



## Legislation Text

**File #:** 21-0511, **Version:** 1

Health and Human Services Agency recommending the Board:

- 1) Approve and authorize the Chair to sign Agreement for Services 5603 with Avellino Lab USA, Inc. and Covid Dx, LLC for the provision of COVID-19 testing services including specimen collection, lab testing, supplies, and results in the amount of \$3,150,000, to expire one year from the Agreement's execution date with the option to renew for up to two (2) additional one (1) year terms; upon which time prior Agreement 5078 with Avellino Lab USA, Inc. shall be superseded and Agreement 5137 with Covid Dx, shall be terminated;
- 2) Authorize the Purchasing Agent or their designee, contingent upon County Counsel and Risk Management approval, to execute further documents relating to Agreement for Services 5603, including amendments which do not increase the maximum dollar amount or term of the Agreement; and
- 3) Make findings in accordance with County Ordinance 3.13.030 (b) that it is appropriate to contract with Avellino Lab USA, Inc. and Covid Dx, LLC for services provided under Agreement 5603 as services provided by Contractor are in the public's best interest and that there are specialty skills, qualifications, and equipment not expressly identified in County classifications involved in the performance of the work.

**FUNDING:** General Fund, Public Health (PH) Realignment, American Rescue Plan Act funds, and/or Epidemiology and Laboratory Capacity funds.

**DISCUSSION / BACKGROUND:**

In response to COVID-19, screening, case investigation and contact tracing are proven practices that slow transmission and therefore support reduced virus spread in the community. These practices are incorporated in the broad sense as positive cases are identified, to stop those individuals from spreading the virus. They are also incorporated into practices to reopen particular institutions safely in order to comply with California State protocols and requirements. On August 4, 2020, the Board of Supervisors allocated \$5,000,000 toward Education and Child Care to support needs related to school closures and/or reopening, stating that "the Chief Administrative Office (CAO) will work with the Office of Education and Public Health to determine needs and prioritize use of these funds," examples of which included testing to comply with State protocols for in-person instruction and increasing child care capacity to support families in the distance learning model (File ID: 20-1013; Agenda No. 44).

Since that time, El Dorado County Office of Education (EDCOE) and the Health and Human Services Agency (HHSA) have worked together to identify the need and process for testing to comply with State protocols:

- 1) An initial Services Agreement with Avellino Lab USA, Agreement #5078, was executed to provide HHSA with COVID-19 testing supplies and laboratory results associated with this effort.
- 2) A separate Services Agreement with COVID Dx, LLC, Agreement #5137, was executed to add additional supports by providing mobile specimen collection services at various

locations that would then be sent to Avellino to complete the testing and provide the results.

This item recommends that the Board approve and authorize the Chair to sign Agreement #5603 which would consolidate these efforts into a single agreement. Recently, Avellino Lab USA Inc. and Covid Dx, LLC entered into an agreement to work together for administrative efficiency, resulting in an opportunity for this single three-party agreement by and between the County, Avellino Lab USA, Inc., and Covid DX, Inc for the collection and testing of specimens. This combined service agreement is recommended because it will save \$10-\$20 per test over the prior agreements, depending on the quantity of tests performed. In the current agreements, for 1-99 tests, the combined cost per test is \$135 and for a quantity over 100 tests, the cost is \$125 per test. The newly negotiated rate of \$115 per test equates to between 8-15% savings per test. Agreement #5603 will allow the County to continue providing support to EDCOE for testing to comply with State protocols for in-person instruction and increasing child care capacity to support families in the distance learning model, and to provide the continued ability to administer COVID-19 testing throughout the community as needed. Should the Board approve and authorize the execution of this agreement, prior Agreement #5078 with Avellino Lab USA, Inc. shall be superseded and Agreement #5137 with Covid Dx, shall be terminated.

**ALTERNATIVES:**

Should the Board decline to approve this recommendation, HHSa would continue to work with both vendors using current Agreements to provide sample collection, however the work would be conducted at the current rates which are 8-15% higher than the proposed within Agreement #5603.

**PRIOR BOARD ACTION:**

- 1) 03/16/2021, File ID 21-0366, CARES Act activities General Fund Savings and ELC Enhancing Detection Program Spending Plan
- 2) 09/01/2020, File ID 20-1060, HHSa COVID testing Labs- #5078 Avellino Labs USA
- 3) 09/22/2020, File ID 20-1171, HHSa #5137 Covid Dx LLC
- 4) 08/04/2020, File ID 20-1013, Recommending CARES Act Spending Plan and Budget Transfers

**OTHER DEPARTMENT / AGENCY INVOLVEMENT:**

County Counsel

**CAO RECOMMENDATION:**

Approve as recommended.

**FINANCIAL IMPACT:**

On March 16, 2021 with Legistar item 21-0366, the Board approved the use of \$150,000 of General Fund savings generated by reimbursement for Coronavirus mitigation and response activities by the CARES Act for continued testing in collaboration with EDCOE and the ELC Enhancing Detection Program Spending Plan, which includes testing. Funding from these sources may be used for services provided under Agreement #5603. It is anticipated that these expenses may also be paid with American Rescue Plan Act funding and/or Public Health Realignment. Sufficient appropriations were included in the Fiscal Year 2020-21 Budget, and will be included in future budgets for the term of the Agreement.

**CLERK OF THE BOARD FOLLOW UP ACTIONS**

- 1) Obtain signature of Chair on three (3) original Agreements for Services #5603

2) Return two (2) fully executed Agreements to HHSA Contracts Unit at 3057 Briw Rd.

**STRATEGIC PLAN COMPONENT:**

Healthy Communities

**CONTACT**

Don Semon, Director, Health and Human Services Agency