



County of San Mateo

Inter-Departmental Correspondence

Department: HEALTH

File #: 18-824

Board Meeting Date: 9/4/2018

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: Amendment to the Agreement with Cardinal Health Pharmacy Services, LLC to Provide Remote Order Entry Pharmacy Services

RECOMMENDATION:

Adopt a resolution authorizing an amendment to the agreement with Cardinal Health Pharmacy Services, LLC for remote order entry pharmacy services, extending the term of the agreement through September 30, 2021 and increasing the amount by \$270,000, in an amount not to exceed \$1,155,000.

BACKGROUND:

In July 2011, your Board approved an agreement with Cardinal Health Pharmacy Services, LLC to provide remote order entry pharmacy services, in order to fill patient orders when the hospital pharmacy is closed. The agreement has been amended multiple times, most recently to extend the term through September 30, 2018, with no increase in funding, to allow the San Mateo Medical Center (SMMC) pharmacy director time to complete a Business Requirements Document (BRD) and schedule an out cycle information technology review.

DISCUSSION:

The pharmacy director successfully submitted a BRD in April 2018, but due to competing IT priorities, the project will not be scheduled until 2021. As a result, SMMC is requesting your Board extend the term of the current agreement through September 30, 2021, with an associated increase of \$270,000 and no increase in pricing, to allow SMMC time to be assigned a project manager, complete a Request for Proposals, and execute a new agreement.

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

The County's Contract Compliance Committee has approved a waiver request for a 10-year term for this agreement.

This amendment contributes to the Shared Vision 2025 outcome of a Healthy Community by ensuring that all medication orders are reviewed prior to a patient's receipt of a first dose. It is anticipated that 100 percent of all after-hours medication orders will be reviewed by a pharmacist prior to a patient receiving a first dose.

PERFORMANCE MEASURE:

Measure	FY 2017-18 Actual	FY 2018-19 Projected
Percentage of after-hours medication orders reviewed by a pharmacist prior to patient receiving a first dose	100% 15,305 annually	100% 16,000 annually

FISCAL IMPACT:

The term of the revised agreement is May 1, 2011 through September 30, 2021. The amount of the agreement is not to exceed \$1,155,000. The amendment increases the contract amount by \$270,000. Funds in the amount of \$100,000 are included in the SMMC FY 2018-19 Recommended Budget. Funds in the amount of \$170,000 will be included in the SMMC FY 2019-20 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.