



Contra
Costa
County

To: Board of Supervisors
From: Anna Roth, Health Services Director
Date: June 21, 2022

Subject: Purchase Order with Medline Industries, Inc

RECOMMENDATION(S):

APPROVE and AUTHORIZE the Purchasing Agent, or designee, to execute on behalf of the Health Services Director, a purchase order in the amount of \$36,000,000 with Medline Industries, Inc., for medical and cleaning supplies, low unit of measure (LUM) fees and miscellaneous minor equipment for the Contra Costa Regional Medical Center (CCRMC) and Health Centers, for the period from July 1, 2022, through June 30, 2025.

FISCAL IMPACT:

Approval of this purchase order will result in expenditures of up to \$36,000,000 and will be funded through 97% Hospital Enterprise Fund I revenue and 3% American Rescue Plan Act funding.

BACKGROUND:

Medline Industries, Inc. is the primary distributor for medical and non-medical supplies and products for the CCRMC and Health Centers. They have been awarded a Vizient Group Purchasing (GPO) agreement for the distribution of contracted and non-contracted supplies. As a Vizient member, the CCRMC and Health Centers receive enhanced value from their participation in the Medline Vizient Group Purchasing Organization (GPO) contract.

☒ APPROVE ☐ OTHER
☒ RECOMMENDATION OF CNTY ADMINISTRATOR ☐ RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **06/21/2022** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

AYE: John Gioia, District I Supervisor
Candace Andersen, District II Supervisor
Diane Burgis, District III Supervisor
Karen Mitchoff, District IV 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: June 21, 2022

Monica Nino, County Administrator and Clerk of the Board of Supervisors

By: Antonia Welty, Deputy

Contact: Ronny Leffel,
925-550-2299

cc:

Based on Vizient's budget impact projections for June 2022 to June 2023, market prices for supplies are expected to rise by 3.4% due to the persisting challenges in supply chain. The Consumer price Index-urban is projecting a three-year increase of 11.7%. This is due to the unique market variables created by the COVID-19 pandemic. Volatility in the markets and the large number of unknowns has presented a challenge forecasting economic projections for the healthcare market. To compensate for the market increases we are recommending an increase of \$3,000,000 over three years to our customary three-year budget request of \$33,000,000.

CONSEQUENCE OF NEGATIVE ACTION:

If this action is not approved, CCRMC and the Contra Costa Health Centers will not be able to purchase supplies, which in turn will impact our ability to treat patients in need of medical services.