



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



**Date:** September 27, 2013  
**Board Meeting Date:** October 22, 2013  
**Special Notice / Hearing:** None  
**Vote Required:** Majority

**To:** Honorable Board of Supervisors

**From:** Jean S. Fraser, Chief, Health System  
SaraT L. Mayer, Director, Public Health, Policy and Planning

**Subject:** Gen-Probe Sales and Services, Inc. Vendor Agreement

**RECOMMENDATION:**

Adopt a Resolution:

- A) Waiving of the competitive bid process for test kits and reagents and authorizing the Purchasing Agent to enter into a five year vendor agreement to purchase test kits and reagents and to use testing equipment from Gen-Probe Sales and Service, Inc., in an amount not to exceed \$1,250,000; and
- B) Authorizing the Purchasing Agent to add new reagents and test supplies to the reagent purchase and system loan agreement as necessary.

**BACKGROUND:**

The County has contracted with Gen-Probe to provide test kits and reagents for the collection and testing of bodily fluids for certain communicable diseases. As part of the agreement, Gen-Probe has allowed the County to use its molecular testing equipment at no cost under a loan agreement.

**DISCUSSION:**

A critical concern for the Public Health Laboratory is the quality of the tests they conduct. Although there is a competitor who sells similar test kits for chlamydia and gonorrhea, the competitor's products are less reliable since they are less sensitive, meaning the Gen-Probe product is more likely to detect the disease (80.5% vs. 94.7% for the Gen-Probe product). In addition, the Gen-Probe product is more specific, meaning the Gen-Probe product is more likely to enable us to detect only specific bacteria (99.9% for the Gen-Probe product vs. 98.4% for the competitor).

Gen-Probe products are also used for the identification of mycobacteria such as the tuberculosis bacteria. Gen-Probe is the only company that provides FDA-approved molecular identification of mycobacteria.

In addition to being more accurate, use of Gen-Probe products will provide efficiency since the Gen-Probe products allow the Public Health Laboratory to run tests concurrently, whereas the other product uses a batch process, meaning tests must be run consecutively.

Finally, given space limitations, the Public Health Laboratory does not have room for two testing machines and therefore we must use only one set of equipment. Under this agreement, Gen-Probe will continue to loan the County molecular testing equipment at no cost.

A waiver process is requested for test kits and reagents for chlamydia and gonorrhea. Gen-Probe is the sole source of FDA-approved molecular identification of TB.

The agreement and Resolution have been reviewed and approved by County Counsel and the Purchasing Department as to form. The contractor meets insurance certification requirements

The contractor has assured compliance with the County's Contractor Employee Jury Service Ordinance, as well as all other contract provisions that are required by County ordinance and administrative memoranda, including but not limited to insurance, hold harmless, non-discrimination and equal benefits.

Approval of this agreement contributes to the Shared Vision 2025 outcome of a Healthy Community by allowing for the purchase of supplies which will provide rapid and accurate results for a variety of communicable diseases. It is anticipated that the specificity level for chlamydia and gonorrhea tests each year will remain at or above 94.7%.

**PERFORMANCE MEASURE(S):**

Measure	FY 2012-13 Actual	FY 2013-14 Projected
Specificity level for chlamydia and gonorrhea tests	94.7%	94.7%

**FISCAL IMPACT:**

The term of the vendor agreement will be five years from the date the reagent purchase and system loan agreement has been executed by both parties. The agreement amount is not to exceed \$1,250,000. \$250,000 is included in the Public Health, Policy and Planning FY 2013-14 Adopted Budget. Funds for subsequent years will be included in the appropriate Recommended Budgets. The Net County Cost for FY 2013-14 will be approximately \$125,000.