



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Health System



Date: March 3, 2017
Board Meeting Date: April 25, 2017
Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Louise Rogers, Chief, Health System
Carlos Morales, Interim Director, Correctional Health Services

Subject: Purchase of InSite Remote Medication Dispensing System from Talyst Inc.

RECOMMENDATION:

Adopt a resolution authorizing:

- A) A waiver for the Request for Proposals process; and
- B) The Purchasing Agent to make a one-time purchase of InSite, an automated remote medication dispensing system from Talyst, Inc., in an amount not to exceed \$350,000.

BACKGROUND:

In January 2016, the County enlisted Health Management Associates (HMA) to review and recommend best practices for the delivery of food services, medical, mental health, and alcohol and drug services to the adult inmate population in correctional facilities.

The County of San Mateo's Ordinance 2.83.050 (f) allows the Board of Supervisors to waive the Request for Proposals (RFP) competitive bidding process in any situation where the Board determines that a formal process would not be in the best interest of the County.

DISCUSSION:

Correctional Health Services (CHS) provides integrated medical, dental, mental health, and chemical dependency treatment to adults in the County's correctional facilities. HMA reported that medication management is a significant component of CHS' clinical operation, and the prevention of medication errors is a high priority to maintain patient safety while controlling medication costs.

Currently, the CHS nursing staff manually administer more than 450 prescriptions at the Maguire Correctional Facility (MCF) and 250 prescriptions at the Maple Street Correctional Center (MSCC). This approach to medication distribution is time-consuming

and prone to error. Furthermore, because CHS patients' average length of stay varies greatly, 10 to 20 percent of the medications ordered are discarded, resulting in an annual fiscal loss of \$120,000 to \$240,000.

The InSite Remote Medication Dispensing System from Talyst, Inc. is the only medication management system that is uniquely designed for correctional facilities. This system meets CHS needs by storing, dosing, and dispensing medications as needed and on-site. It is also equipped with software that provides for improved inventory control, saving a substantial amount of time for nursing staff and allowing for more direct care of patients. If the Talyst system is purchased, the estimated amount of time used for preparing and administering medication would decrease to 14 hours per week from the current 56 hours per week that is required to fulfill this task.

CHS recommends that the Board waive the RFP process for the purchase of two Talyst InSite Remote Dispensing Medication Systems, one for MSCC and one for MCF. Talyst is a sole source provider of remote medication dispensing systems specifically tailored for correctional facilities and has extensive experience working with locally governed correctional institutions.

County Counsel has reviewed and approved the resolution as to form.

Approval of this action contributes to the Shared Vision 2025 outcome of a Healthy Community by improving the coordination and integration of care by providing the right service at the right time and place. It is anticipated that the amount and dollar value of medication ordered and discarded will be reduced to 7% and \$75,600, respectively.

PERFORMANCE MEASURE(S):

Measure	FY 2016-17 Estimated	FY 2017-18 Projected
Percent and dollar value of medication ordered and discarded	15%	7%
Annual Cost: \$1,080,000	\$162,000	\$75,600

FISCAL IMPACT:

The one-time purchase of two Talyst InSite remote dispensing medication systems is not to exceed \$350,000, and is funded through monies from a four year Whole Person Care (WPC) grant. Additionally, annual maintenance and technical support for a three-year period will not exceed \$90,000, which is also funded through the WPC grant. Funds for the fixed asset purchase and annual fees are included in the FY 2016-17 Adopted Budget, and an increase in Net County Cost of \$30,000 annual maintenance fees will be included in future budget years, following the termination of the WPC grant.