



**Contra  
Costa  
County**

To: Board of Supervisors  
From: Anna Roth, Health Services Director  
Date: February 7, 2023

Subject: Purchase Order with Applied Medical Distribution Corporation

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**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Purchasing Agent to execute, on behalf of the Health Services Director, a purchase order with Applied Medical Distribution Corporation, in an amount not to exceed \$500,000 for the purchase of endomechanical surgical supplies and instruments for the Operating Room at Contra Costa Regional Medical Center (CCRMC) for the period from February 1, 2023 through March 31, 2025.

**FISCAL IMPACT:**

Approval of this purchase order will result in expenditures of up to \$500,000 over a 26-month period and will be fully funded by Hospital Enterprise Fund I revenues.

**BACKGROUND:**

The CCRMC Operating room has purchased supplies from Applied Medical Distribution Corporation since 2009. Applied Medical Distribution Corporation has been the supplier of endomechanical surgical supplies and instruments for Contra Costa Regional Medical Center (CCRMC) since January 2020. Founded in 1987 in Southern California, Applied Medical Distribution Corporation has been developing innovative products to improve patient outcomes and enable the advancement of minimally invasive and general surgeries

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☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY ADMINISTRATOR

☐ RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **02/07/2023** ☒ 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  
Ken Carlson, 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: February 7, 2023

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

By: Laura Cassell, Deputy

Contact: Gino Rogers, (925)  
370-5343

cc:

including the development of new technologies and solutions for bariatric, cardiac, colorectal, gynecologic, obstetric, urologic, and vascular specialties.

## BACKGROUND: (CONT'D)

Applied Medical Distribution Corporation is an awarded supplier on the Vizient Group Purchasing Organization (GPO) contract portfolio for endomechanicals. Additionally, they are a designated supplier on the Vizient Environmentally Preferred Sourcing Program for their trocars and instruments. Applied Medical Distribution Corporation is committed to protecting our environment and the earth's natural resources. They identify and manage current and future environmental sustainability initiatives by tracking energy usage, water consumption, greenhouse gas (GHG) emissions and waste generation. Through these efforts, they endeavor to reduce our environmental impact consistently and responsibly.

Based on Vizient's 2023 budget impact projections, market prices for medical and surgical supplies are expected to raise by 3.2% to 3.5% due to the persisting challenges facing supply chain. The Consumer price Index-urban is projecting a three-year increase of 14.1%. 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 the department is recommending an increase of \$100,000 over three years to the customary one-year budget request of \$199,000.

On December 1, 2021 Vizient Supply LLC and Applied Medical Distribution Corporation entered into an amendment to extend the expiration date of the agreement from March 31, 2022 to March 31, 2025. CCRMC is requesting a purchase order through the end of the current Vizient agreement.

Approval of this action will allow the vendor to continue providing endomechanical surgical supplies and instruments for the Operating Room at CCRMC.

## CONSEQUENCE OF NEGATIVE ACTION:

If this purchase order is not approved, patients served by Contra Costa County requiring surgical procedures will be negatively impacted as CCRMC will lack the necessary endomechanical supplies and instruments to perform surgeries.