



# County of Monterey

Board of Supervisors  
Chambers  
168 W. Alisal St., 1st Floor  
Salinas, CA 93901

## Board Report

---

**File #:** A 13-049, **Version:** 1

---

Authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute Renewal and Amendment No. 1 to the Agreement with MD Buyline for Membership Services at NMC, extending the Agreement to August 31, 2017 and adding \$99,995 for a revised total Agreement amount not to exceed \$199,990 in the aggregate.

### **RECOMMENDATION:**

It is recommended the Board of Supervisors authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute Renewal and Amendment No. 1 to the Agreement with MD Buyline for Membership Services at NMC, extending the Agreement to August 31, 2017 and adding \$99,995 for a revised total Agreement amount not to exceed \$199,990 in the aggregate.

### **SUMMARY/DISCUSSION:**

NMC has had a membership with MD Buyline over the last five years to provide review of capital item vendor quotes for goods and services. By using MD Buyline, NMC assures pricing that meets national benchmarks when purchasing any type of Capital Equipment and/or Goods or Services that are included in the hospitals Group Purchasing Organization (GPO). The GPO is a national organization for hospitals which acts as a standardization of pricing and negotiating service to insure best pricing for hospital equipment, technology, goods and services throughout the US. When a Capital Purchase (or any large item supplies or services that are covered by the GPO) is necessary, NMC uses the GPO to get best pricing for the purchase. For large purchases and all capital items, the quote is then sent to MD Buyline. MD Buyline reviews the quote and sends a detailed report to NMC as to the cost effectiveness of that specific quote and makes recommendations as to over all national pricing. The report allows NMC to negotiate better pricing based on national benchmarks for the same goods and services.

MD Buyline is recognized as the industry leader with memberships of more than 3,300 healthcare systems and providers. Annual cost for the MD Buyline Membership is \$19,999. As part of its service MD Buyline also provides a "Quote Dashboard" which tracks quoted price against targeted price for each quote submitted. Over the past eighteen months MD Buyline has documented savings of \$632,246 for NMC with the quote/targeted price comparison. The recommendation is to continue annual membership with MD Buyline over the next five years.

#### Business Automobile Insurance Exemption:

- Business Automobile Liability Insurance requirements are waived for this vendor under this Agreement. There is no risk or exposure regarding vehicles.
- All services are provided electronically. Vendor does not provide services and does not travel on County property.

### **OTHER AGENCY INVOLVEMENT:**

County Counsel has reviewed and approved this Renewal and Amendment No. 1 as to legal form and risk provisions. Auditor-Controller has reviewed and approved this Renewal and Amendment No. 1 as to fiscal provisions. The Renewal and Amendment No. 1 has also been reviewed and approved by Natividad Medical Center's Board of Trustees.

**FINANCING:**

The cost for this Renewal and Amendment No. 1 is \$99,995. \$19,999 is included in the Fiscal Year 2012/2013 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.

Prepared by: Roy Creamier, Director of Materials Management, 783-2621  
Approved by: Harry Weis, Chief Executive Officer, 783-2553

Attachments: Renewal and Amendment No. 1, Agreement

Attachments on file with the Clerk to the Board's Office