

DEPARTMENT OF GENERAL SERVICES OFFICE OF STATE PROCUREMENT ACTION AGENDA March 15, 2023



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34-S-MOD. <u>SERVICES MODIFICATION</u> Department of Budget and Management, Department of General Services

Contract ID: State Medical Director and Occupational Medical Services; 001B2600360 ADPICS No.: COJ94646

Contract Approved: DGS- S-19, 3/9/2022

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.

Modification Description: Extend the contract to allow time to complete the new procurement.

Award:	Occupational Medical Centers of the Southwest, PA dba Concentra Medical Centers; Addison, TX (Local Office in Linthicum, MD)
Original Contract Term:	04/01/2022 - 03/31/2023
Modification Term:	04/01/2023 - 03/31/2024
Original Amount:	\$2,195,559
Modification Amount:	\$2,589,682
Prior Mods/Options:	N/A
Total Contract Amount:	\$4,785,241
Percent +/- (This Item):	117.95%
Total Percent Change:	117.95%
Original Procurement Method: Sole Source	
MBE/VSBE Participation:	17.5% / 1%
MBE/VSBE Compliance:	25.756% / 0.360%



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34-S-MOD. <u>SERVICES MODIFICATION</u> (cont'd)

Requesting Agency Remarks: In December 2021 the Department of Budget and Management issued a Request for Proposals (RFP) and a sole source contract was awarded to the current contractor to bridge the time anticipated to award a new multi-year contract. Due to inadequate competition, it was determined in November 2022 to cancel the new RFP and readvertise it. Since there was not enough time to complete a re-procurement, a one year contract extension to the existing contract is necessary to maintain services.

DGS OSP believes that if the new solicitation is edited to allow for smaller businesses to compete for this award, adequate competition can be found in the marketplace. The market research and revisions to the existing solicitation requirements have proven to be time consuming and complex. DGS OSP and DBM believe that some of the requirements can be handled by State resources making the contract more accessible to other service providers which may increase competition.

A cost analysis was conducted, and the proposed pricing represents a 19.5% increase. In light of the overall medical sector cost escalation over the last several years, a 19.5% increase over pricing initially proposed in 2022 represents a reasonable increase.

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-day-a-week basis. The services are varied but critically important. 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 job applicants, and bloodborne pathogen training for the Department of Juvenile Services.

Approp. Code: Various

Resident Business: Yes

