



Monterey County

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Board Report

Legistar File Number: A 18-101

May 15, 2018

Introduced: 4/3/2018

Current Status: Agenda Ready

Version: 1

Matter Type: BoS Agreement

Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute a no extension amendment No.1 to the agreement with 3DR Laboratories, LLC for 3D medical image post processing services at NMC, adding \$186,000 for a revised total agreement amount not to exceed \$261,000, with an agreement term of August 1, 2017 through July 31, 2020.

RECOMMENDATION:

It is recommended the Board of Supervisors:

Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute a no extension amendment No.1 to the agreement with 3DR Laboratories, LLC for 3D medical image post processing services at NMC, adding \$186,000 for a revised total agreement amount not to exceed \$261,000, with an agreement term of August 1, 2017 through July 31, 2020.

SUMMARY/DISCUSSION:

NMC started sending computed topography (CT) for 3D post processing to 3DR labs in July 2017. 3D post processing is a process where the original 2D images acquired in a CT study are converting the images into a 3D format to provide further information to the ordering provider. This is a proven method to enhance images to highlight arteries, bones and vital organs. The post processing is highly technical and requires an expertise in the process along with advanced software to complete the post processing.

NMC previously had a 3D post processing software that was out of date and slow. The 3D post processing by an internal radiology technologist was time consuming creating a bottle neck with patient flow into the department. NMC software being utilized was out of date and unsupported. Due to these two factors, NMC elected to send all 3D post processing to an outside source, 3DR Laboratories, LLC.

When the program first started the radiologists elected to send only the computed topography studies that were angiograms. The initial cost basis was determined based on this initial decision. However, once the program started and the true value of the 3DR laboratories contribution to data and imagery for the Radiologists became apparent, the Radiologists requested more than just the angiograms sent to 3DR laboratories. Currently, all trauma CT protocols are sent to 3DR labs. The added protocols increased the cost. NMC has more than six months of initial invoices to be able to better predict the cost. The cost is per study rather than a flat fee. Therefore, NMC is requesting approval to increase

the total Agreement amount of the current Agreement.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved this amendment No. 1 as to legal form, and the Auditor-Controller has reviewed and approved as to payment provisions. The amendment has also been reviewed and approved by NMC's Finance Committee on April 26, 2018 and by its Board of Trustees on May 4, 2018.

FINANCING:

The cost for this amendment No. 1 is \$186,000 of which \$78,000 is included in the Fiscal Year 2017-18 Adopted Budget. Amounts for remaining years of the agreement will be included in those budgets as appropriate. There is no impact to the General Fund.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

This amendment supports the Health and Human Services strategic initiative by offering 3D post processing on radiology images to better enhance the images and data obtained from a procedure by converting the images from a 2D image to a 3D image. The new 3D image provides to a surgeon the extent of an injury before a surgery starts.

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

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

Attachments:

- 3DR Laboratories, LLC Amendment 1
- 3DR Laboratories, LLC Agreement

Attachments on file with the Clerk of the Board