



# San Bernardino County

## Legislation Text

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**File #: 8038, Agenda Item #: 12**

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

**May 23, 2023**

**FROM**

**WILLIAM L. GILBERT, Director, Arrowhead Regional Medical Center**

**SUBJECT**

Consignment Agreement with Alcon Vision, LLC for the Clareon Intraocular Lens Surgical Delivery System

**RECOMMENDATION(S)**

Approve Consignment Agreement with Alcon Vision, LLC, including non-standard terms, for the Clareon Intraocular Lens surgical delivery system, in the amount not-to-exceed \$80,000 for the one-year term of May 23, 2023 through May 22, 2024.

(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 cost of \$80,000 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) 2022-23 budget and will be included in 2023-24 recommended budget.

**BACKGROUND INFORMATION**

The recommended Consignment Agreement (Agreement) with Alcon Vision (Alcon) will allow for the use of the Clareon Intraocular Lens (IOL) used for cataract surgeries performed at ARMC. The Clareon IOL is an automated, disposable, pre-loaded IOL delivery system that enables the surgeon to precisely implant the IOL into patients undergoing cataract surgery.

The Clareon IOL will replace the current Alcon lens delivery system used by ARMC, which is being discontinued by Alcon after 20 years of use. It is necessary to keep an inventory of IOLs on hand so that the ophthalmologic surgeon has the ability to utilize the most clinically accurate lens to provide the best possible outcome for each patient. The IOLs are provided on consignment, whereas Alcon will supply the IOL to ARMC to stock as inventory and will bill ARMC only when the IOL is used.

The Agreement is Alcon's standard commercial contract, which includes terms that differ from the standard County contract and omits certain County standard contract terms. While the parties negotiated certain

contract terms, Alcon would not agree to all of the County standard terms. The non-standard and missing terms include the following:

1. Alcon may assign the Agreement without prior notice to the County and without the County's approval to an affiliate.
  - The County standard contract requires County approval of any assignment of the contract.
  - Potential Impact: Alcon could assign the Agreement to a third party or business with which the County is legally prohibited from doing business due to issues of Federal debarment or suspension and conflict of interest, without the County's knowledge. Should this occur, the County would be out of compliance with the law until it becomes aware of the assignment and terminates the Agreement.

ARMC recommends approval of the Agreement with Alcon, including non-standard terms, to provide for patient safety and health needs by supplying the Clareon IOL delivery system for ARMC surgeons to perform cataract surgeries.

### **PROCUREMENT**

ARMC clinicians (healthcare personnel) requested the use of the Clareon IOL delivery system as it will replace the current Alcon IOL being used at ARMC. When clinicians request the procurement of new products and services, items are vetted through the Value Analyst Committee (VAC). The VAC is a multidisciplinary group from ARMC, consisting of 21 members representing physicians, nurses, other healthcare representatives, compliance, supply chain, finance, information management, facilities, biomed, and healthcare operations. Through a hands-on assessment and discussion guided by ARMC's mission, the VAC's objective is to gain a balanced decision, supporting innovation, process improvement, waste reduction, and standardization.

The VAC enhances the procurement requirements and was able to negotiate the consignment cost of this Agreement. The Purchasing Department supports this non-competitive procurement based on timing constraints. Alcon's Clareon IOL meets functional specifications needed by ARMC and will replace the current Alcon IOL that is being used, which will soon be discontinued by Alcon. The one-year agreement in this BAI is solely for the consignment of the Clareon IOL to ensure there is no disruption to the services provided to patients, which will allow time for a Request for Proposal to be completed for this product.

### **REVIEW BY OTHERS**

This item has been reviewed by County Counsel (Bonnie Uphold, Supervising Deputy County Counsel, 387-5455) on April 6, 2023; Purchasing (Michelle Churchill, Supervising Buyer, 387-2070) on April 26, 2023; ARMC Finance (Chen Wu, Finance Budget Officer, 580-3165) on May 1, 2023; Finance (Jenny Yang, Administrative Analyst, 387-4884) on May 4, 2023; and County Finance and Administration (Valerie Clay, Deputy Executive Officer 387-5423) on May 4, 2023.