



County of San Mateo

Inter-Departmental Correspondence

Department: HEALTH

File #: 18-247

Board Meeting Date: 3/27/2018

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

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

Subject: Issuance of Purchase Orders to Priority Healthcare dba Curascript Specialty Distribution

RECOMMENDATION:

Adopt a resolution authorizing the County Purchasing Agent to continue to issue purchase orders to Priority Healthcare, dba Curascript Specialty Distribution, to provide intrauterine and implantable prescription devices, increasing the amount by \$500,000 in an amount not to exceed \$1,000,000.

BACKGROUND:

San Mateo Medical Center (SMMC) pharmacy has been purchasing intrauterine and implantable prescription devices for many years through vendor agreements with Priority Healthcare dba Curascript Specialty Distribution (Curascript). On May 24, 2016, your Board approved a Resolution waiving the Request for Bid process because Curascript is a sole source for the Nexplanon contraceptive devices. In addition, your Board authorized the County's Purchasing Agent to issue a vendor agreement for the term June 1, 2016 to May 31, 2019, in an amount not to exceed \$500,000 as part of the County's commitment to women's health.

DISCUSSION:

SMMC's pharmacy underestimated the number of patients who need the Nexplanon contraceptive devices. Although the pharmacy's original projections were based on historical data, the device has proved significantly more popular than expected due to its effectiveness and long life (i.e. 3 years).

To date, SMMC has purchased \$455,000 of these devices under the existing vendor agreement, with more than a year remaining on the agreement. In order to meet the increased demand of providers prescribing these devices to patients, SMMC is now requesting that your Board authorize an increase of \$500,000 in an amount not to exceed \$1,000,000 for the remainder of the term.

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

Approval of this resolution contributes to the Shared Vision 2025 outcome of a Healthy Community by providing a safe and effective means of contraception to County residents. It is anticipated that these implantable prescription devices will prevent conception for up to 3 years more than 99% of the time.

PERFORMANCE MEASURE:

Measure	FY 2016-17 Actual	FY 2017-18 Projected
Implantable prescription devices' prevention of conception for up to 3 years	more than 99%	more than 99%

FISCAL IMPACT:

The term of the revised agreement remains from June 1, 2016 through May 31, 2019. The amount of the revised agreement is not to exceed to exceed \$1,000,000. The amendment increases the contract amount by \$500,000. Funds in the amount of \$133,333 are included in the SMMC FY 2017-18 Adopted Budget. Funds in the amount of \$366,667 will be included in the SMMC FY 2018-19 Recommended 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 are covered by the County's General Fund contribution to SMMC, and are within the existing annual appropriation.