



County of San Mateo

Inter-Departmental Correspondence

Department: HEALTH

File #: 23-1005

Board Meeting Date: 12/12/2023

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Louise F. Rogers, Chief, San Mateo County Health
Chester J. Kunnappilly, MD, Chief Executive Officer, San Mateo Medical Center

Subject: Amendment to the Agreement with Mariner Advanced Pharmacy Corp to Provide Pharmacy Compounding Services

RECOMMENDATION:

Adopt a resolution authorizing an amendment to the agreement with Mariner Advanced Pharmacy Corp to provide pharmacy compounding services, extending the agreement by five months through February 29, 2024, and increasing the amount by \$140,000 to a new maximum amount not to exceed \$640,000.

BACKGROUND:

Mariner Advanced Pharmacy Corp (Mariner) has been providing San Mateo Medical Center (SMMC) with pharmacy compounding services since October 2019. In July 2021, SMMC completed a Request for Proposals for pharmacy compounding services, and Mariner was the only vendor to submit a proposal. On September 14, 2021, this Board approved an agreement with Mariner for pharmacy compounding services for the term of October 1, 2021, through September 30, 2023, in an amount not to exceed \$500,000.

DISCUSSION:

SMMC has a continuing need for pharmacy compounding services to comply with the California State Board of Pharmacy requirements so that SMMC patients can continue to receive their prescriptions in a timely manner. It was anticipated that at the end of the agreement term, SMMC's pharmacy upgrades would have been completed and compounding services resumed onsite. However, due to delays, SMMC will need additional time to complete construction and receive all the licenses required to provide pharmacy compounding onsite. Upon the end of this amended agreement, SMMC will either issue a new Request for Proposals or purchase services from a participant of SMMC's chosen Group Purchasing Organization vendor, Vizient.

County Attorney has reviewed and approved the resolution and amendment as to form.

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

The County’s Contract Compliance Committee has approved a waiver request for a four-year term for this agreement.

It is anticipated that prescriptions will be dispensed accurately 100% of the time.

PERFORMANCE MEASURE:

Measure	FY 2022-23 Actual	FY 2023-24 Projected
Percentage of time prescriptions are dispensed accurately	100%	100%

FISCAL IMPACT:

The term of the amended agreement is October 1, 2021, through February 29, 2024. The amendment increases the amount payable under the agreement by \$140,000 to an amount not to exceed \$640,000 for the 29-month term. Funds in the amount of \$140,000 are included in the SMMC FY 2023-24 Adopted Budget.

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 is covered by the County’s General Fund contribution to SMMC and is within the existing annual appropriation.