



County of San Mateo

Inter-Departmental Correspondence

Department: HEALTH

File #: 21-232

Board Meeting Date: 3/23/2021

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 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 March 31, 2024 and increasing the amount by \$500,000 in an amount not to exceed \$1,655,000.

BACKGROUND:

In July 2011, your Board approved an agreement with Cardinal Health Pharmacy Services, LLC (Cardinal Health) to provide remote order entry pharmacy services, when the San Mateo Medical Center (SMMC) Pharmacy is closed. The agreement has been amended multiple times, most recently to extend the term through September 30, 2021 and increase the amount by \$270,000, to allow the SMMC time to schedule a new project with Information Technology.

DISCUSSION:

Recently Correctional Health Services (CHS) moved from paper charts to an electronic medical record. As a part of this move, medications require a pharmacist to validate orders. SMMC pharmacy is not available 24 hours a day and utilizes Cardinal Health to validate orders overnight for the inpatient service. In an effort to provide similar availability to CHS, SMMC asked Cardinal Health to start validating orders for the additional CHS sites. As a result, SMMC is requesting your Board to extend the term of the agreement through March 31, 2024, with an associated increase of \$500,000, to add CHS to SMMC's current agreement until SMMC can complete a Request for Proposals that will include CHS' needs.

County Counsel 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 twelve-year and nine-months term for this agreement.

It is anticipated that 100 percent of all after-hours medication orders will be reviewed by a pharmacist.

PERFORMANCE MEASURE:

Measure	FY 2019-20 Actual	FY 2020-21 Projected
Percentage of after-hours medication orders reviewed by a pharmacist	100% (46,894 orders)	100% (48,094 orders)

FISCAL IMPACT:

The term of the amended agreement is July 1, 2011 through March 31, 2024. The amount of the agreement is not to exceed \$1,655,000. The amendment increases the amount payable under the agreement by \$500,000. Funds in the aggregate amount of \$41,666 are included in the SMMC and CHS FY 2020-21 Adopted Budget. Funds in the aggregate amount of \$166,666 are included in the SMMC FY 2021-22 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 is covered by the County's General Fund contribution to SMMC and is within the existing annual appropriation.