## REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN BERNARDINO AND RECORD OF ACTION

February 11, 2020

## FROM WILLIAM L. GILBERT, Director, Arrowhead Regional Medical Center

#### SUBJECT

Amendment No. 7 to Agreement with CareFusion Solutions, LLC for Automated Dispensing Cabinet Services

#### **RECOMMENDATION(S)**

Approve **Amendment No. 7** to **Agreement No. 14-293** with CareFusion Solutions, LLC for Automated Dispensing Cabinet Services for the rental and support of automated dispensing cabinet, increasing the total contract amount by \$941,424 from \$2,217,818 to \$3,159,242, and extending the contract terms having various start dates effective as of the first day of the month following the initial Rental and Support Terms stated in the applicable Agreement for each respective Product all through February 28, 2022.

(Presenter: William L. Gilbert, Director, 580-6150)

# COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Provide for the Safety, Health and Social Service Needs of County Residents.

#### FINANCIAL IMPACT

Approval of these recommendations will not result in the use of Discretionary General Funding (Net County Cost) as the additional cost of \$941,424 is funded by State Medi-Cal, Federal Medicare, private insurances, and other departmental revenue. Funding sources may change in the future pending any legislative activity related to the repeal and/or replacement of the Affordable Care Act. Adequate appropriation and revenue have been included in the Arrowhead Regional Medical Center (ARMC) 2019-20 budget and will be included in future recommended budgets.

#### **BACKGROUND INFORMATION**

Approval of Amendment No. 7 to the Agreement for Services will allow the pharmacy and nursing staff at Arrowhead Regional Medical Center (ARMC) to continue to use the existing cabinets and software to access and stock medications for patients in an efficient and secure manner. Automated dispensing cabinets are decentralized medication distribution systems that provide computer-controlled storage, dispensing, and tracking of medications. The cabinets provide secure storage in patient care units along with electronic tracking of the use of narcotics and other controlled substances. The ongoing use of the cabinets enhances the ability of ARMC nursing and pharmacy staff to stay compliant with the laws and regulations affecting controlled substances.

The existing agreement will be extended to ensure that ARMC can continue to use this service until the new cabinets are procured and installed. Additionally, the implementation of the new ARMC electronic health record system, EPIC, is scheduled to begin in 2020. This will include the CareFusion server host conversion from Meditech to EPIC. ARMC recommends approval of Amendment No .7 to the Agreement to allow ARMC to continue providing for the safety, health and social service needs of county residents through efficient and secured administration of prescriptions.

#### PROCUREMENT

The continued procurement of automated dispensing cabinet services from CareFusion is based on existing agreement. The County on behalf of ARMC has a current agreement with CareFusion for this service that expires February 28, 2020. ARMC is in the final stages of the RFP process for new cabinets. However, they will require seismic anchoring as a method of attachment that involves the Project Management Department (PMD) for management of installation/construction. The PMD process with the California Office of Statewide Health Planning and Development (OSHPD) can take up to 6-9 months to complete. Then bidding for the installation services would follow. Therefore, an amendment is needed to ensure services continue until such time as the new cabinets are purchased and installed.

On May 6, 2014 (Item No. 12), as a result of a successful competitive Request for Proposal process, the Board of Supervisors (Board) approved Agreement No. 14-293 with CareFusion for upgrade of the existing Pyxis system, which included replacement of equipment, software updates, rental and support, for a five-year period of May 5, 2014, through May 4, 2019. The Board has approved multiple amendments over the years by upgrading and adding services to the contract and extending the contract term to February 28, 2020.

#### **REVIEW BY OTHERS**

This item has been reviewed by County Counsel (Bonnie Uphold, County Counsel, 387-5487) on January 27, 2020; Purchasing Department (Jackie Ambrose, Buyer III, 777-0722) on January 28, 2020; Finance (Amanda Trussell, Principal Administrative Analyst, 387-4773) on January 24, 2020; and County Finance (Katrina Turturro, Deputy Executive Officer, 387-5423) on January 27, 2020.

Amendment No. 7 to Agreement with CareFusion Solutions, LLC for Automated Dispensing Cabinet Services February 11, 2020

Record of Action of the Board of Supervisors County of San Bernardino

### APPROVED (CONSENT CALENDAR)

Moved: Robert A. Lovingood Seconded: Josie Gonzales Ayes: Robert A. Lovingood, Janice Rutherford, Dawn Rowe, Curt Hagman, Josie Gonzales

Lynna Monell, CLERK OF THE BOARD

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DATED: February 11, 2020



- cc: ARMC- Gilbert w/agree Contractor- C/O ARMC w/agree File- w/agree
- la 02/13/2020