

**SUMMARY OF DEPARTMENT OPERATIONAL SUPPORT CONTRACT**  
**REQUEST TO THE HEALTH COMMISSION**

*A DOS Contract is a Contract for the provision of goods or services that directly supports DPH's operations.*

|                                                  |                               |                                      |
|--------------------------------------------------|-------------------------------|--------------------------------------|
| <b>Contractor:</b> ARUP Laboratories Inc.        | <b>Division/Section:</b>      | DPH/SFHN                             |
|                                                  | <b>Deputy Director:</b>       | Roland Pickens                       |
| <b>Address:</b> 5000 Chipeta Way                 | <b>DPH Administrator:</b>     | Susan Ehrlich                        |
| Salt Lake City, UT 84108                         | <b>Program Administrator:</b> | Sabrina Robinson Phone: 628-271-6180 |
| <b>Contact:</b> Carrie Leary Phone: 385-386-2457 | <b>Analyst:</b>               | Ky Thai Phone: 628-271-6173          |

Request for approval of a new Professional Services Agreement with ARUP Laboratories Inc. to perform Reference Laboratory Testing services. The proposed contract has a total not-to-exceed amount of \$7,200,000, including 0% contingency, for a three-year term commencing September 1, 2026, and expiring August 30, 2029.

**Mark only one for each question below:**

1. **Vendor Type** ☒ For Profit ☐ Non-Profit ☐ Government Entity
2. **Is the Vendor a CMD Certified LBE?** ☐ Yes ☒ No
3. **Purchasing Authority:** ☐ RFP ☐ Sole Source ☒ GPO
4. **Does DPH have other existing contracts with this Vendor?** ☐ Yes ☒ No  
If yes, approximately how many years has DPH been doing business with this Vendor? Provide explanation, as needed. N/A

**CONTRACT INFORMATION**

**Proposed Transaction**

**FUNDING SOURCES:**

|                                                                                                      |                    |
|------------------------------------------------------------------------------------------------------|--------------------|
| General Fund                                                                                         | \$7,200,000        |
| <b><u>TOTAL DPH REVENUES:</u></b>                                                                    | <b>\$7,200,000</b> |
| 12% Contingency Amount                                                                               | \$0                |
| <b><u>TOTAL CONTRACT AMOUNT WITH CONTINGENCY:</u></b>                                                | <b>\$7,200,000</b> |
| <b><u>ONE-TIME UPFRONT COSTS:</u></b>                                                                | \$0                |
| <b><u>ANNUAL AMOUNT OF CONTRACT*:</u></b><br><i>*Excludes one-time upfront/implementation costs.</i> | \$2,400,000        |

**[FOR PROGRAM ADMINISTRATION CONTRACTS ONLY]**

|                                        |  |
|----------------------------------------|--|
| Program Administrator Indirect Percent |  |
| <b><u>TOTAL INDIRECT EXPENSES:</u></b> |  |
| <b><u>TOTAL DIRECT EXPENSES:</u></b>   |  |

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**PROPOSED BREAKDOWN OF ITEMS/SERVICES**

**PROPOSED UNITS OF SERVICES**

| Item or Service                                                            | Estimated Monthly Amount |
|----------------------------------------------------------------------------|--------------------------|
| As-needed specialized lab testing services for over 500 types of lab tests | \$200,000                |

**Purpose of Contract:**

ARUP has been providing specialty testing to ZSFG, Laguna Honda, and our DPH Clinics since 2010 through our partnership with UCSF and with purchase orders. ARUP serves a massive nationwide patient volume and processes highly complex tests at a lower cost than individual hospitals can achieve by developing and running them in-house. Advancements in technology have increasingly made many of these tests the standard of care for many disease states and hence, the business need to enter into contract with ARUP to ensure equity in care. ARUP and ZSFG Clinical Lab have an existing health data interface that ensures seamless, automated data flow between institutions. Contracting with ARUP will also expand access and simplify the process of sending our samples to laboratories nationwide, particularly when patients have a rare disease or when testing is limited to a single specialty lab.

**Performance Monitoring:**

The contract will be monitored in accordance with Hospital and SFHN monitoring procedures by the DPH Program Manager and UCSF Administrative Director assigned to these services.

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

|                                           |                       |
|-------------------------------------------|-----------------------|
| <b>CEO:</b>                               | Andy Theurer, BS, CPA |
| <b>Board of Directors:</b>                | Peter Jensen, MD      |
|                                           |                       |
|                                           |                       |
| <b>Owners of 10% or more of the Firm:</b> | TBD                   |
|                                           |                       |
|                                           |                       |
|                                           |                       |