


**SUMMARY OF CONTRACT REQUEST TO THE HEALTH COMMISSION**

Contractor	<u>Crothall Healthcare Laundry &amp; Linens Services</u>	Division/Section	<u>SFHN/ZSFG, LHH</u>
Address	<u>1500 Liberty Ridge Drive Suite 210</u>	SFHN Director	<u>Roland Pickens</u> 
	<u>Wayne, PA 19087</u>	DPH Administrator	<u>Baljeet Sangha</u>
Contact	<u>Valentine McCollister</u>	Program Administrator	<u>Daisy Aguallo</u> Phone <u>206-5688</u>
	<u>Director of Business Development</u>	Contract Analyst	<u>Philip Mach</u> Phone <u>554-2694</u>

**Request for approval of a new contract with Crothall Healthcare Laundry and Linens Services, in the amount of \$8,869,928, for year-round laundry services, for Zuckerberg San Francisco General Hospital (ZSFGH) and Laguna Honda Hospital (LHH) for the period December 1, 2016 through November 30, 2019 (3 years).**

Profit     
  Non-Profit     
  LBE     
  RFQ – Number: \_\_\_\_\_ Date: \_\_\_\_\_  
 New     
  Renewal     
  Mod     
  GPO

Number of years DPH has been doing business with this organization: 1

<u>CONTRACT INFORMATION:</u>	<u>Prior Transaction</u> (new)	<u>Proposed Transaction</u> 12/1/2016-11/30/2019	<u>Annualized Difference*</u>
<b>Funding Sources:</b>			
General Fund	\$0	\$7,919,578	\$7,919,578
TOTAL DPH REVENUES	\$0	\$7,919,578	\$7,919,578
12% Contingency Amount	\$0	\$950,350	\$950,350
CONTRACT TOTAL	\$0	\$8,869,928	\$8,869,928
ANNUAL AMOUNT OF CONTRACT (estimate)	\$0	\$2,639,859	\$2,639,859
Agency Funds	\$0	\$0	\$0
Contract FTE		N/A	N/A

**PROPOSED:**

**Mode(s) of Service & Unit of Service Definition**

<u>No. Of Clients</u>	<u>Number Of Units</u>	<u>Unit Cost</u>
<u>    Duplicated</u>		
<u>    Unduplicated</u>		

Laundry services includes, but is not limited to:

**1 unit = 1 lb.:**

surgery gowns, flat sheets, knitted sheets, pillow cases, gurney sheets, bath towels, bath blankets, incontinence pads, adult and baby blankets, scrub tops and pants, surgical towels, and nursery items

n/a      5,400,000      \$0.425

**1 unit = 1 item:**

Scrub Garment Processing (rolling), includes both tops and pants  
 Lab Coats, inclusive of washing, ironing and hand folding  
 Dust and wet mops  
 Surgical woven cut-resistant gloves  
 Restraints  
 Exchange cart makeup

n/a      90,000      \$0.20  
 n/a      2,000      \$1.00  
 n/a      40,000      \$0.20  
 n/a      1,000      \$0.10  
 n/a      1,000      \$0.45  
 n/a      21,900      \$5.00

**Explanation of Service:**

This is a new service.

Crothall Healthcare Laundry and Linen Services will serve as the primary Laundry and Linen vendor to meet the DPH Laundry and Linen Service needs, specifically at Zuckerberg San Francisco General Hospital (ZSFG) & Laguna Honda Hospital (LHH) and other locations as operational needs arise. Previously the Laundry and Linen needs were met by different vendors for both organizations via contracts administered by the City's Office of Contract Administration. Through the combined purchasing power of DPH via this single contract, the DPH will be able to realize an economy of scale that will afford annually a cost avoidance for ZSFG of approximately \$30,000 and cost savings of \$53,000 for LHH. Additionally, increased volume of spend driven through the Vizient GPO will result in additional GPO compliance for DPH as part of the membership in Vizient. The increased GPO compliance results in opportunities to identify funds for abatement against future expenditures.

Crothall Healthcare was selected under the authority of Section 21A.2 of the Administrative Code through the Department's membership in the Group Purchasing Organization (GPO), Vizient, which was formerly known as University HealthSystems Consortium and the University HealthSystems Consortium Services Corporation Purchasing Program (Novation).

**Monitoring Report/Program Review & Follow-Up:**

Services will be monitored by the Department according to agreed deliverables. The SFDPH Program Administrator will be responsible for assessing and tracking performance information.

**Nondiscrimination and Cultural Competency:**

The SFDPH Program Administrator will work with the contractor to ensure compliance with DPH cultural competency policies.

**Other Significant Issues:**

Crothall Healthcare Laundry and Linen Services is part of the publicly traded global company, Compass Group PLC. Operations in the United States are conducted under the wholly owned subsidiary Compass Group USA, Inc., which is the parent company of Crothall Healthcare. Crothall Healthcare offers customers six core support services Environmental Services, Patient Transportation, Laundry and Linen Services, Healthcare Technology Solutions, Facilities Management, and Ambulatory Services. Crothall Healthcare was founded in 1991 and is headquartered in Wayne, Pennsylvania.

**Listing of Board of Directors, Owners of 10% or More of the Firm, and Executive Director:**

Paul Walsh, Chairman	Don Robert	Johnny Thomson	Stefan Bomhard
Richard Cousins	Nelson Silva	Carol Arrowsmith	
Dominic Blakemore	Ireena Vittal	Susan Murray	
Gary Green	Mark White	John Bason	

There are 13 board members and no vacancies. Each director is elected to hold a term under the charter document. The number of directors may be between two and 20.

**Recommendations:**

The Department recommends approval of this contract.