

**MEMORANDUM
COUNTY OF PLACER
ADMINISTRATIVE SERVICES DEPARTMENT
PROCUREMENT SERVICES DIVISION**

TO: Honorable Board of Supervisors

FROM: Jim Boggan, Purchasing Manager *JB*

DATE: June 22, 2010

SUBJECT: Approve the Award of a Blanket Purchase Order Based on a Competitively Awarded Cooperative Purchasing Agreement with Cardinal Health for Pharmaceutical Products in the Maximum Amount of \$225,000.00

ACTION REQUESTED

Approve the award of a blanket purchase order based on a competitively awarded cooperative purchasing agreement with Cardinal Health of Elk Grove, CA as the County's prime pharmaceutical vendor in the maximum amount of \$225,000.00, and authorize the Purchasing Manager to sign the resulting blanket purchase order.

BACKGROUND

The University HealthSystem Consortium (UHC) is an alliance of academic and affiliated medical centers situated throughout the United States. On June 22, 2004, your Board approved Placer County's membership, sponsored by UC Davis, in the UHC. As a member, the HHS/Medical Clinic is able to take advantage of the buying power of over 90 academic medical centers to optimize savings. Cardinal Health is a UHC Authorized Distributor, and provides the County with pharmaceutical products at contract prices. Section 1.3(e)(3) of the Purchasing Policy Manual authorizes the use of another government agency's contract that has been awarded as the result of a competitive bid. Upon your Board's approval, the resulting blanket purchase order will be effective for the period of July 1, 2010, through June 30, 2011.

FISCAL IMPACT

There is no participation fee associated with participation in UHC, and no minimum purchases are required. The County's annual requirement for pharmaceuticals is estimated not to exceed \$225,000.00 per year. Health & Human Services' Fiscal Impact Statement is attached.

Attachment: HHS Fiscal Impact Statement

CC: Dr. Richard Burton, HHS/Admin
Robert Long, HHS/Community Clinic
Lynn Miller, HHS/Community Clinic



**Placer County
Health and Human Services Department**

Administrative Services Division

Date: June 22, 2010
To: Honorable Board of Supervisors
From: Graham Knaus, HHS Director of Administrative Services
Subject: **Fiscal Impact Statement
BPO for Pharmaceutical Services (Cardinal Health)
Community Clinics for the period July 1, 2010 to June 30, 2011**

The department has budgeted appropriately for the renewal of this \$225,000 Blanket Purchase Order (BPO) and funding is included in the Proposed FY2010-2011 Budget. These pharmaceuticals are provided to Medicare, Medi-Cal, private insurance and Medical Care Services Program (MCSP) patients. MCSP provides mandated services to eligible County indigent residents, and covers nearly 36 percent of the patients seen in the Auburn Medical Clinic. Funding for this BPO includes \$119,200 from Federal and State sources, \$24,800 from private insurance, and \$81,000 of required County General Fund match.

Perspective, Hope, and Opportunity