



# Monterey County

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## Board Report

Legistar File Number: A 17-392

October 10, 2017

**Introduced:** 9/19/2017

**Current Status:** Agenda Ready

**Version:** 1

**Matter Type:** BoS Agreement

Ratify the execution by the Director of Materials at Natividad Medical Center of Addendum No. 1 to the Master Agreement (A-12780) with MedAssets Performance Management Solutions, Inc. ("MedAssets") for Group Purchasing Organization ("GPO") services, which designates Vizient, Inc. as the new parent company of MedAssets, with no significant changes to the scope of services or term of the agreement.

### **RECOMMENDATION:**

#### **It is recommended the Board of Supervisors:**

Ratify the execution by the Director of Materials at Natividad Medical Center of Addendum No. 1 to the Master Agreement (A-12780) with MedAssets Performance Management Solutions, Inc. ("MedAssets") for Group Purchasing Organization ("GPO") services, which designates Vizient, Inc. as the new parent company of MedAssets, with no significant changes to the scope of services or term of the agreement.

### **SUMMARY/DISCUSSION:**

The Master Agreement with MedAssets (now a wholly owned subsidiary of Vizient, Inc.) enables Natividad Medical Center ("NMC") to participate in GPO purchasing of goods and services via a large pool of supplier contracts which have been subject to the bidding and Request for Proposals process by Vizient, Inc..

In 2016 Vizient, Inc. acquired MedAssets, and although MedAssets continues to exist as a valid business entity, Vizient, Inc. now must be acknowledged as a party in the GPO program and this addendum is the mechanism to formally process this acknowledgment. Vizient, Inc. has informed NMC that all MedAssets-Supplier contracts will be converted to Vizient, Inc-Supplier contracts by the end of the first quarter of 2018.

The Vizient brand identity represents the integration of VHA Inc., University HealthSystem Consortium and Novation, which combined in 2015, as well as the recently acquired MedAssets' Spend and Clinical Resource Management (SCM) segment. Vizient, Inc. is considered to be the largest member-owned health care company in the country.

As with MedAssets, there are no direct costs paid to Vizient, Inc. from NMC for use of the GPO supplier contracts. Instead, Vizient retains an "Administrative Fee" from each vendor (supplier) having

a contract with the GPO.

**OTHER AGENCY INVOLVEMENT:**

County Counsel has reviewed and approved this addendum No. 1 as to legal form and risk provisions, and the Auditor-Controller has reviewed and approved as to payment provisions.

**FINANCING:**

There is no cost associated with this addendum No. 1 and there is no impact to the General Fund.

**BOARD OF SUPERVISORS STRATEGIC INITIATIVES:**

Participation in this GPO ensures that NMC receives lower pricing on goods and services while benefiting from suppliers who have undergone a competitive bidding process in order to be a contracted supplier in the GPO program. NMC is able to practice efficient and effective procurement practices by utilizing this GPO.

- Economic Development
- Administration
- Health and Human Services
- Infrastructure
- Public Safety

Prepared by: Roy Creamier, Director of Materials, 783-2621

Approved by: Gary R. Gray, DO, Chief Executive Officer, 783-2504

Attachments:

Addendum No. 1 to MedAssets Master Agreement

MedAssets Master Agreement for GPO Services

Attachments on file with the Clerk of the Board