perform neurological procedures in the care of patients with traumatic brain injuries.

PROCUREMENT

Purchasing has approved the non-competitive justification procurement based on proprietary products. The neurological grafts, disposable pressure monitoring catheters and related supplies are proprietary to and supplied by Integra. ARMC owns Integra neurological monitoring equipment, and the equipment is only compatible with these sole source products.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Bonnie Uphold, County Counsel, 387-5487) on November 07, 2019; Purchasing Department (Michelle Churchill, Supervising Buyer, 387-2070) on November 21, 2019; Finance (Amanda Trussell, Principal Administrative Analyst, 387-4773) on December 2, 2019; and County Finance (Katrina Turturro, Deputy Executive Officer, 387-5423) on December 2, 2019.