



County of San Mateo

Inter-Departmental Correspondence

Department: HEALTH

File #: 18-1141

Board Meeting Date: 12/11/2018

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Louise F. Rogers, Chief, San Mateo County Health
Cassius Lockett, PhD, Director, Public Health Policy and Planning

Subject: QIAGEN, Inc. Test Kits and Reagents for Quantiferon-TB Gold Plus In-Tube Assay

RECOMMENDATION:

Adopt a resolution:

- A) Authorizing the Purchasing Agent to spend up to \$520,000 over the next three years for QIAGEN, Inc., Quantiferon-TB Gold Plus In-Tube test kits and reagents consistent with the vendor agreement; and
- B) Authorizing the Purchasing Agent to add new reagents and test supplies to the vendor agreement as necessary.

BACKGROUND:

The San Mateo County Public Health Laboratory (PHL) currently provides laboratory testing for a number of communicable diseases, including tuberculosis. One test that is commonly used as a screening method to assess tuberculosis exposure is the Quantiferon-TB Gold Plus In-Tube test. This blood test has advantages over the TB skin test, including a higher level of specificity, a high-throughput format, and convenience for our clients because they do not have to return to have the test read after 48 hours. This test is very important for our TB Control Program to detect and subsequently prevent the spread of tuberculosis in our community.

DISCUSSION:

QIAGEN, Inc. is the sole source provider of kits and reagents for the Quantiferon-TB Gold Plus In-Tube test. Purchasing currently has a Vendor Agreement with QIAGEN, Inc. through which it purchases test kits and reagents. Every year, QIAGEN, Inc. provides the County with a proprietary fixed-price quote for the various products ordered from QIAGEN. Next, PHL orders supplies consistent with that fixed-price on an as-needed basis, under the Vendor Agreement that is already in place. In order to account for the increased ordering of QIAGEN test kits and reagents due to an increase in test orders, Public Health, Policy and Planning (PHPP) is requesting that your Board

authorize the Purchasing Agent to spend up to \$520,000 over the next three years for the test kits and reagents for the Quantiferon-TB Gold Plus In-Tube test. Prior authorization is necessary because PHL/PHPP anticipates spending more than \$100,000 per annum on the purchase of the test kits. PHPP is also requesting that your Board waive the competitive bid process for test kits as QIAGEN, Inc. is a sole source for this product.

The amendment and resolution have been reviewed and approved by County Counsel as to form.

Approval of this agreement contributes to the Shared Vision 2025 outcome of a Healthy Community by providing rapid and accurate results for a variety of communicable diseases. The rapid identification of these diseases is a critical component in minimizing their impact on the safety of the public. It is anticipated that the annual testing volume utilizing these technologies will increase to 7,372 tests in this fiscal year.

PERFORMANCE MEASURE:

Measure	FY 2017-2018 Actual	FY 2018-2019 Projected
Annual test volume utilizing the QIAGEN Quantiferon-TB Gold Plus In-Tube reagents	6,865	7,372

FISCAL IMPACT:

The term of the proprietary quote from QIAGEN, Inc. will be renewed annually for the purchase of QIAGEN kits and reagents. PHPP will reorder supplies as needed pursuant to that proprietary quote not to exceed \$520,000 over a three-year period. Of that amount, \$86,666 is included in the PHPP FY 2018-19 Adopted Budget. Similar arrangements will be made for future budget years. The cost of reagents and supplies under this vendor agreement are covered by cost-based laboratory fees charged per test. There is no Net County Cost associated with this agreement.