

DEPARTMENT OF GENERAL SERVICES OFFICE OF STATE PROCUREMENT ACTION AGENDA March 9, 2022



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19-S. <u>SERVICES CONTRACT</u> Department of General Services

Contract ID: State Medical Director and Occupational Medical Services; *001B26000360* ADPICS No.: 001B26000360

Contract Description: Comprehensive network of professional medical services for proper management of medical aspects of the State workforce. Provides services on a Statewide basis and several additional services specifically to the Department of Transportation.

Award:	Occupational Medical Centers of the Southwest, PA dba Concentra Medical Centers; Addison, TX (Local Office in Linthicum, MD)
Contract Term:	04/01/2022 - 03/31/2023
Amount:	\$2,195,559
Procurement Method:	Sole Source
Living Wage Eligible:	Yes
MBE/VSBE Participation:	17.5% / 1%
Performance Security:	N/A
Incumbents:	Pivot; Newark, DE

Requesting Agency Remarks: This contract provides occupational medical services for applicants and employees across all State agencies. All services are available during normal working hours and on a limited basis on weekends and evenings. Certain services are also available on a 24-hour-a-day, 7-daya-week basis. They include providing the statutorily required position of State Medical Director, plus providing employee physicals, drug and alcohol tests for commercial drivers governed by US Department of Transportation regulations, psychological examinations for police officer applicants, and bloodborne pathogen training for Department of Juvenile Services.

The requested approval amount for this contract is based on fixed unit prices for each service multiplied by an estimated, not guaranteed, number of services to be performed per a pricing model created by the State.



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19-S. <u>SERVICES CONTRACT</u> (cont'd)

Agency Remarks (cont'd):

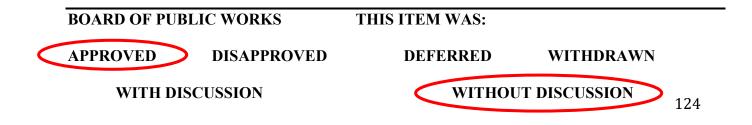
State agencies will determine not only which employees will be referred but also whether this contract is the most appropriate means of obtaining the needed medical services. Concentra has provided occupational medical services for State agencies in the past, most recently from 2011-2017.

A sole source award is being recommended to ensure no interruption in these critical services would occur. OSP contacted the incumbent who indicated they would not be submitting a proposal for these services at this time. The Department is conducting a competitive procurement with the intention of awarding a multi-year contract and the Request for Proposals (RFP) was published on December 16, 2021. A replacement award is anticipated by early 2023. This sole source contract may be terminated early to allow the competitively awarded contract to commence.

Although the established MBE participation goal for this contact is 13%, the vendor has committed to exceeding it by 4.5% to reach a 17.5% MBE participation.

A price analysis was conducted, and the proposed pricing represents a 4.4% increase. In light of the significant pandemic related market pressures and overall medical sector cost escalation over the last several years, a 4.4% increase over pricing initially proposed in 2016 represents a reasonable increase.

Fund Source:	Various
Approp. Code:	Various
Resident Business:	Yes
MD Tax Clearance:	22-0439-01



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