

Title:		Contents:	P-1900
VIZIENT AGREEMENTS (formerly Novation)		Submitted By:	Purchasing Division
		Approved By:	Purchasing Agent
Effective Date:	11-15-16	Supersedes No.:	08-26-14
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Background

On November 18, 1998, the Board of Supervisors adopted a recommendation made by the Department of Health Services (DHS), with the support of the Auditor-Controller and the Internal Services Department (ISD), to authorize DHS to participate in a healthcare Group Purchasing Organization (GPO). The basis for effectuating this action was to sanction the use of the GPO's aggregated purchasing power in cases where the County would achieve cost savings by purchasing medical, surgical, laboratory and pharmaceutical equipment and supplies through University Health System Consortium (UHC) commodity agreements established by Novation. On September 27, 2016, the Board of Supervisors accepted the assignment and delegation from Novation to Vizient.

Where appropriately analyzed and demonstrated to result in cost savings, the use of Vizient agreements represented a viable alternative to the County's established solicitation, award and agreement processes on a case-by-case basis.

Policy

As the Purchasing Agent for the County of Los Angeles, ISD retains the exclusive statutory authority for the purchase of all furnishings, materials, supplies, fixtures, equipment, and all other personal property required by County departments. In this role, ISD is responsible to ensure that purchases, whether from a solicitation, a County agreement or a non-County agreement, are cost effective, and that the acquisition process conforms to established purchasing policies and procedures, to include the standards and requirements set forth by Charter, State law, and applicable provisions of the County code.

As such, the GPO program purchases remain under the authority of the County Purchasing Agent. ISD delegates purchasing authority to DHS to access Vizient agreements for medical, surgical, laboratory and pharmaceutical consumables and supplies and medical equipment and related parts with a unit value if less than \$5000 without prior approval by ISD.

Procedure

DHS is authorized to purchase the following material through competitively solicited Vizient agreements:

1. Medical, surgical, laboratory, and pharmaceutical consumables and supplies;
2. Medical equipment and related parts with a unit value of less than \$5000

Vizient Agreement Renewals:

If a current ISD-approved Vizient agreement is renewed with the same vendor or expires, is re-solicited and awarded to the same vendor and with the same product category, access to the renewed or new agreement will automatically be granted by ISD.

Any access to a Vizient agreement will be coordinated by DHS Corporate Office of Supply Chain Operations (SCO). The DHS Corporate office of SCO is responsible to coordinate GPO activities within DHS and between DHS and ISD, and will maintain a listing of all ISD approved and DHS accessed Vizient agreements.

DHS Corporate office of SCO shall notify ISD of the Vizient agreements accessed by the Department.

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Restrictions

County departments are not authorized to purchase non-medical products/equipment, capital equipment, medical equipment with a unit value greater than \$5000 and/or services from Vizient agreements.