



Board Agenda Item 54

DATE: August 4, 2020

TO: Board of Supervisors

SUBMITTED BY: Delfino E. Neira, Director, Department of Social Services
Kari Gilbert, Director, Department of Child Support Services

SUBJECT: Without Cause Termination of Agreement No. 18-701 with DNA Diagnostics Center, Inc.

RECOMMENDED ACTION(S):

- 1. Approve Without Cause Termination of Agreement No. 18-701 with DNA Diagnostics Center, Inc.**
- 2. Approve and authorize the Director of the Department of Social Services to give 30 days prior written notice to DNA Diagnostics Center, Inc. terminating Agreement No. 18-701 pursuant to the Without Cause provisions within the agreement effective September 4, 2020.**

Approval of the recommended actions will terminate the provision of DNA Paternity Testing services provided by DNA Diagnostics Center, Inc. prior to contract expiration on December 31, 2021.

ALTERNATIVE ACTION(S):

Should your Board not approve the recommended action, DNA Diagnostics Center, Inc. will continue as a service provider pursuant to the terms stated in the existing agreement.

FISCAL IMPACT:

There is no Net County Cost associated with the recommended action.

DISCUSSION:

DNA Diagnostics Center (DDC) is responsible for all services related to DNA paternity testing, including sample collection, sample testing, and reporting of results. RFQ 18-058 was issued July 10, 2018, requesting quotes for DNA Paternity Testing Services to be accessed by Fresno County's Department of Child Support Services (DCSS) and Department of Social Services (DSS) with an anticipated combined average testing volume of 100 samples per month.

On December 11, 2018, your Board approved Agreement No.18-701 with DDC for the provision of DNA Paternity Testing Services with an effective date of January 1, 2019. The agreement expires December 31, 2021.

The California Department of Child Support Services procured a statewide contract for DNA Paternity Testing with Laboratory Corporation of America Holdings (LabCorp) to be effective July 1, 2019. Under this

statewide agreement, all Local Child Support Agencies would have paternity testing expenses funded by the California Department of Child Support Services. On June 17, 2019 the Fresno County DCSS notified the Director of Client Services and Government Contracts at DDC that effective July 1, 2019 they would no longer schedule clients for testing with DDC as they were now under the statewide contract with LabCorp.

In subsequent communications with DSS, the remaining party to the agreement, DNA Diagnostics Center stated that testing services could not continue to be provided at the cost stipulated in Agreement 18-701 as the cost had been determined based on the anticipated volume of testing reported in RFQ 18-058. DSS tests an average of 16 clients per month.

On June 10, 2020, DSS requested from DNA Diagnostics Center an updated quote for the cost per client to continue to provide DNA paternity testing services. The quote submitted by DDC was nearly five (5) times its current rate. At the same time, quotes were obtained from three (3) other DNA genetic testing companies, one of which provided a quote for service that is more in line with the current contract rate and would provide greater accessibility to our clients.

DSS and DDC have determined that the current agreement is no longer in the best interest of either party and termination would allow DSS to pursue and procure a more beneficial, cost effective agreement with an alternate DNA genetic testing company.

Approval of the recommended action would allow for termination of the agreement on September 4, 2020.

REFERENCE MATERIAL:

BAI # 40, December 11, 2018

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Without Cause Termination Notice

CAO ANALYST:

Ronald Alexander