



# County of San Mateo

## Inter-Departmental Correspondence

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**Department:** HEALTH

**File #:** 23-313

Board Meeting Date: 5/9/2023

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**Special Notice / Hearing:** None  
**Vote Required:** Majority

**To:** Honorable Board of Supervisors

**From:** Louise F. Rogers, Chief, San Mateo County Health  
Chester J. Kunnappilly, MD, Chief Executive Officer, San Mateo Medical Center

**Subject:** Agreement with Infor (US), LLC to Provide a Materials Management Information System

### **RECOMMENDATION:**

Adopt a resolution authorizing an agreement with Infor (US), LLC to provide a Materials Management Information System for the term of May 9, 2023 through May 8, 2028, in an amount not to exceed \$3,084,204.

### **BACKGROUND:**

San Mateo Medical Center (SMMC) has been using Caduceus LLC (Caduceus), a Materials Management Information System (MMIS), since December 2010 to purchase medical supplies for the hospital and its clinics. In November 2021, Caduceus notified SMMC that there would be no further development or enhancements to the system and that it was reaching its end of life. In January 2022, SMMC completed a Request for Proposals (RFP), and Infor (US), LLC (Infor) was chosen because of its innovative approach, as well as having the capability to interface with the SMMC's current and future Electronic Health Record (EHR). In addition, Infor submitted the lowest-priced proposal for these services.

### **DISCUSSION:**

Having a robust MMIS allows SMMC's buyers to make all the supply and equipment purchases needed to support the patient care and support departments for the hospital and clinics. Infor offers numerous enhancements compared to the previous Caduceus system, including the following:

1. Dashboards for department managers to track their orders in real time. Manufacturer backorders are the key reason patient appointments are cancelled and knowing the order status in advance will help managers make scheduling decisions with confidence to meet patient's needs.
2. Consolidated requests from SMMC departments so that each vendor receives a single purchase order, reducing transaction costs.

3. In addition to ordering and receiving goods, the system automatically checks the pricing on the purchase order to make sure it matches the contracted pricing.
4. Enhanced pricing accuracy and transparency in its transactions.
5. New security and internal control features not available in Caduceus.

All of these new features will help SMMC Materials Management drive productivity through the use of handheld inventory scanning devices and automated purchasing and receiving workflows.

County Attorney has reviewed and approved the resolution and agreement as to form.

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

The Information Services Department has reviewed and approved the IT component of this agreement.

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

It is anticipated that 100% of all supply orders will be managed through this MMIS and will meet all County financial guidelines for processing and paying a vendor.

**PERFORMANCE MEASURE:**

<b>Measure</b>	<b>FY 2022-23 Estimated</b>	<b>FY 2023-24 Projected</b>
Percentage of supply orders that are managed through this MMIS and meet all County financial guidelines for processing and paying a vendor	100%	100%

**FISCAL IMPACT:**

The term of the agreement is May 9, 2023, through May 8, 2028. The amount of the agreement is not to exceed \$3,084,204 for the five-year term. Funds in the amount of \$662,295 are included in the SMMC FY 2022-23 Adopted Budget. Funds in the amount of \$1,338,586 are included in the SMMC FY 2023-24 Recommended Budget. Similar arrangements will be made for future years.

This agreement differs from the previous agreement in the pricing of the annual software. There is an increase of 823% between the current system and the proposed system based on Infor’s lowest-priced proposal received from the RFP process.

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 is covered by the County’s General Fund contribution to SMMC and is within the existing annual appropriation.

**ATTACHMENT:**

RFP Matrix