



**COUNTY OF SAN MATEO**  
Inter-Departmental Correspondence  
Health System



**Date:** February 22, 2016  
**Board Meeting Date:** April 12, 2016  
**Special Notice / Hearing:** None  
**Vote Required:** Majority

**To:** Honorable Board of Supervisors

**From:** Louise Rogers, Chief, Health System  
Chester J. Kunnappilly, MD Interim Chief Executive Officer, San Mateo Medical Center

**Subject:** Amendment to agreement with Lexicomp, Inc. to provide software license services

**RECOMMENDATION:**

Adopt a resolution authorizing an amendment to the agreement with Lexicomp, Inc. changing the name of the contractor to Wolters Kluwer Clinical Drug Information, Inc., for pharmacy software license services, extending the term through December 31, 2020 and increasing the amount by \$140,000 to an amount not to exceed \$215,000.

**BACKGROUND:**

In December 2009, the San Mateo Medical Center (SMMC) Pharmacy Director requested quotes from vendors for an online drug information application to be used as a tool for SMMC's healthcare professionals. This software application would have also assured compliance with the Centers for Medicare and Medicaid mandate that SMMC have an online resource for up-to-date drug information. Of the quotes, Lexicomp, Inc. (Lexicomp) was chosen for its range of services and its competitive pricing.

In December 2012, SMMC's Chief Executive Officer approved an agreement with Lexicomp to continue to provide software license services through December 31, 2015, in an amount not to exceed \$75,000.

In April 2015, Lexicomp, Inc formally changed its name to Wolters Kluwer Clinical Drug Information, Inc. (WKCDI).

**DISCUSSION:**

SMMC recently reviewed IT system projects for strategic alignment and resource requirements as part of its two-year budget development for FY 2015-16 and FY 2016-17. WKCDI is offering a preferred rate if SMMC extends the term of the agreement for

an additional 5 years. Since selecting and implementing a new software application would be a low IT priority in comparison to some of SMMC's existing projects, SMMC is requesting that your Board approve an extension of the existing WKCDI software license agreement by five years and waive the Request for Proposals process to ensure consistency and timeliness in the delivery of these services. This agreement is coming to your Board late due to protracted negotiations with the vendor.

ISD has reviewed and approved the IT component of this amendment.

The County's Contract Compliance Committee has approved a waiver request to extend the agreement by an additional five years beyond the current term.

The resolution contains the County's standard provisions allowing amendment of the County's fiscal obligations by a maximum of \$25,000 (in aggregate).

The amendment and resolution have been reviewed and approved by County Counsel as to form.

Approval of this amendment contributes to the Shared Vision 2025 outcome of a Healthy Community by providing SMMC healthcare professionals access to up-to-date drug information. It is anticipated that up-to-date drug information is accessible 100% of the time.

**PERFORMANCE MEASURE:**

Measure	FY 2014-15 Actual	FY 2015-16 Projected
Percentage of time that up-to-date drug information is available	100%	100%

**FISCAL IMPACT:**

The term of the revised agreement is January 01, 2012, through December 31, 2020, in an amount not to exceed \$215,000. Funds in the amount of \$14,000 are included in the SMMC FY 2015-16 Adopted Budget. Funds in the amount of \$28,000 are included in the SMMC FY 2016-17 Recommended Budget. Similar arrangements will be made for future years.

Expenses at SMMC are covered by fees for services or third-party payors whenever possible. The portion of expenses for services provided to the medically indigent or to those covered by programs that do not meet the full costs of care are covered by the County's General Fund contribution to SMMC, and are within the existing annual appropriation.