



Maryland

DEPARTMENT OF
GENERAL SERVICES

Department of General Services Briefing on Emergency Procurement During COVID-19

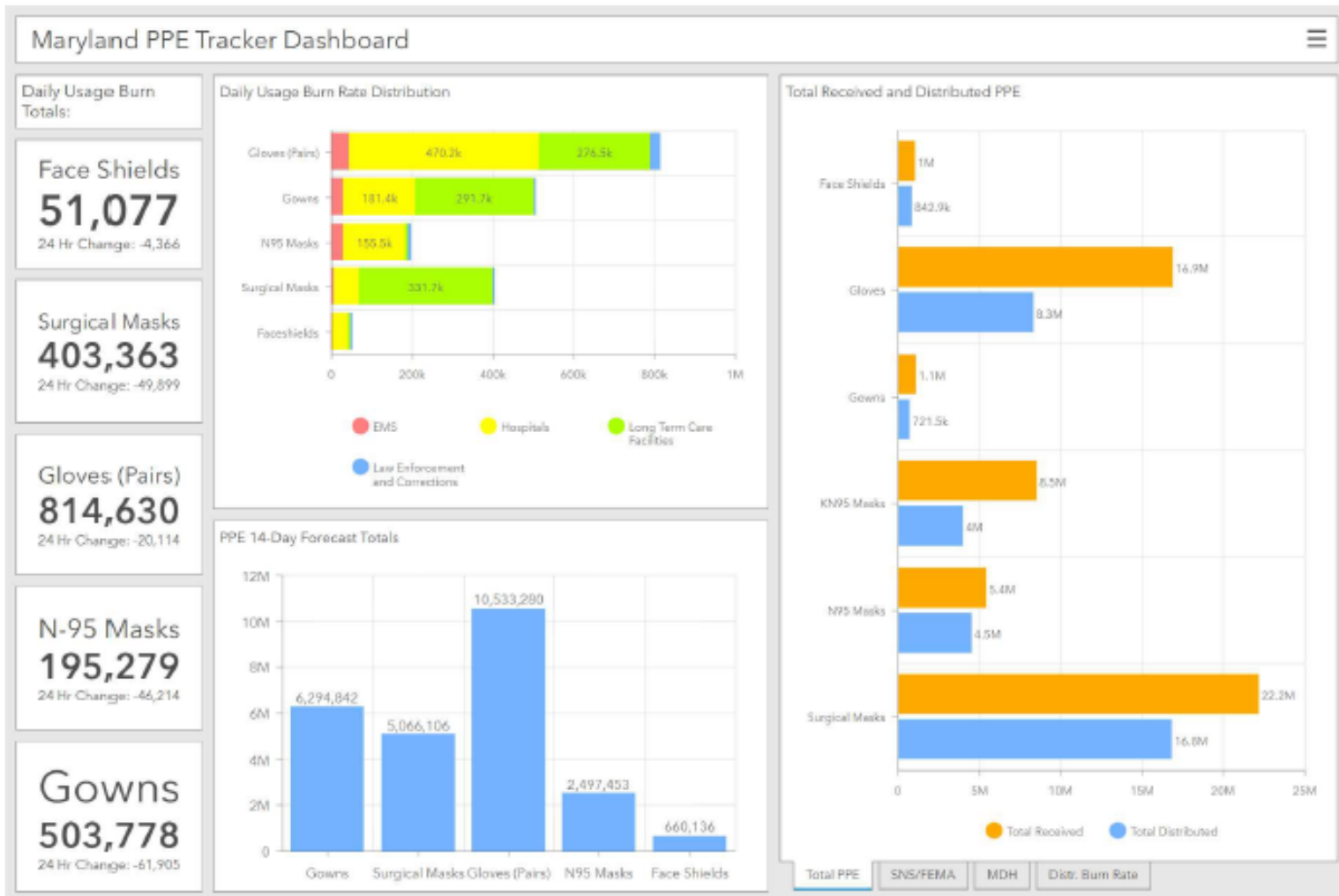
*Senate Education, Health and Environmental Affairs Committee
May 27, 2020*



Agenda

- Introduction – Secretary Churchill
- Maryland Executive Report – Secretary Churchill
- General Services' Procurement Process – Chief Procurement Officer Robert Gleason
- Questions

Maryland Executive Report



Maryland Executive Report



State Procurement/Acquisition DGS

Items	Ordered	Received	Delta
Bed Dividers	100	25	75
Disinfecting Wipes	407,097	55,091	352,006
Face Shields	2,061,000	1,208,000	853,000
Gloves	106,721,781	22,822,030	83,899,751
Goggles	560,920	510,920	50,000
Gowns	28,518,610	1,029,650	27,488,960
Hand Sanitizer (gallons)	115,336	88,282	27,054
ICU Vents	1,604	2	1,602
Mobile Vents	650	451	199
IR Thermometer	12,100	11,100	1,000
KN95 Mask	48,180,650	20,103,390	28,077,260
Modular Tents	100	0	100
MRE	1,008	1,008	0
N95 Mask	38,611,040	1,015,000	37,596,040
Signage	52	52	0
Surgical Mask	31,845,300	22,723,800	9,121,500
Tyvek Suit	44,000	4,000	40,000
Coveralls	222,497	36,400	186,097
**Tests from Korea (For MEMA)	500,000	500,000	0

*South Korean

Note: All DGS acquired resources are shipped to the MDH RSS Warehouse.

Direct Federal Assistance Request

Item	Ordered	Received	Delta	Distrib
Masks	715,500	717,500	+2,000	465,500
N95s	4,076,532	3,609,780	316,752	3,609,780
KN95s	495,000	495,000	0	495,000
Face Shields	831,595	253,373	578,222	73,224
Gowns	3,116,770	90,652	3,026,118	70,422
Gloves	1,330,540	426,890	903,650	426,890
Coveralls	1,975	35,534	+33,559	35,186
Body Bags	15,000	15,000	0	5,292
Ventilators	470	470	0	470
Viral Transport Media	50,000	11,000	39,000	11,000
NP Swabs	100,000	178,350	+78,350	178,350
FMS	2	1	1	1
Medical Assistance	3	3	0	3
Battelle N95 Re-utilization Unit	1	1	0	1

Note: Numbers adjusted on N95 to account for 495,000 KN95's, which were substituted for N95's by FEMA.

Note: Some "items" and "ordered" numbers have changed due to the cancellation of various Federal Requests.

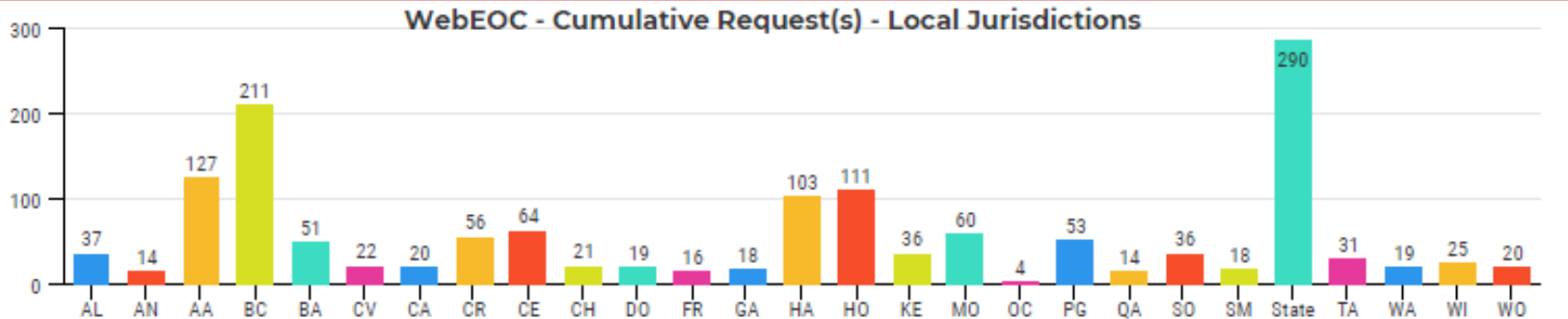
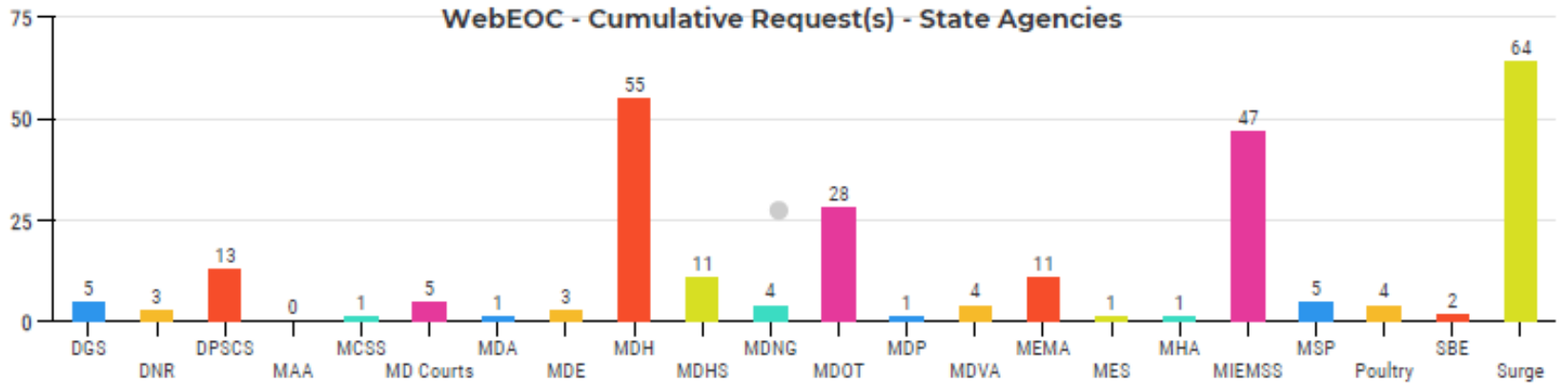
Note: NP Swabs & Viral Transport Media are now being allocated & pushed, therefore the distributed number may be higher than the requested.

Maryland Executive Report

WebEOC: Total Requests to the State: 1,619

Total Completed: 1,160

Total Open: 459



PPE

- Body Bags
- Coveralls
- CAPR Masks
- Face Shields
- Federal Medical Stations
- Gloves
- N95 Masks
- Nasoharyngeal Swabs
- PAPR Filters
- PAPR Systems
- Safety Goggles
- Surgical Gowns]
- Ventilators
- Viral Transport Media
- Surgical Aprons
- Tyvek Suits

Non-PPE

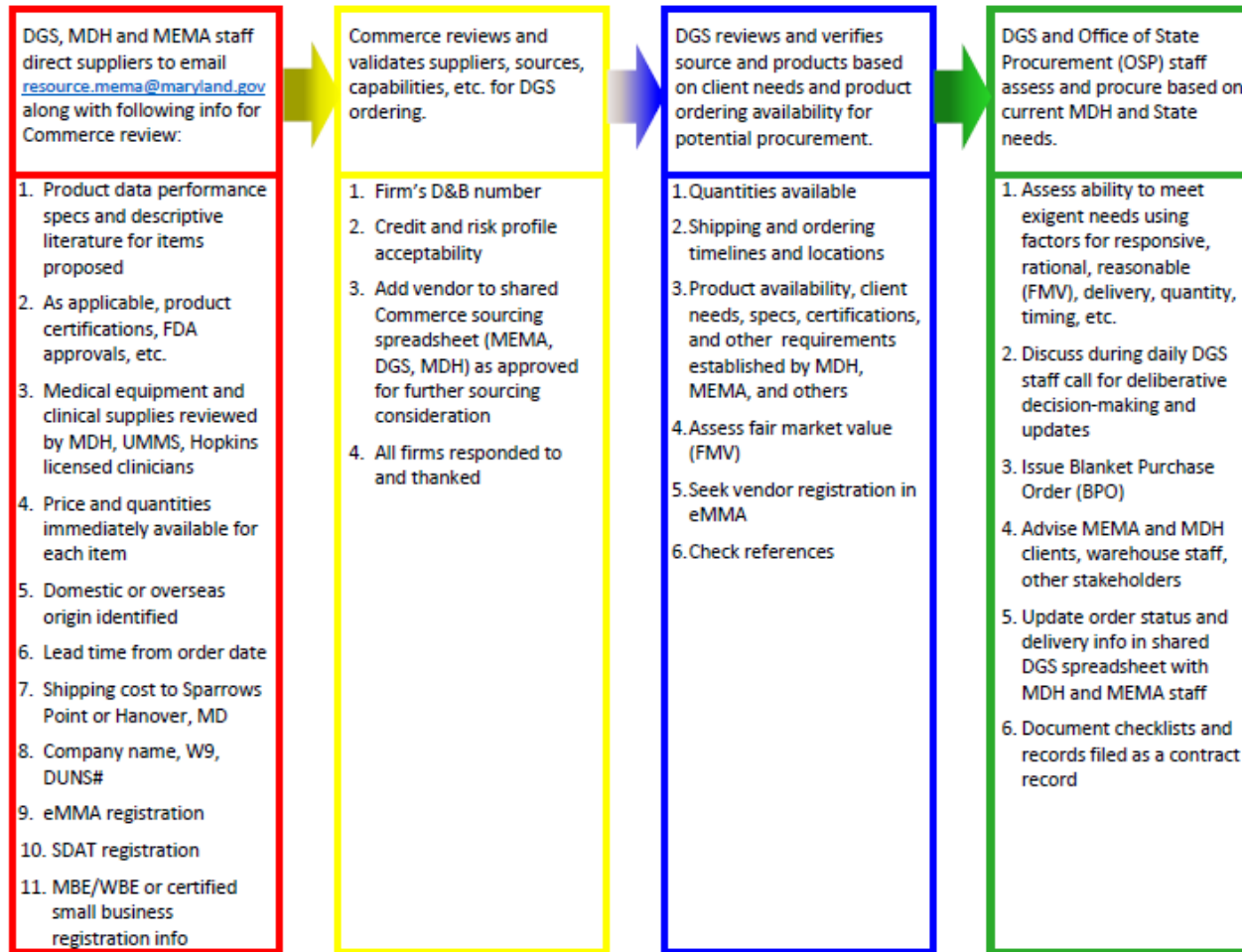
- Bed Sheets
- Biohazard Trasbags
- Blankets
- Cleaning Supplies
- Cots
- Disinfecting Wipes
- Hand Sanitizer
- Pillows
- Meals Ready-to-Eat (MREs)
- Signage
- Tent Systems
- Testing Kits & Diagnostics
- Thermometers

Personnel

- Contractual Services Employee(s)
- Emergency Planners
- Incident Management Teams
- Law Enforcement Support
- National Guard Support
- Shelter Staff
- Volunteers

General Services' Procurement Process

Sourcing Suppliers for COVID-19



Questions

Thank you.

For further questions, please reach out to
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**State of Maryland – Emergency Purchase Summary
Coronavirus (COVID-19) Pandemic: March –June 2020**

The State of Maryland experienced a steep spike in demand for personal protective equipment (PPE) and related sterilization and medical equipment due to the outbreak of COVID-19 caused by the novel coronavirus. The outbreak, a pandemic, began in the US with the first official case reported January 21, 2020 in Washington State with the first mortality reported January 29, 2020 outside Seattle, WA. Soon after, national and worldwide markets for PPE products (face shields, masks, hand sanitizer, gloves, gowns etc.) became extremely difficult to acquire due to supply scarcity and high demand. Demand was fueled by needs of health professionals but also general consumers taking personal precautions. The Department of General Services Office of State Procurement, operating within this supply-demand environment, was confronted with overwhelming needs, supply shortages, large delivery delays, and was forced to compete globally with every private entity, public body, and nation state for PPE.

Within days, the overwhelming universal demand for all PPE and many medical products consumed the global supply chain. A lack of supply, suppliers, failed orders, back orders, long lead times, and other factors were daily challenges all public procurement officers faced in attempting to acquire equipment and supplies to protect clinicians, first responders and save lives. The disruption of the global PPE supply chain is an unprecedented event. That landscape shifted daily, hourly, and within minutes in some cases, as federal, state and local governments competed for reliable sources and the same products.

Competition is the bedrock of public procurement and ensures fair access and pricing. However, since March 13, obtaining any of these critical items, much less competition, was nearly impossible. Conditions to meet immediate public health needs, system constraints, absence of reliable suppliers, supply shortages, unimaginable burn rates, and limitless needs, compelled a responsiveness requiring use of emergency methods, with problematic competition. We experienced both significant shortages and price increases on all high-demand items but negotiated aggressively to seek fair market value and delivery terms, to the extent practicable under constraints of availability and time. Below is an illustrative view of price variances over time for essential, high-demand products.

Pricing comparisons on high-demand, mission critical products:

PO#	Date	Product	Vendor Name / #	Qty	\$Cost	\$Diff	%Diff
H00P0601471	4/4/20	Face Mask (N95/K95)	Rudolph's Office/1521439761	500,000	\$6.40	+\$5.41	+85%
N00P0603397	1/6/20	Face Mask (N95/K95)	Metropolitan Office/1562615965	180	\$0.99		
H00P0601602	4/4/20	Face Mask (N95/K95)	La La Land Prd & Des/1271296684	10,450	\$5.25	+\$4.37	+83%
H00P0601409	3/24/20	Face Mask (N95/K95)	Safeware Inc./1521152883(BPO)	1,250,000	\$0.88		
H00P0601426	3/26/20	Mask, Face Shield	Laird Plastics/112578749	500,000	\$4.00	+\$2.28	+43%
M00P0600407	7/10/19	Mask, Face Shield	McKesson Medical/1411261653	48	\$1.72		
H00P0601491	4/9/20	Gowns - ISO	Empire Mgd Sol/1833425266	500,000	\$9.95	+\$9.54	+57%
M00P0600963	8/1/19	Gowns - ISO	Medline Ind Inc./1362596612	1,000	\$0.41		
H00P0601481	4/9/20	Gloves, Nitrile	Empire Mgd Sol/1833425266	1,000,000	\$0.18	+\$0.12	+67%
M00P0601917	9/13/19	Gloves, Nitrile	Blind Inds (BISM)/1520591664	22,000	\$0.06		
H00P0601543	4/17/20	Disinfecting Wipes	Tray Inc./1520980441	1,920,000	\$0.15	+\$0.13	+87%
M00P9405435	3/12//19	Disinfecting Wipes	Medline Ind Inc./1362596612	10,560	\$0.02		
H00P0601481	4/9/20	Ventilator	Sovereign Medical/1200475002	200	\$53,067	+\$36,590	+69%
M00P9405864	3/29/19	Ventilator	Hamilton Medical Inc./1470673087	4	\$16,477		
H00P0601433	3/28/20	Hand Soap, Foaming	Gov't MLO Supp/1452897530	310	\$31.50	+\$21.06	+67%
M00P0604718	2/6/20	Hand Soap, Foaming	Weiss Bros Inc./1520856522	30	\$10.44		

Due to the sudden and urgent global demand for critical needs across all government sectors along with universal scarcity of critical items, market economics resulted in inflated prices making it ripe for opportunists and potential for fraud. The pandemic created challenges verifying vendors and supply availability. Early on, we committed with others to validate supply and suppliers and ensure integrity. We leveraged eMMA and subscribed to Dun & Bradstreet Supplier Risk Management to enable us to verify supplier financials to help mitigate risks. We remain prepared to take swift action, when necessary, to minimize risk through greater rigor in policy, process, and oversight.

The Office of State Procurement continues to work with the Departments of Commerce, Health, Emergency Management, and the Office of the Attorney General and others to provide oversight of unusual activities and vigilance to ensure fairness, manage risk, and mitigate fraud.