



**COUNTY OF SAN MATEO**  
Inter-Departmental Correspondence  
Health System



**Date:** July 27, 2015  
**Board Meeting Date:** September 1, 2015  
**Special Notice / Hearing:** None  
**Vote Required:** Majority

**To:** Honorable Board of Supervisors

**From:** Louise Rogers, Chief, Health System  
Susan Ehrlich, MD, MPP, Chief Executive Officer, San Mateo Medical Center

**Subject:** Agreement with Blood Centers of the Pacific for blood and blood products

**RECOMMENDATION:**

Adopt a resolution authorizing an agreement with Blood Centers of the Pacific for blood and blood products for the term of September 1, 2015, through August 31, 2020, in an amount not to exceed \$1,500,000.

**BACKGROUND:**

Modern medical treatments necessitate that hospitals have a safe supply of whole blood or specific blood components to treat various medical conditions or to replace blood lost due to surgery or other situations. Blood Centers of the Pacific (BCP) has been providing these products and services to San Mateo Medical Center (SMMC) since 1989.

**DISCUSSION:**

In January 2015, SMMC completed a Request for Proposals for a vendor to supply blood and blood products. BCP was chosen as the vendor best suited to handle SMMC's needs because of the level of service it provides and its competitive pricing. BCP has offered SMMC a net savings of 33% over the previous agreement, based on an extension of the preferable pricing through a five-year agreement term.

The County's Contract Compliance Committee has approved a waiver for a five-year agreement term.

The resolution contains the County's standard provisions allowing amendment of the County fiscal obligations by a maximum of \$25,000 (in aggregate).

The agreement and Resolution have been reviewed and approved by County Counsel as to form.

This agreement contributes to the Shared Vision 2025 outcome of a Healthy Community by providing SMMC patients with blood and blood products needed in their course of treatment. It is anticipated that SMMC patient blood need orders will be completed and filled with 100% accuracy.

**PERFORMANCE MEASURE:**

Measure	FY 2014-15 Actual	FY 2015-16 Projected
SMMC patient blood need orders are completed and accurately filled	100%	100%

**FISCAL IMPACT:**

The term of the agreement is September 1, 2015, through August 31, 2020. The amount of the agreement is \$1,500,000. Funds in the amount of \$250,000 will be included in the SMMC FY 2015-16 Recommended Budget.

The payment terms of this agreement are different from the previous agreement. The term of the previous agreement was 40 months, and the proposed agreement is for 60 months. Based on the extended term, the County will receive a 33% reduction compared to the rates from the previous agreement.

Expenses at SMMC are covered by fees for services or third-party payors whenever possible. The portion of expenses for services provided to the medically indigent or to those covered by programs that do not meet the full costs of care are covered by the County's General Fund contribution to SMMC, and are within the existing annual appropriation.

## Request for Proposals – Matrix

<b>1</b>	Where was the RFP advertised?	San Mateo Medical Center Website San Mateo County Procurement Website Public Purchase Website
<b>2</b>	In addition to any advertisement, list others to whom the RFP announcement was sent:	Blood Centers of the Pacific
<b>3</b>	State the total number of RFP's sent to prospective proposers:	1
<b>4</b>	How many proposals did you receive?	3
<b>5</b>	List in alphabetical order the names of the proposers	American Red Cross, Oakland, CA Blood Centers of the Pacific, San Francisco, CA Stanford Blood Center, Palo Alto, CA