



Board Report

File #: A 18-444, Version: 1

- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) to execute Carefusion's Customer Order 1000141481, applying the terms and conditions of the previously Board-approved Master Agreement (A-12934) with Carefusion Solutions, LLC (collectively, "Agreement"), to lease an additional Pyxis pharmaceutical supply automation machine at NMC for a five (5) year lease period to commence upon full machine installation (estimated to be on or about March 1, 2019), for a total amount not to exceed \$126,792.
- b. Authorize the Deputy Purchasing Agent for NMC, or his delegate, to execute future Customer Orders for new or upgraded Pyxis automation machines under the terms and conditions of the approved Master Agreement effective September 15, 2015 through September 14, 2021, provided an appropriation for the costs is included within the County Adopted Budget.

RECOMMENDATION:

It is recommended the Board of Supervisors:

- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) to execute Carefusion's Customer Order 1000141481, applying the terms and conditions of the previously Board-approved Master Agreement (A-12934) with Carefusion Solutions, LLC (collectively, "Agreement"), to lease an additional Pyxis pharmaceutical supply automation machine at NMC for a five (5) year lease period to commence upon full machine installation (estimated to be on or about March 1, 2019), for a total amount not to exceed \$126,792.
- b. Authorize the Deputy Purchasing Agent for NMC, or his delegate, to execute future Customer Orders for new or upgraded Pyxis automation machines under the terms and conditions of the approved Master Agreement effective September 15, 2015 through September 14, 2021, provided an appropriation for the costs is included within the County Adopted Budget.

SUMMARY/DISCUSSION:

Automated medication dispensing machines are used at hospitals to store medications in a safe and secure manner. These machines will dispense only with a user account protected by biometric finger print identification or password. These machines capture and record revenue and ensure proper security of controlled substances. Automated medication dispensing machines are setup throughout the hospital in locations convenient for hospital staff to provide expeditious patient care.

There are multiple Pyxis machines in use at Natividad for pharmaceuticals and general medical supplies. This Customer Order is specifically for a new pharmaceutical Pyxis to be used in the Medical Surgical unit located on the 3rd floor area of the hospital. It is needed because medications need to be available closer to this section of patient rooms near the new Med Surg medication room for a nurse to administer medications in a more efficient and timely manner.

The terms and conditions in the previously approved and fully executed Master Agreement with Carefusion for Pyxis Rentals does not contain specific reference to any particular order number, therefore, amending that Master Agreement is not required to place new Pyxis equipment orders. New Pyxis machines can simply be

processed via executed Customer Order forms and mutually agreed upon Implementation Timeline Schedules. The Master Agreement for Pyxis rentals was already reviewed and approved by the Board of Supervisors on September 15, 2015.

Although NMC will execute the Customer Order immediately after the Board of Supervisors authorizes as such, there will be no charges applied by Carefusion to NMC during the implementation phase. It is projected that the new Pyxis will be fully implemented by late January 2019. NMC will only be billed after implementation is complete.

The monthly rental cost is \$1,858 for this new Pyxis machine which equals \$111,480 for a five year period. Taxes, including a once annual property tax, are projected at \$15,312. Therefore the requested total for this Customer Order is \$126,792 for a five year period.

Pursuant to Monterey County Code 2.32.030 (B) whereby the Deputy Purchasing Agent has the authority to rent equipment for the County, and given the fact that the terms and conditions of this particular rental agreement with Carefusion have already been reviewed and approved by the Board of Supervisors, County Counsel's office, and the County Auditor-Controller's office, NMC is requesting the authority to execute future Customer Orders specifically for Pyxis automation machine rentals under the same Master Agreement.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed the Customer Order 1000141481 as to legal form. The Auditor-Controller has reviewed and approved Customer Order 1000141481 as to payment provisions. Customer Order 1000141481 was submitted for review and approval to the NMC Finance Committee on October 25, 2018 and to the NMC Board of Trustees on November 2, 2018.

FINANCING:

The cost for this Customer Order is \$126,792, of which \$11,000 is included in the Fiscal Year 2018-19 Adopted Budget. Amounts for remaining years of the Agreement will be included in those budgets as appropriate.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The automated Pyxis machines allow authorized medical personnel to quickly and easily dispense medications to patients which yields a higher level of quality patient care.

- Economic Development
- Administration
- Health and Human Services
- Infrastructure
- Public Safety

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

Attachments:
CareFusion Customer Order No 1000141481
CareFusion Master Agreement for Pyxis Rentals (previously approved and executed)

Attachments on file with the Clerk of the Board