



Monterey County

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066

Board Report

Legistar File Number: A 15-186

June 23, 2015

Introduced: 6/8/2015

Current Status: Agenda Ready

Version: 1

Matter Type: BoS Agreement

- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) to execute Amendment No. 8 to the Agreement (A-10620) with Pharmedium Services, LLC for pharmaceutical compounding services at NMC, extending the Agreement an additional one year period for a revised full term of March 31, 2006 through June 30, 2016 and adding \$200,000 for a revised total aggregate amount not to exceed \$1,040,000.
- b. Authorize the Deputy Purchasing Agent for NMC 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.

RECOMMENDATION:

It is recommended the Board of Supervisors:

- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) to execute Amendment No. 8 to the Agreement (A-10620) with Pharmedium Services, LLC for pharmaceutical compounding services at NMC, extending the Agreement an additional one year period for a revised full term of March 31, 2006 through June 30, 2016 and adding \$200,000 for a revised total aggregate amount not to exceed \$1,040,000.
- b. Authorize the Deputy Purchasing Agent for NMC 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.

SUMMARY/DISCUSSION:

PharMEDium, LLC provides compounding services for specific drug items that bear longer stability than if compounded onsite at Natividad Medical Center. NMC will purchase the drugs from PharMEDium, LLC in order to reduce the waste associated with compounding products onsite. Currently products compounded by NMC may be kept on internal shelves for up to fourteen (14) days or less according to the package insert storage and stability information. PharMEDium, LLC is able to provide compounded products that can be shelved up to ninety (90) days. These compounded products meet the USP797 regulations for compounding and assists NMC with availability of products that can be stored for longer periods of time.

NMC Trauma designation has led to new services offered by the hospital and this has impacted the products provided by the Pharmacy Department. Physicians and Anesthesiologists are requesting trauma ready trays which include prefilled medications in syringes. PharMEDium, LLC can provide prefilled medications in a variety of sizes and concentrations to meet the increasing necessities of the hospital and its patients. PharMEDium, LLC has the ability to provide a more diverse set of products than other providers and is able to meet the growing needs of NMC's Trauma Center.

In addition, the increasing medication shortage rate (where the manufactures supply are unable to meet the demand of a certain medication) has resulted in NMC needing to use compounding pharmacies like PharMEDium, LLC to provide medications on backorder from manufacturers nationwide. PharMEDium, LLC is able to process and deliver requested medications in a timely and efficient manner.

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 3/26/15 and by its Board of Trustees on 4/3/15.

FINANCING:

The cost for this Amendment is \$200,000 which was budgeted in the FY15-16 Recommended Budget. There is no impact to the General Fund.

Prepared by: Jason Warren, NMC Pharmacist, 772-7720

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

Attachments:

Original Agreement

Renewal and Amendment No.1 through No. 5

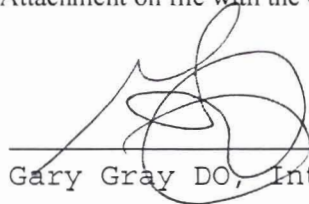
Amendment No 6

Renewal and Amendment No 7

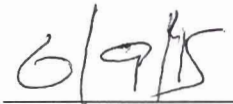
Amendment No 8

Spend Sheet

Attachment on file with the Clerk of the Board



Gary Gray DO, Interim Chief Executive Officer



Date