



County of San Mateo

Inter-Departmental Correspondence

Department: HEALTH

File #: 22-1001

Board Meeting Date: 12/13/2022

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Louise F. Rogers, Chief, San Mateo County Health
Marc Meulman, Director, Public Health, Policy and Planning

Subject: Vendor Agreement with QIAGEN, Inc. for Tuberculosis Testing Supplies

RECOMMENDATION:

Adopt a resolution:

- A) Authorizing the Purchasing Agent to spend up to \$750,000 for the term of 36 months for QIAGEN, Inc., Quantiferon-TB Gold Plus In-Tube test kits and reagents; and
- B) Authorizing County Procurement to create a new vendor agreement and add new reagents and test supplies as necessary.

BACKGROUND:

The San Mateo County Public Health Laboratory (PHL) currently provides laboratory testing for several communicable diseases, including tuberculosis (TB). One test that is commonly used as a screening method to assess TB 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 clients because clients do not have to return after 48 hours to have their test read. This test is important for the TB Control Program to detect and subsequently prevent the spread of TB in the community.

DISCUSSION:

QIAGEN, Inc. (QIAGEN) is the sole source provider of kits and reagents for the Quantiferon-TB Gold Plus In-Tube test. Recently, a vendor agreement created by County Procurement has expired with QIAGEN through which allowed the purchase of test kits and reagents. Every year, QIAGEN 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.

Public Health, Policy, and Planning (PHPP) is requesting authorization from this Board to allow County Procurement to re-establish the vendor agreement that allows the Purchasing Agent to spend

up to \$750,000 for a term of 36 months, to order test kits that are compatible with the QIAGEN instruments. This Board's authorization to spend is necessary due to the anticipated spend exceeding \$200,000 annually for test kits. PHPP is also requesting that this Board waive the competitive bid process for test kits as QIAGEN is a sole source for this product.

The resolution has been reviewed and approved by the County Attorney as to form.

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 number of TB tests issued using QIAGEN technologies will increase to 7,372 tests in this fiscal year.

PERFORMANCE MEASURE:

Measure	FY 2021-22 Actual	FY 2022-23 Estimated
Number of TB tests issued using QIAGEN technologies	6,865 TB tests	7,372 TB tests

FISCAL IMPACT:

The term of the vendor agreement with QIAGEN is 36 months, allowing the Purchasing Agent to spend up to \$750,000. Once County Procurement establishes the vendor agreement with QIAGEN, the term of the proprietary quote from QIAGEN 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 \$750,000 for the 36-month term. Of that amount, \$250,000 is included in the PHPP FY 2022-23 Adopted Budget. Similar arrangements will be made for future budget years. The cost of reagents and supplies under this vendor agreement is covered by cost-based laboratory fees charged per test. There is no Net County Cost associated with this agreement.