



San Bernardino County

Legislation Text

File #: 7924, Agenda Item #: 9

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

May 9, 2023

FROM

WILLIAM L. GILBERT, Director, Arrowhead Regional Medical Center

SUBJECT

Amendment to Agreement with CPS Solutions, LLC for Pharmacy Services

RECOMMENDATION(S)

Approve Amendment No. 3 to Agreement No. 18-251 with CPS Solutions, LLC for the provision of pharmacy services at Arrowhead Regional Medical Center, increasing the contract amount by \$12,000,000, from \$52,337,681 to \$64,337,681, and extending the contract term by one year for a total contract term of July 1, 2018 through June 30, 2024.

(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 this item will not result in the use of Discretionary General Funding (Net County Cost) as the cost of \$12,000,000 is funded by State Medi-Cal, Federal Medicare, private insurances, and other departmental revenue fund. Adequate appropriation and revenue have been included in the Arrowhead Regional Medical Center (ARMC) 2022-23 budget and will be included in the 2023-24 recommended budget.

BACKGROUND INFORMATION

This amendment will allow ARMC additional time to complete the current Request for Proposals (RFP) ARMC123-ARMC-4823 for pharmacy services. The additional time will ensure there is no disruption to the current pharmacy staffing services provided by CPS Solutions, LLC (CPS). Continuing use of CPS will provide pharmacy services at ARMC's main hospital, Family Health Centers, and County jails. The pharmacy services provided include distribution to inpatients, emergency room patients, and outpatients from County Sheriff's and Probation Departments. CPS will also continue to provide a licensed pharmacist to serve as the Director of the Department of Pharmacy at ARMC.

On May 22, 2018 (Item No. 22), as the result of a competitive procurement, the Board of Supervisors (Board) approved Agreement No. 18-251 with CPS in an amount not to exceed \$46,175,941, for pharmaceutical services at ARMC for the period of July 1, 2018 to June 30, 2023.

On July 28, 2020 (Item No. 8), the Board approved Amendment No. 1 to Agreement No. 18-251 with CPS, to increase the not to exceed amount by \$5,929,712, for new total not to exceed amount of \$52,105,653, for the

provision of pharmacy staffing services at multiple Alternative Care Sites in the event of a COVID surge in patients, with no change to the contract period of July 1, 2018 to June 30, 2023.

On December 14, 2021 (Item No. 12), the Board approved Amendment No. 2 to Agreement No. 18-251 with CPS, increasing the contract in an amount not to exceed \$232,028, from \$52,105,653 to \$52,337,681, for assistance with the development and implementation of an electronic health record, with no change to the contract period of July 1, 2018 through June 30, 2023.

ARMC recommends approval of this amendment to allow continued pharmaceutical services provided by CPS to provide for the safety, health, and social service needs of County residents by ensuring the necessary pharmaceuticals are available. The current agreement with CPS includes the provision of management staff, which minimizes the cost to the County, promoting a more fiscally conservative operation within the hospital.

PROCUREMENT

County Purchasing supports this amendment based on the competitive nature of the original procurement, RFP ARMC118-ARMC-2624, on the understanding that the current RFP will be completed prior to the expiration of this agreement with CPS. The current agreement between ARMC and CPS has provided for in-patients, emergency room patients, and out-patients from County Sheriff's and Probation Department, and the designation of a licensed pharmacist to serve as the Director of the Department of Pharmacy on behalf of ARMC. ARMC has contracted with CPS since July 1, 2011, as a result of multiple RFP awards. The new procurement is a joint RFP with the Department of Public Health (DPH) for the provision of cost effective Inpatient and Outpatient Pharmaceutical Services for ARMC's main hospital, its FHCs, and detention centers, and DPH's Clinic Operations Section and Surveillance Division. The current RFP will establish two separate and distinct levels of service agreements for ARMC and DPH as outlined in the bid document.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Charles Phan, Deputy County Counsel, 387-5455) on April 6, 2023; Purchasing (Ariel Gill, Buyer III, 777-0722) on April 7, 2023; ARMC Finance (Chen Wu, Finance and Budget Officer, 580-3165) on April 14, 2023; Finance (Jenny Yang, Administrative Analyst, 387-4884) on April 21, 2023; and County Finance and Administration (Valerie Clay, Deputy Executive Officer, 387-5423) on April 21, 2023.