



County of Monterey

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Board Report

File #: A 13-163, **Version:** 1

Authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute Renewal and Amendment No. 7 to the Agreement (A-10620) with Pharmedium Services for Compounding Pharmaceutical Supplies and IV Solution Services at NMC, extending the Agreement to June 30, 2015 and adding \$400,000 (over two years) for a revised total Agreement amount not to exceed \$840,000 in the aggregate.

RECOMMENDATION:

It is recommended the Board of Supervisors authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute Renewal and Amendment No. 7 to the Agreement (A-10620) with Pharmedium Services for Compounding Pharmaceutical Supplies and IV Solution Services at NMC, extending the Agreement to June 30, 2015 and adding \$400,000 (over two years) for a revised total Agreement amount not to exceed \$840,000 in the aggregate.

SUMMARY/DISCUSSION:

NMC has had a Service Agreement with Pharmedium since November 15, 2005. The vendor provides compounding services for specific drug items that bear longer stability than if compounded onsite. NMC will need to continue the purchase of these same drugs in order to reduce the waste associated with onsite compounded products due to shorter stability. These compounded products meet the USP797 regulations for compounding and assists NMC with availability of product that can be stored for longer periods. The increasing medication shortage rate has resulted in Natividad needing to use compounding pharmacies like Pharmedium more and more. The recommendation is to amend the current Agreement to provide an additional year of services.

Commercial General Liability Exception

Commercial General Liability Additional Insured Endorsement requirements are waived for this vendor under this Agreement.

Vendor is located outside California and does not travel onto County property.

Business Automobile Insurance Exemption

Business Automobile Liability Additional Insured Endorsement requirements are waived for this vendor under this Agreement. There is no risk or exposure regarding vehicles.

Vendor is located outside California and has does not travel onto County property.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved this Renewal and Amendment No. 7 as to legal form and risk provisions. Auditor-Controller has reviewed and approved this Renewal and Amendment No. 7 as to fiscal provisions. The Renewal and Amendment No. 7 has also been reviewed and approved by Natividad Medical Center's Board of Trustees.

FINANCING:

The cost for this Renewal and Amendment No. 7 is \$400,000. \$200,000 is included in the Fiscal Year 2013/2014 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: Jason Warren, Interim Pharmacy Director, 772-7720

Approved by: Harry Weis, Chief Executive Officer, 783-2553

Attachments: Renewal and Amendment No. 7, Original Agreement, Amendments 1, 2, 3, 4, 5, and 6
Attachments on file with the Clerk to the Boards Office