SUMMARY OF CONTRACT REQUEST TO THE HEALTH COMMISSION

Contractor Laboratory Corporation of America		Division/Section	DPH	DPH/ Dept Wide		Mb	
Address 13112 Evening Creek Drive South		Deputy Director		Naveena Bobba		09/25/2020	
	San Diego, CA 92128	DPH Administrator		Susan Philip, MD			
Contact	Adam H. Schechter	Program Administra		Skotnes	Phone	415-554-2656	
	CEO	Contract Analyst		p Mach	Phone	415-554-2675	
Polymerase 12% contin X I	r approval of a new contract with Labora e Chain Reaction (PCR) testing services, agency for the term of August 1, 2020 the Profit Non-Profit LBE New Renewal Mod of years DPH has been doing business to	The total proposed corough June 30, 2025 (4 RFP- Number: X GPO	ontract amount years and 1	nt is \$9,900, 1 months).		ich includes a	
Number	of years Diff has been doing business	with this organization.		<u> </u>		Annualized	
CONTRACT INFORMATION:		Prior Transaction	Proposed 7	roposed Transaction		<u>Difference*</u>	
		New – No Prior Transaction		1/2020- 0/2025			
Funding Sources:					_		
Genera	ıl Fund	-\$0-		-\$0-		-\$0-	
ТОТАІ	L DPH REVENUES	-\$0-		\$8,839,286		\$8,839,286	
12% Contingency Amount		-\$0-	\$1,060			\$1,060,714	
CONTRACT TOTAL		-\$0-		\$9,900,000		\$9,900,000	
ANNUAL A	AMOUNT OF CONTRACT	-\$0-		\$1,797,821		\$1,797,821	
Agency Funds		-\$0-		-\$0-		-\$0-	
Contract FTE		N/A	N/A		<u> </u>	N/A	
UOS = Oi	of Service & Unit of Service Definition ne completed diagnostic test	N/A D	f Clients Ouplicated Unduplicated	No. of Units		Unit Cost (per test)	
	V-s, NAA (Severe Acute Respiratory e-Coronavirus, Nucleic Acid Amplificati	on)		17,978	3	\$100.00	
Other diagnostics test as-needed			Actual		I	All other tests shall be priced at the applicable Vizient Fee Schedule listing	

Explanation of Service Change and Variances:

This is a new contract.

Monitoring Report/Program Review & Follow-up:

The contract will be monitored in accordance with all applicable Departmental procedures through the Covid Command Center (CCC) Medical Branch, Testing Group. Post COVID, if the services are still needed for other diagnostics tests, the services will be monitored by the requesting operational unit.

Nondiscrimination and Cultural Competency:

The Contractor will participate in applicable cultural competency requirements.

Other Significant Issues:

In response to the COVID-19 pandemic, the Department of Public Health has undertaken a robust testing strategy to combat COVID-19. As part of this testing effort the Department must contract with commercial laboratories to supplement in-house testing capacity. LabCorp will provide COVID-19 testing services for the City and County of San Francisco. In addition, the contract may also be used for other diagnostic tests currently performed by the Department if there is a need to refocus resources to concentrate on COVID-19 testing. Post COVID, the services may still be needed for other diagnostic tests.

LabCorp, is a leading global life sciences company that is deeply integrated in guiding patient care through its comprehensive clinical laboratory and end-to-end drug development services. Employing nearly 65,000 employees worldwide, the company's mission is to improve health and improve lives by delivering world-class diagnostics, accelerating the availability of innovative medicines to patients, and using technology to change the way care is delivered. LabCorp serves a broad range of customers, including managed care organizations, biopharmaceutical companies, governmental agencies, physicians and other healthcare providers, hospitals and health systems, employers, patients and consumers, contract research organizations, and independent clinical laboratories.

The company provides diagnostic, drug development and technology-enabled solutions for more than 160 million patient encounters per year. LabCorp typically processes tests on more than 3 million patient specimens per week and supports clinical trial activity in approximately 100 countries through its industry-leading central laboratory business, generating more safety and efficacy data to support drug approvals than any other company.

Laboratory Corporation of America was selected under the authority of Section 21A.2 of the Administrative Code through the Department's membership in the Group Purchasing Organization (GPO), Vizient, which was formerly known as University Health Systems Consortium Services Corporation Purchasing Program (Novation).

Listing of Board of Directors, Owners of 10% or More of the Firm, and Executive Director

Executive Director

Adam H. Schechter, CEO

Adam H. Schechter - Chairman, President and CEO Jeffrey Davis - Director Kerrii B. Anderson - Director D. Gary Gilliland M.D., Ph.D. - Director Garheng Kong M.D., Ph.D. - Director Peter M. Neupert - Director Jean-Luc Bélingard - Director

Richelle P. Parham - Director R. Sanders Williams, M.D. – Director

Owners of 10% or more of the Firm:

The Vanguard Group, Inc.

The vendor has 9 Board members with 0 vacancies.

Recommendation: The Department recommends approval of this contract.