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3-S. DEPARTMENT OF BUDGET AND MANAGEMENT

Office of Personnel Services and Benefits Employee Medical Services Unit

Contract Id: Forensic Toxicology Drug Testing Laboratory ADPICS # F10B9400033

Contract Description: Provide forensic toxicology lab testing of specimens to determine the illegal use of drugs by applicants and employees for the State of Maryland.

Award: Phamatech, Inc.
San Diego, CA

Term: 8/1/2019 - 7/31/2024

Amount: \$202,500 (5 Years)

Procurement Method: Competitive Sealed Bidding

Bids: Only One Responsive Bid Received

MBE/VSBE Participation: None (See Requesting Agency Remarks below)

Performance Security: None

Incumbent: Same

Requesting Agency Remarks: A notice of the availability of the Invitation for Bids (IFB) was advertised on *eMaryland Marketplace* and on DBM's Procurement website. Copies of the solicitation notice were mailed directly to eleven prospective vendors, none of which are Maryland firms, and none are MBEs. A copy was also sent to the Governor's Office of Small, Minority, and Women Business Affairs.

Two bids were received in response to the IFB. However, only one bid was determined to be responsive. The recommended contractor is responsible, and its bid meets the technical requirements set forth in the IFB. Moreover, the price has been deemed fair and reasonable, and it was determined that other prospective bidders had a reasonable opportunity to respond to the solicitation.

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The low number of bids received is directly related to the State's requirement that the contracted lab be "SAMHSA certified" through the Substance Abuse & Mental Health Services Administration of the U.S. Department of Health & Human Services (SAMHSA) Certification. Historically, the list of SAMHSA approved labs throughout the United States has contained less than 20 accredited laboratories. Most recently, the number of accredited labs has diminished and due to continued consolidation within the market segment has been steadily decreasing.

The State of Maryland has been testing applicants and employees for the illegal use of drugs since 1990 to assure its citizens that State employees are not impaired by the illegal use of drugs in the workplace. This practice ensures compliance with the Federal Omnibus Drug Abuse Act of 1988 ("Federal Act") which requires any State receiving Federal funds to establish a drug-free workplace. The Federal Act also requires the State to have a policy on the use of substances, an employee awareness program and a procedure for employees to report their own convictions. The State conducts testing in seven different situations and for a panel of seven drugs. The contractor will provide all labor, materials and equipment necessary for the transportation and testing of urine specimens.

In accordance with Executive Order 01.01.1991.16 and Code of Maryland Regulations (COMAR) 17.04.09, all applicants for employment in designated sensitive State job categories, as well as State employees in the same sensitive categories, must be tested to detect the presence of illegal drugs in their urine. In addition, any employee for which there is reasonable suspicion of using illegal drugs must be tested. Most of the sensitive positions that require testing are Correctional Officers and other personnel of the Department of Public Safety and Correctional Services.

All specimen collections take place at designated collection sites at State and local government facilities throughout the State.

An estimated 3,716 specimen collections and subsequent drug tests will be performed each year. The award amount is estimated based on the projected amount of collections and subsequent lab tests that were used in the evaluated bid price model from historical usage data. Since this is an indefinite quantity, fixed unit price contract, the contractor will be paid for lab testing services based on the actual amount and type of services provided and at the unit prices that are fixed in the contract.

No MBE or VSBE participation goals were established for this contract for the following two reasons: (1) there is a need to strengthen the legal defensibility of the chain of custody of the samples being collected and tested by having as few vendors as possible involved in these contracts; and (2) there are no sub-contracting opportunities in conducting the lab tests. This contract is for the provision of sample kits and the testing of the contents. The actual collection of urine samples is under a different contract.

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Fund Source: 100% Non-Budgeted

Appropriation Code: F10A0201

Resident Business: No

MD Tax Clearance: 19-1880-0000

BOARD OF PUBLIC WORKS ACTION – THIS ITEM WAS:

APPROVED	DISAPPROVED	DEFERRED	WITHDRAWN
WITH DISCUSSION		WITHOUT DISCUSSION	