



# County of San Mateo

## Inter-Departmental Correspondence

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**Department:** HEALTH

**File #:** 24-543

Board Meeting Date: 6/25/2024

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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 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 thirty-two months through March 31, 2027 and increasing the amount of the agreement by \$880,000 to a new maximum amount not to exceed \$1,080,000.

### **BACKGROUND:**

San Mateo Medical Center (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. In March 2024, SMMC completed a Request for Proposals (RFP) for pharmacy compounding services and Mariner Advanced Pharmacy Corp (Mariner) was the only vendor to submit a proposal. To allow time to complete negotiations, SMMC entered into an agreement with Mariner for the term of April 1, 2024 through July 31, 2024, in an amount not to exceed \$200,000 to ensure continuity of pharmacy compounding services.

### **DISCUSSION:**

The completed RFP had an expected contract duration of 36 months. SMMC is recommending the Board to approve this amendment to extend the term of the agreement to the full term as stated on the RFP through March 31, 2027 and increase the amount of the agreement by \$880,000 to an amount not to exceed \$1,080,000.

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).

It is anticipated that 100% of the pharmacy compounding orders will be accurate.

**PERFORMANCE MEASURE:**

<b>Measure</b>	<b>FY 2023-24 Estimated</b>	<b>FY 2024-25 Projected</b>
Percentage accuracy of pharmacy compounding orders	100%	100%

**FISCAL IMPACT:**

The term of the amended agreement is April 1, 2024 through March 31, 2027. The amendment increases the amount payable under the agreement by \$880,000 to an amount not to exceed \$1,080,000 for the 3-year term. Funds in the amount of \$90,000 are included in the SMMC FY 2023-24 Adopted Budget. Funds in the amount of \$360,000 are included in the SMMC FY 2024-25 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.