County of Los Angeles
Sheriff's Department Headquarters
4700 Ramona Boulevard
Monterey Park, California 91754-2169

LEROY D. BACA, SHERIFF

A Tradition of Service

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

30 February 11, 2014

SACHI A. HAMAI
EXECUTIVE OFFICER

February 11, 2014

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
Los Angeles, California 90012

Dear Supervisors:

APPROVE AMENDMENT NUMBER SIX TO AGREEMENT NUMBER 76038 WITH QUEST DIAGNOSTICS, INCORPORATED FOR MEDICAL LABORATORY SERVICES (ALL DISTRICTS) (3 VOTES)

SUBJECT

The Los Angeles County Sheriff's Department (Department) is seeking the Board's approval and execution of Amendment Number Six (Amendment) to Agreement Number 76038 (Agreement) with Quest Diagnostics, Incorporated (Quest), that will extend the term of the current Agreement for medical laboratory services (Services) for 12 months, plus up to an additional 6 months. This extension period is required to allow the Department to transition the Services to the Los Angeles County (County) Department of Health Services (DHS) as requested by the Board. The Department cannot commence the transition until DHS completes its implementation of their health information system with Cerner Corporation (Cerner).

IT IS RECOMMENDED THAT THE BOARD:

1. Approve and instruct the Chairman of the Board to sign the attached Amendment to the Agreement with Quest to continue providing Services. The Amendment will extend the term of the Agreement for 12 months, from February 20, 2014, through and including February 19, 2015, with an option thereafter to extend for up to an additional 6 months.

2. Delegate authority to the Sheriff or his designee to (1) execute the extension option, and (2) terminate the Agreement earlier, in whole or in part, with thirty days advance written notice, once the transition to DHS has been completed.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of this action will enable the Department to provide continued medical treatment to inmate patients, and allow Quest to provide the required Services while the Department completes the transition to DHS, as directed by the Board.

The Department will transition Services once DHS completes implementation of its health information system with Cerner, and the interface between Cerner and DHS' contracted laboratory services provider Sunquest Informations Systems is completed.

Implementation of Strategic Plan Goals

The services provided under this Amendment support the County's Strategic Plan, Goal 1, Operational Effectiveness; and Goal 3, Integrated Services Delivery. The Amendment will enable the Department to provide a quality level of inmate medical laboratory services.

FISCAL IMPACT/FINANCING

The annual expenditures for this Service are estimated to be approximately $4.5 million. Over the term of the extension to the Agreement, appropriate allocations will be established in the Department's operating budget to meet the anticipated need for the fiscal year. However, actual expenditures will only be incurred on an as-needed basis.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Department is responsible for providing reasonable medical treatment to inmates in custody. Since September 1, 2000, the Department has contracted with Quest for Services.

The Services include, but are not limited to diagnostic analyses of specimens for the purpose of assisting County physician(s) in determining the appropriate medical treatment for inmate patients being held by the Department. Under both Federal and State laws, the Department has the legal obligation to provide medical treatment to its inmate population. Proper treatment is dependent on laboratory test results.

Quest's laboratory information system currently interfaces with the Department's remote-hosted Jail Health Information System application, which provides complete medical records of inmates in custody. Once the Department transitions Services to DHS, the Agreement with Quest will be terminated. The current Agreement expires February 19, 2014.

The Amendment extends the term of the Agreement for a period not to exceed 18 months.

Quest is in compliance with all Board and Chief Executive Office requirements.

County Counsel has reviewed and approved Amendment Number Six.

Except as expressly provided in Amendment Number Six, all other provisions and conditions of the Agreement will remain the same and in full force and effect.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of these actions will ensure uninterrupted Services for inmates.

CONCLUSION

Upon approval by your Board, please return three adopted copies of this Board letter and three original executed copies of Amendment Number Six to the Department's Contracts Unit.

Sincerely,

LEROY D. BACA
Sheriff

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Enclosures

AMENDMENT NUMBER SIX TO AGREEMENT NO. 76038
BY AND BETWEEN
COUNTY OF LOS ANGELES
AND
QUEST DIAGNOSTICS, INCORPORATED
FOR MEDICAL LABORATORY SERVICES

This Amendment Number Six ("Amendment") is entered into by and between County of Los Angeles (hereinafter "County") and Quest Diagnostics, Incorporated (hereinafter "Contractor"), effective upon execution by all parties.

A. WHEREAS, on February 20, 2007, County and Contractor entered into County Agreement Number 76038 (hereinafter "Agreement") to provide Medical Laboratory Services for diagnostic analysis; and

B. WHEREAS, pursuant to Subparagraph 4.2 of the Agreement, the Sheriff has the option to extend the Initial Term of the Agreement for up to two (2) additional one-year periods and thereafter, for six (6) months in any increment (each an "Option Term"), and the Sheriff has the authority to exercise and execute the extension options; and

C. WHEREAS, on August 7, 2012, County and Contractor entered into Amendment Number Five to the Agreement to extend the Agreement for an additional eighteen (18) months; and

D. WHEREAS, the Agreement currently expires on February 19, 2014; and

E. WHEREAS, County and Contractor desire to extend the term of the Agreement for an additional twelve (12) months; and

F. WHEREAS, County and Contractor agree that the Agreement may terminate prior to its expiration upon thirty (30) calendar days advance written notice by County to Contractor; and

G. WHEREAS, County and Contractor agree to add the County-mandated language regarding the Contractor Alert Reporting Database (CARD).

NOW THEREFORE, in consideration of the mutual covenants contained herein, and for good and valuable consideration, County and Contractor hereby agree to amend the Agreement as follows:

1. Paragraph 4, Term, of the Agreement is deleted in its entirety and replaced as follows to (1) extend the term of the Agreement for an additional period of twelve (12) months from February 20, 2014, through and including February 19, 2015, and (2) to add the County mandated language regarding CARD.

76038, Supplement 2

AMENDMENT NUMBER SIX TO AGREEMENT NO. 76038
BY AND BETWEEN
COUNTY OF LOS ANGELES
AND
QUEST DIAGNOSTICS, INCORPORATED
FOR MEDICAL LABORATORY SERVICES

4.0 TERM OF THE AGREEMENT

4.1 The Term of this Agreement shall commence February 20, 2007, and shall terminate on February 19, 2015. Notwithstanding, the Sheriff, or his designee, may terminate this Agreement earlier, in whole or in part, with thirty (30) calendar days advance written notice of such termination.

4.2 The County has the option, at Sheriff's discretion and upon notice to Contractor prior to the end of the then-current period of the Term of the Agreement, to extend the Term of the Agreement for up to six (6) months in any increment ("Option Term"). Such extension shall be in the form of a written Amendment executed by Sheriff and Contractor. As used herein, the "Term" shall mean the base term and, if extended, Option Term, as the case may be.

4.3 The County maintains databases that track/monitor contractor performance history. Information entered into such databases may be used for a variety of purposes, including determining whether County will exercise an agreement term extension option.

4.4 Contractor shall notify the Department when this Agreement is within six (6) months from the expiration of the Term as provided for hereinabove. Upon occurrence of this event, Contractor shall send written notification to the County Project Director at the address herein provided in Subparagraph 8.1 (County Project Director) of this Agreement.

2. Except as expressly provided in this Amendment Number Six, all other provisions, and conditions of the Agreement will remain the same and in full force and effect.

3. Contractor represents and warrants that the person executing Amendment Number Six for Contractor is an authorized agent who has actual authority to bind Contractor to each and every item, condition, and obligation of the Amendment and that all requirements of Contractor have been fulfilled to provide such actual authority.

AMENDMENT NUMBER SIX TO AGREEMENT NO. 76038
BY AND BETWEEN
COUNTY OF LOS ANGELES
AND
QUEST DIAGNOSTICS, INCORPORATED
FOR MEDICAL LABORATORY SERVICES

IN WITNESS WHEREOF, the County of Los Angeles, by order of its Board of Supervisors has caused this Amendment Number Six to be executed on its behalf by the Chairman of said Board and attested by the Executive Officer-Clerk of the Board of Supervisors thereof, and Contractor has executed this Amendment Number Six, or caused it to be duly executed by its duly authorized officer.

COUNTY OF LOS ANGELES

By: Don Knabe
Chairman, Board of Supervisors

ATTEST:
SACHI A. HAMAI
Executive Officer
Los Angeles County
Board of Supervisors

By: _____
Deputy

FEB 11 2014

I hereby certify that pursuant to Section 25103 of the Government Code, delivery of this document has been made.

SACHI A. HAMAI
Executive Officer
Clerk of the Board of Supervisors

By _____
Deputy

QUEST DIAGNOSTICS, INCORPORATED

Signed: _____

Printed: Rob Moverley

Title: Regional VP, Operations

76038 Supplement No. 2

APPROVED AS TO FORM:
JOHN KRATTLI
County Counsel

By: _____
Michele Jackson
Senior Deputy County Counsel

ADOPTED
BOARD OF SUPERVISORS

#30 FEB 11 2014

SACHI A. HAMAI
EXECUTIVE OFFICER