

## SUMMARY OF DEPARTMENT OPERATIONAL SUPPORT CONTRACT REQUEST TO THE HEALTH COMMISSION

*A DOS Contract is a Contract for the provision of goods or services that directly supports DPH's operations.*

|   |  |   |
|---|--|---|
| <b>Contractor:</b> <u>Laboratory Corporation of America</u> | <b>Division/Section:</b> <u>DPH Central / Pharmacy</u> |   |
|   | <b>Deputy Director:</b> <u>Roland Pickens</u>          | <sup>DS</sup><br><u>DS</u>                |
| <b>Address:</b> <u>13112 Evening Creek Drive South</u>      | <b>DPH Administrator:</b> <u>David Smith</u>           |   |
| <u>San Diego, CA 92128</u>                                  | <b>Program Administrator:</b> <u>Theresa Maranon</u>   | <b>Phone:</b> <u>628-271-6298</u>         |
| <b>Contact:</b> <u>Jonathan Gushwa</u>                      | <b>Phone:</b> <u>831-201-3867</u>                      | <b>Contract Analyst:</b> <u>Maggie Wu</u> |
|   |  | <b>Phone:</b> <u>628-271-6175</u>         |

Request for approval of a new contract with Laboratory Corporation of America to provide safe and effective testing and diagnostic services as well as phlebotomy blood draws for patient care and support services for clients of the Behavioral Health Services that are not otherwise available through the DPH Public Health Lab. The total proposed contract amount is \$614,741.00 the total proposed contract includes a 12% contingency for the term of May 22, 2024 through December 31, 2026 (2 years 7 months 10 days).

**Mark only one for each question below:**

1. **Vendor Type**  For Profit  Non-Profit  Government Entity
2. **Is the Vendor a CMD Certified LBE?**  Yes  No
3. **Purchasing Authority:**  RFP  Sole Source  GPO
4. **Does DPH have other existing contracts with this Vendor?**  Yes  No  
 If yes, approximately how many years has DPH been doing business with this Vendor? Provide explanation, as needed. 3 years

### CONTRACT INFORMATION

### Proposed Transaction

May 22, 2024 to December 31, 2026

#### FUNDING SOURCES:

|   |                     |
|---|---------------------|
| General Fund  | \$548,876.71        |
| <b><u>TOTAL DPH REVENUES:</u></b>                       | <b>\$548,876.71</b> |
| 12% Contingency Amount                                  | \$65,864.29         |
| <b><u>TOTAL CONTRACT AMOUNT WITH CONTINGENCY:</u></b>   | <b>\$614,741.00</b> |
| <b><u>ONE-TIME UPFRONT COSTS:</u></b>                   | \$0                 |
| <b><u>ANNUAL AMOUNT OF CONTRACT*:</u></b>               | <b>\$235,200.00</b> |
| <i>*Excludes one-time upfront/implementation costs.</i> |                     |

#### [FOR PROGRAM ADMINISTRATION CONTRACTS ONLY]

|  |  |
|--|--|
| Program Administrator Indirect Percent |  |
| <b><u>TOTAL INDIRECT EXPENSES:</u></b> |  |

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|--------------------------------------|
| <b><u>TOTAL DIRECT EXPENSES:</u></b> |
|--------------------------------------|

**PROPOSED BREAKDOWN OF ITEMS/SERVICES**

| Item or Service  | Amount       |
|--|--------------|
| Laboratory Tests at Vizient GPO Pricing per test as requested by DPH | \$548,876.71 |
|  |              |
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|  |              |
|  |              |

**Purpose of Contract:**

LabCorp is a publicly traded industry leader in gene-based and esoteric testing and provides a range of frequently requested and specialty testing services, including: anatomic pathology/oncology, cardiovascular disease, coagulation, diagnostic genetics, endocrinology, infectious disease, women's health, pharmacogenetics, parentage and donor testing, occupational testing services, medical drug monitoring services, chronic disease programs and kidney stone prevention. LabCorp was founded in 1978 and operates one of the largest clinical laboratory networks in the world, with a United States network of 36 primary laboratories.

Overall, LabCorp provides services to process a huge variety of lab samples and report results to DPH's electronic health systems. They have a substantial number of lab testing sites in San Francisco that are accessible and convenient to our mental health clients within the Behavioral Health System of care. LabCorp is uniquely able to support our mental health clients because they can accept lab specimens (e.g. a blood draws) obtained in our mental health clinics or, significantly more often, clients can also go to a LabCorp location near their home or work where LabCorp will utilize their own phlebotomists. In this highly vulnerable population, having this option is paramount. In addition, LabCorp provides a robust system for collection of samples from any site to allow for timely processing of samples.

Our DPH-run Public Health Lab confirmed that they are not able to offer phlebotomy for our clients, nor are they able to offer multiple locations accessible to our mental health patients. This is the critical service that necessitates the need for a third-party vendor. In addition to being a Vizient vendor, thus allowing DPH to access lower costs for processing of samples, LabCorp can interface with DPH's electronic health record, allowing for real-time ordering in Epic while allowing providers and patients to see results the moment they are available.

LabCorp (Laboratory Corporation of America) was selected through the Departments Vizient (GPO) authority, under Administrative Code Section 21A.2. LabCorp will perform laboratory testing services for clients of Behavioral Health Services. LabCorp has an extensive network of draw stations that will be utilized for Behavioral Health Services clients. This extensive network will assist the Department in providing quality services to clients of Behavioral Health Services.

**Performance Monitoring:**

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The contract will be monitored in accordance with Hospital and network monitoring procedures by the Program Manager assigned to these services.

**Health Equity and Inclusion Compliance:**

The Contractor will provide necessary information to comply with the Department's Office of Health Equity (OHE) requirements and will align with the citywide efforts on contract equity as overseen by the Office of Racial Equity (ORE) in the Human Rights Commission.

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**Listing of CEO, Board of Directors, and Owners of 10% or More of the Firm:**

**CEO:** Adam Schechter, CEO

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**Board of Directors:** Kerrii B. Anderson, Jean-Luc Bélingard, D. Gary Gilliland M.D.,Ph.D., Kirsten Kliphouse, Peter M. Neupert,  
Garheng Kong M.D., Ph. D., Paul B. Rothman, M. D., Kathryn E. Wengel

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Jeffrey A. Davis (Chair of the Audit Committee)

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Richelle P. Parham (Chair of the Compensation and Human Capital Committee)

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R. Sanders Williams, M.D. (Chair of the Quality and Compliance Committee)

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**Owners of 10% or more of the Firm:** No individuals own more than 10% of the firm

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