

MONTEREY COUNTY BOARD OF SUPERVISORS

MEETING:	June 14, 2011	AGENDA NO.:	33
SUBJECT:	Authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute Amendment #5 to the Agreement (#A-10493) with Quest Diagnostics Inc. for Reference Laboratory Testing Services at NMC in an amount not to exceed \$3,825,000 in the aggregate and \$565,000 for the period July 1, 2011 to June 30, 2012.		
DEPARTMENT:	Natividad Medical Center		

RECOMMENDATION:

It is recommended that the Board of Supervisors authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute Amendment #5 to the Agreement (#A-10493) with Quest Diagnostics Inc. for Reference Laboratory Testing Services at NMC in an amount not to exceed \$3,825,000 in the aggregate and \$565,000 for the period July 1, 2011 to June 30, 2012.

SUMMARY/DISCUSSION:

This agreement is necessary to pay for reference laboratory testing provided for our patient population. Physicians at NMC or clinics that send laboratory work to NMC may order tests that the NMC Laboratory cannot perform on-site. Therefore, these specific tests must be sent to a reference laboratory. Quest Diagnostics, a multibillion dollar company, is NMC Laboratory's primary reference laboratory. Quest Diagnostics is the leading provider of diagnostic testing in the nation, and serves approximately 140 million patients each year. As laboratory technology improves, more and more esoteric tests are available but the NMC laboratory cannot justify bringing in instruments or additional staff for the low volume of each individual test. These esoteric tests are used for the diagnosis of disease or monitoring of disease processes and are critical for patient care. The laboratory monitors test utilization to look for opportunities to in source any test that has high volume and methodology that can be incorporated into the Natividad Laboratory.


The laboratory has an interface with Quest diagnostics which allows results to be transferred directly from the testing laboratory to the patient medical record at Natividad Medical Center. A Natividad clinical laboratory scientist verifies the validity of the results before they are finalized in the medical record.

OTHER AGENCY INVOLVEMENT:

The Amendment has been reviewed and approved by County Counsel, the Auditor/Controller's office and the Natividad Medical Center Board of Trustees.

FINANCING:

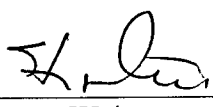
The cost for this Amendment is \$565,000 and is included in the 2011/2012 Fiscal Year Recommended Budget. This action will not require any additional General Fund subsidy.

Prepared by: 
Andrea Rosenberg, Administrator
755-6285

May 13, 2011

Attachments: Amendments #1, 2, 3, 4, 5, Original Agreement, Board Order

Attachments on file with the Clerk of the Board


Harry Weis
Chief Executive Officer