



**Contra
Costa
County**

To: Board of Supervisors
From: William Walker, M.D., Health Services Director
Date: March 31, 2015

Subject: Amendment #26-583-19 with Specialty Laboratories, Inc. (dba Quest Diagnostics Nichols Institute of Valencia)

RECOMMENDATION(S):

Approve and authorize the Health Services Director, or his designee, to execute, on behalf of the County, Contract Amendment Agreement #26-583-19 with Specialty Laboratories, Inc. (dba Quest Diagnostics Nichols Institute of Valencia), a corporation, effective November 1, 2014, to amend Contract #26-583-16, to increase the payment limit by \$170,000, from \$950,000 to a new payment limit of \$1,120,000, with no change in the original term of January 1, 2014 through December 31, 2014.

FISCAL IMPACT:

This amendment is funded 100% by Enterprise Fund I. As appropriate, patients and third party payors will be billed for services. (No rate increase)

BACKGROUND:

On February 25, 2014, the Board of Supervisors approved Contract #26-583-16, with Specialty Laboratories, Inc. (dba Quest Diagnostics Nichols Institute of Valencia) for the provision of professional outside clinical laboratory services for Contra Costa Regional Medical Center and Contra Costa Health Centers (CCRMC), for the period from January 1, 2014 through December 31, 2014. At the time of negotiations, the payment limit was based

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY ADMINISTRATOR

☐ RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **03/31/2015** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

AYE: Candace Andersen, District II
Supervisor
Mary N. Piepho, District III
Supervisor
Karen Mitchoff, District IV
Supervisor

ABSENT: John Gioia, District I
Supervisor
Federal D. Glover, District V
Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 31, 2015

David Twa, County Administrator and Clerk of the Board of Supervisors

By: Chris Heck, Deputy

Contact: Anna Roth,
925-370-5101

on target levels of utilization.

BACKGROUND: (CONT'D)

However, the volume of specialized testing has been much higher than originally anticipated due to the increased use of a new cancer screening test, the BRAC Analysis test. Approval of Contract Amendment Agreement #26-583-19 will allow the Contractor to be paid for additional professional outside clinical laboratory services provided in good faith at CCRMC through December 31, 2014.

CONSEQUENCE OF NEGATIVE ACTION:

If this amendment is not approved, the Contractor providing professional outside clinical laboratory services will not be paid for services rendered in good faith through the end of 2014.

CHILDREN'S IMPACT STATEMENT:

Not applicable.