



**BOARD OF SUPERVISORS
AGENDA LETTER**

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Public Health
Department No.: 041
For Agenda Of: June 2, 2009
Placement: Administrative
Estimate Time: N/A
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Elliot Schulman, MD, MPH, Director and Health Officer
Contact Info: Dan Reid, Assistant Deputy Director
Primary Care & Family Health Division 681-5173
**SUBJECT: Third Amendment to Professional Services Agreement
(Unilab dba Quest Diagnostics, Inc.)**

County Counsel Concurrence:

As to form: Yes

Auditor-Controller Concurrence:

As to form: Yes

Other Concurrence: Risk Management

As to form: Yes

Recommended Action(s):

That the Board of Supervisors:

Approve and authorize the Chair to execute the Third Amendment to the Professional Services Agreement C-05-046 with Unilab Corporation dba Quest Diagnostics, Inc. (not a local vendor). The Third Amendment increases the FY 08-09 "Not to Exceed" amount by \$60,000 to compensate for increased pathological and clinical laboratory services for a total FY 2008-09 amount of \$200,000. The Third Amendment also extends the term of the Agreement to FY 2009-10 for an amount not to exceed \$200,000.

Summary:

This item is on the agenda to authorize the Third Amendment to the Agreement with Unilab dba Quest Diagnostics, Inc. (Quest Diagnostics). The need for Quest Diagnostics' services has increased during FY 2008-09 more than anticipated. It is estimated that the FY 2008-09 Agreement will be exceeded by early March 2009.

There are no other changes in the terms and conditions of the requested Agreement from Quest Diagnostics' Agreement. Approval of the requested Agreement will allow the vendor to continue providing services in FY 2008-09 and FY 2009-10.

Background:

During the course of providing services to its patient population, the Public Health Department's (PHD's) staff performs numerous pathological and clinical tests. While some of these tests can be conducted by the Public Health Department's laboratory staff, a number of the tests are complicated and require resources not available within the Public Health Department. To provide these services by County staff would be costly in terms of purchasing and maintaining additional equipment, and hiring additional staff.

Your Board has approved Agreement BC-05-046 with Unilab dba Quest Diagnostics, Inc. for the period July 1, 2004 to June 30, 2005 in the amount of \$200,000. The First Amendment for the period July 1, 2005 through June 30, 2006 was in the amount of \$200,000. The Second Amendment for the period July 1, 2006 through June 30, 2009 was in the amount of \$140,000 for each fiscal year.

Mandates and Service Levels:

The provision of primary care services is mandated by California Administrative Code, Title 17, Chapter 3, Article 2, Sections 1276, 2500, 2501, 2502, 2503 and 2505; California Administrative Code, Title 17, Chapter 3, Subchapter 1; and Section 17000 of the Welfare and Institutions Code of indigents.

Fiscal and Facilities Impacts:

Budgeted: ☒ Yes ☐ No

Fiscal Analysis:

This action will not increase the use of General Fund or Special Revenue fund resources by the Public Health Department. In addition, no increase in Departmental indirect costs or use of A87 Plan County overhead will be incurred. The amounts reflected in the proposed contract (\$200,000 each year) were included as part of the Department's FY 2008-2009 adopted (\$200,000) and FY 2009-10 recommended (\$200,000) budgets.

The funding for the proposed contract is contained as part of the Public Health Department's FY 2008-2009 adopted budget and can be found on page D-196 of the County's FY 2008-2009 Operating Plan Document. Funding for the subsequent fiscal year has been incorporated into the department's FY 2009-2010 recommended budget

This action will not result in the need for any additional facilities.

Staffing Impact(s):

Legal Positions:

0

FTEs:

0

Special Instructions:

Please email an electronic copy of the Minute Order to PHD Contracts Unit at:

PHDRES.contractsunit@sbcphd.org.

Please return one (1) copy of the executed Agreement to PHD Contracts Unit, 300 North San Antonio Road, Building 8, Santa Barbara, CA 93110.

Attachments:

Third Amendment to Agreement for Services of Independent Contractor Unilab Corporation dba Quest Diagnostics, Inc.

Authored by:

Dan Reid, Assistant Deputy Director Primary Care & Family Health Division 681-5173