

**MEMORANDUM
COUNTY OF PLACER
ADMINISTRATIVE SERVICES DEPARTMENT
PROCUREMENT SERVICES DIVISION**

TO: Honorable Board of Supervisors
FROM: Brett Wood, Purchasing Manager *BW*
DATE: September 25, 2012
SUBJECT: Approve the Annual Renewal of Negotiated Blanket Purchase Orders with Radiological Associates of Sacramento for Radiology Services in the Maximum Amount of \$435,000

ACTION REQUESTED

1. Approve the annual renewal of negotiated Blanket Purchase Orders (BPOs) with Radiological Associates of Sacramento Medical Group for radiology services in the maximum amount of \$435,000, funded partially by federal Medicaid revenues with a budgeted net County cost of \$222,500, for the period October 1, 2012 through September 30, 2013, and authorize the Purchasing Manager to sign the resulting blanket purchase orders.

BACKGROUND

The Department of Health and Human Services (HHS) requires a BPO with a competent facility for radiology services for x-rays, ultrasound, nuclear medicine, MRIs, mammograms, and other radiological services which cannot be performed in the County's clinics. The Personnel Department also requires a BPO for x-ray services for pre-employment screenings. For the past several years, both departments have contracted with Radiological Associates of Sacramento Medical Group (RAS) for these services. RAS has extended current Medicaid rates to both departments. The current BPOs will expire on September 30, 2012.

HHS and Personnel have requested the renewal of their BPOs for an additional year. RAS has agreed to extend current Medicaid rates to both departments for another year.

RAS has facilities conveniently located to County Clinics and County offices in Auburn and Roseville and also have staff assigned to regional hospitals. There are no other radiological providers that have the number of facilities and staff as RAS in this area. Section 1.3(a) of the Purchasing Policy Manual (PPM) exempts professional services such as these from competitive bidding. In addition, PPM Section 7.2 allows the award of blanket purchase orders for operational services based on geographical location relative to the County's sites of operation.

FISCAL IMPACT

HHS has requested a BPO in the maximum amount of \$425,000 and Personnel has requested a maximum of \$10,000. Upon your Board's approval, the BPOs will be effective October 1, 2011, through September 30, 2012. The departments' Fiscal Impact Statements are attached.

Attachments: HHS Fiscal Impact Statement; Personnel Fiscal Impact Statement

cc: Dr. Richard Burton, Director of Health and Human Services
Patricia Orme, Health and Human Services
Rebecca Mellott, HHS Fiscal Program Manager
Karen Mayer, Administrative Services Officer, Personnel Department



Administrative Services Division

Date: September 25, 2012
To: Honorable Board of Supervisors
From: Rebecca Mellott, HHS Fiscal Program Manager
Subject: **Fiscal Impact Statement
BPO for Radiological Imaging Services (Radiological Associates)
Community Clinics
For the period October 1, 2012 to September 30, 2013**

Perspective, Hope, and Opportunity

The Department has budgeted appropriately for the renewal of this \$425,000 (\$212,500 net County cost) Blanket Purchase Order (BPO). This BPO is funded 50 percent by federal Medicaid revenues and 50 percent required County General Fund match. Funding for the first nine months is available through two sources; the Department's FY2012-13 Proposed Budget and a FY2012-13 Final Budget Adjustment. The final three months of the BPO will be included in the Department's FY2013-14 Requested Budget. The renewal amount is \$100,000 higher than the current BPO due to the implementation of the Medicaid 1115 Waiver Demonstration Program approved by the Board of Supervisors on July 24, 2012. Radiological imaging is a mandated service provided to eligible 1115 Waiver recipients on an as-needed basis.

**MEMORANDUM
PERSONNEL DEPARTMENT
COUNTY OF PLACER**

To: Honorable Board of Supervisors
From: Karen Mayer, Senior Administrative Services Officer, Personnel Dept.
Date: September 25, 2012
Subject: Radiological Associates of Sacramento - BPO for FY 2012/13

The Placer County Personnel Department has budgeted funds for a net county cost of \$10,000 for services provided by Radiological Associates of Sacramento, for FY 2012/13 in the Employee Benefits Budget, appropriation 11480.

