

Contact: Andrea Anania

RATIFICATION OF EQUIPMENT PURCHASE – UNIVERSITY OF IOWA

Action Requested: Ratify the Executive Director's May 1, 2012, approval for the University of Iowa to purchase a Siemens SOMATOM Definition Adaptive Scanning (DAS) Computed Tomography (CT) scanner for UIHC's Iowa River Landing Clinic (IRLC) facility at a cost of \$1,470,500.

Executive Summary: Equipment purchases at the Regent institutions costing more than \$1 million are required by Board policy to be approved by the Board. The Executive Director may approve emergency purchases exceeding \$1,000,000 to be followed by Board ratification.

Analysis:

Description of the Equipment

The Siemens SOMATOM DAS CT scanner provides multidisciplinary, multidepartment state-of-the-art clinical exams.

Placement of the CT scanner at the new IRLC will provide same day access and decreased wait times for the outpatient population served at this new facility. SUI anticipates that approximately 3,700 CT exams will be performed annually on this CT system.

Justification of the Need for the Equipment

As medical practices have moved to environments that provide convenient access and delivery of service to the patient, the ability to provide a full range of diagnostic services in one location has become the recognized standard of care.

Providing CT services in the new IRLC will also expand availability to inpatients and outpatients serviced at the UIHC main campus.

In order for IRLC to receive the scanner in time for its opening in October, Siemens needed the purchase order the beginning of May.

Any Known Alternatives to the Equipment Proposed

UIHC has standardized on Siemens equipment due to the advantages gained in equipment pricing, maintenance, and training.

Estimated Cost and Source of Funding

The cost to purchase the scanner is approximately \$1,470,500 and the source of funding is UIHC capital equipment funds. Equipment pricing is based on the Strategic Alliance Purchasing Agreement between Siemens Medical Solutions USA, Inc. and the University of Iowa. This agreement was executed after a competitive bidding process involving eight vendors.

Board Policy: Chapter 7.06B(12) of the Regent Policy Manual requires that:

- ▶ Equipment costing more than \$1,000,000 must be submitted to the Board for approval; and
- ▶ Requests submitted to the Board Office for approval must include the following information:
 - ◆ Description of the equipment;
 - ◆ Justification of the need for the equipment;
 - ◆ Any known alternatives to the equipment proposed; and
 - ◆ Estimated cost and source of funding.

The Executive Director may approve emergency purchases which exceed \$1,000,000 to be followed by Board ratification. Emergency purchases are defined in 681 IAC 8.9(4).