



# County of San Mateo

## Inter-Departmental Correspondence

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**Department:** HEALTH

**File #:** 20-279

Board Meeting Date: 5/5/2020

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**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 CareFusion Solutions, LLC to Provide Equipment Rental and Support Services

### **RECOMMENDATION:**

Adopt a resolution authorizing an amendment to the agreement with CareFusion Solutions, LLC to provide equipment rental and support services, extending the term of the agreement through February 28, 2021 and increasing the amount by \$300,000 to an amount not to exceed \$1,820,000.

### **BACKGROUND:**

In September 2013, the Board approved an agreement with CareFusion Solutions, LLC (CareFusion) to provide equipment rental and support services for the Pyxis automated dispensing system. The agreement was subsequently amended to extend services through February 29, 2020 and increase the maximum amount to \$1,520,000, to add new storage room for intravenous medications.

In September 2019, a Request for Proposals (RFP) was issued for the pharmacy in order to select a new automated dispensing system.

### **DISCUSSION:**

SMMC is requesting that the Board extend the term of the current agreement by 12 months with the associated increase in funding to allow the pharmacy time to complete the RFP process. This amendment is coming to the Board late due to prolonged negotiations with CareFusion.

The amendment and resolution have been reviewed and approved by County Counsel 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 to extend the agreement to a ninety-month term for this agreement.

It is anticipated that the percentage of record keeping accuracy for controlled substances will be at 100%.

**PERFORMANCE MEASURE:**

Measure	FY 2019-20 Estimated	FY 2020-21 Projected
Percentage of record keeping accuracy for controlled substances	100%	100%

**FISCAL IMPACT:**

The term of the amended agreement is March 1, 2014 through February 28, 2021. The amount of the amended agreement is not to exceed \$1,820,000. The amendment increases the contract amount by \$300,000. Funds in the amount of \$100,000 are included in the SMMC FY 2019-20 Adopted Budget. Funds in the amount of \$200,000 will be included in the SMMC FY 2020-21 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 is covered by the County's General Fund contribution to SMMC and is within the existing annual appropriation.