



# Monterey County

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## Board Report

Legistar File Number: A 15-311

October 13, 2015

Introduced: 8/24/2015

Current Status: Consent Agenda

Version: 1

Matter Type: General Agenda Item

- a. Ratify and Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute an Agreement, with a retroactive start date of January 1, 2014 with First Data Bank, Inc. for Pharmacy Licensing Services at NMC, for an amount not to exceed \$139,558 for the period January 1, 2014, through December 31, 2018.
- b. Authorize the Deputy Purchasing Agent for NMC or his designee to execute up to three (3) future amendments to the agreement which do not significantly alter the scope of work and do not cause an increase of more than ten percent (10%) of the original cost of the agreement per each amendment and do not extend the term of the Agreement beyond an additional one year period.

### **RECOMMENDATION:**

**It is recommended the Board of Supervisors:**

- a. Ratify and Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute an Agreement, with a retroactive start date of January 1, 2014 with First Data Bank, Inc. for Pharmacy Licensing Services at NMC, for an amount not to exceed \$139,558 for the period January 1, 2014, through December 31, 2018.
- b. Authorize the Deputy Purchasing Agent for NMC or his designee to execute up to three (3) future amendments to the agreement which do not significantly alter the scope of work and do not cause an increase of more than ten percent (10%) of the original cost of the agreement per each amendment and do not extend the term of the Agreement beyond an additional one year period.

### **SUMMARY/DISCUSSION:**

Natividad Medical Center (NMC) is requesting to enter into a software license agreement with First Databank, Inc. The First Data Bank (FDB) software provides NMC with the industry's most comprehensive drug database which is critical for safe medication practices for Natividad. This data base is used for pharmacists and providers to monitor patient allergies, drug-drug interactions, dose range checking, lab value monitoring and medication use, medication reconciliation and our electronic and written prescribing practice. The data bases also provide descriptive drug information, unique identifiers and pricing data.

The monthly software updates included with this license agreement are crucial for NMC to provide the safest, high quality care to our patient's.

This new agreement is intended to replace the previous agreement which was in effect January 1, 2005 and expired on December 31, 2014. NMC is requesting that the start date for this new

agreement is made retroactive back to January 1, 2014. Due to a series of oversights by both NMC and the vendor, FDB, our contract was allowed to lapse. The vendor (FDB) sent NMC a Renewal of License Agreement on October 26, 2013, which was not acted upon by NMC Contracts and IT. In March 2014, FDB sent an invoice which was not paid even though the modules and functionality were essentially the same. The FDB module naming convention and branding had changed significantly, thus very confusing to all concerned. In December of 2014, FDB contacted NMC in an attempt to resolve the contract renewal issues. NMC is now attempting to resolve the contract expiration; however it was determined that the best resolution was to create a new contract beginning January 1, 2014. FDB and NMC worked to create this contract which contains the updated nomenclature for the modules and a clear pricing structure.

The new contract contains the same modules/services as provided in the previous contract with the exception of the addition of electronic prescribing for Inpatients. (Included in FDB MEDKNOWLEDGE, Meditech Package and Prescriber Order Entry Module (POEM) for use as defined in the proposed license agreement.)

Attachment 1 to this board report reviews and explains the naming convention and annual module pricing contained in the previous agreement and the proposed new agreement. This was created to help better understand the module by module changes.

**OTHER AGENCY INVOLVEMENT:**

County Counsel has reviewed and approved this Agreement as to legal form and risk provisions, and the Auditor-Controller has reviewed and approved as to payment provisions. The Agreement has also been reviewed and approved by NMC's Finance Committee on 4/23/15 and by its Board of Trustees on 5/1/15.

**FINANCING:**

The cost for this Agreement is \$139,558 of which \$53,790 is included in the Fiscal Year 2014-15 Adopted Budget. Amounts for remaining years of the Agreement will be included in those budgets as appropriate. There is no impact to the General Fund.

Prepared by: Charles Harris, MD, 783-2785

Approved by: Gary Gray DO, Interim Chief Executive Officer, 783-2504

**Attachments:**

Agreement with First Databank

First DataBank Expired Agreement (Agreements through Amendment No.5)

Board Report First Data Bank Attachment 1

Attachments on file with the Clerk of the Board

for   
\_\_\_\_\_  
Gary Gray DO, Chief Executive Officer

  
\_\_\_\_\_  
Date