



County of El Dorado

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Legislation Text

File #: 14-0775, Version: 1

Chief Administrative Office, Procurement and Contracts on behalf Risk Management, recommending the Board consider the following:

- 1) Award Request for Proposal No. 14-961-054 for occupational health services, specifically in the areas of pre-employment (post offer) physical examinations, non-DOT reasonable suspicion testing, and fitness-for-duty evaluations and examinations upon request, to the successful proposer, The Permanente Medical Group, Inc. of Oakland, CA; and
- 2) Approve and authorize the Chair to sign Agreement No. 085-S1511 with The Permanente Medical Group, Inc., in an amount not to exceed \$237,600 for the period of July 1, 2014 through June 30, 2016 to provide occupational health services, specifically in the areas of pre-employment (post offer) physical examinations, non-DOT reasonable suspicion testing, and fitness-for-duty evaluations and examinations upon request, contingent upon approval by County Counsel and Risk Management.

BUDGET SUMMARY:	
Total Estimated Cost.....	\$237,600.00
Budget - Current FY.....	\$118,800.00
Budget - Future FY.....	\$118,800.00
New Funding.....	
Savings.....	
Other.....	
Total Funding Available.....	\$237,600.00
Change To Net County Cost.....	\$0.00

Fiscal Impact/Change to Net County Cost

Risk Management passes through the actual charges for services to County departments. The new contract not to exceed amount of \$118,800.00 per year represents a 10% decrease from the previous 12 months. Risk Management will no longer have an additional \$1,000.00 per month flat fee charge (\$12,000.00 per year). Estimated total savings to the County is \$25,200.00.

Background

The County has been contracting with Occu-Med, Ltd, to coordinate pre-employment, reasonable suspicion, and fitness-for-duty medical exams since November 15, 2010. Their Agreement had been previously amended on November 15, 2011, July 17, 2012, October 30, 2012, and April 19, 2013 to increase the total not to exceed amounts and term of the Agreement. The current Agreement expires on June 30, 2014.

A Request for Proposal (RFP) was initiated by the County and proposals were received by Occu-Med and The Permanente Medical Group, Inc. Reviews of the proposals were completed and interviews

were held on May 9, 2014. Based on reviews of the proposals and oral interviews, The Permanente Medical Group, Inc. was selected as the successful proposer.

Reason for Recommendation

The Permanent Medical Group, Inc. is currently the County's provider for industrial injuries and maintains a high level of customer service. The County has chosen to continue this partnership, and The Permanente Medical Group, Inc., through this agreement, will provide additional services to include pre-employment (post offer) physical evaluations, immunizations and fitness for duty examinations to the County at a significantly reduced cost. Based on review of pricing, there is an approximate savings of 12% to 17% on services that are charged directly to County departments. There is also an additional saving of \$12,000.00 per year to Risk Management as The Permanente Medical Group, Inc. does not charge a monthly flat fee to utilize services.

The Permanent Medical Group, Inc. will provide services throughout California. Risk Management will continue to assess alternatives for out of state exams on a case by case basis.

Clerk of the Board Follow Up Actions

Following Board approval, Procurement and Contracts will finalize Agreement No. 085-S1511 with The Permanente Medical Group, Inc., contingent upon approval by County Counsel and Risk Management, and return the Agreement to the Clerk of the Board for execution by the Chair of the Board of Supervisors.

Contact

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