

MEMORANDUM
COUNTY OF PLACER
ADMINISTRATIVE SERVICES DEPARTMENT
PROCUREMENT SERVICES DIVISION

TO: Honorable Board of Supervisors

FROM: Jim Boggan, Purchasing Manager *JB*

DATE: June 21, 2011

SUBJECT: Approve the Award of a Blanket Purchase Order Based on a Competitively Awarded Cooperative Governmental 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 (BPO) based on a competitively awarded cooperative governmental purchasing agreement with Cardinal Health of Elk Grove, CA in the maximum amount of \$225,000.00, and authorize the Purchasing Manager to sign the resulting BPO.

BACKGROUND

The University HealthSystem Consortium (UHC) is an alliance of academic and affiliated medical centers situated throughout the United States. As a member, the Health and Human Services' 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.

On June 22, 2004, your Board approved Placer County's membership, sponsored by the University of California, Davis, in the UHC, and a Blanket Purchase Order was issued to Cardinal Health for the period July 1, 2004 through June 30, 2005. Your Board subsequently approved the award of a new BPO each year. On June 22, 2010 your Board approved the award of BPO 17826 which expires June 30, 2011. Section 1.3(e)(3) of the Purchasing Policy Manual authorizes the use of another government agency's competitively awarded contract if prices and products offered to Placer County are comparable to the other government contract.

FISCAL IMPACT

There are no fees associated with participation in UHC, and no minimum purchases are required. Upon your Board's approval, the resulting BPO for pharmaceuticals will be effective for the period of July 1, 2011 through June 30, 2012 in the maximum amount of \$225,000.00. Health & Human Services' Fiscal Impact Statement is attached.

Attachment: HHS Fiscal Impact Statement

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

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Placer County
Health and Human Services Department

Administrative Services Division

Date: April 11, 2011
To: Honorable Board of Supervisors
From: Rebecca Mellott, HHS Fiscal Program Manager
Subject: **Fiscal Impact Statement**
BPO for Pharmaceutical Services (Cardinal Health)
Community Clinics for the period July 1, 2011 to June 30, 2012

The department has budgeted appropriately for the renewal of this \$225,000 Blanket Purchase Order (BPO) and funding is included in the Proposed FY2011-2012 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 31% of the patients seen in the County's Medical Clinics. Funding for this BPO includes \$126,000 from Federal and State sources, \$29,300 from private insurance, and \$69,700 of required County General Fund match.

Perspective, Hope, and Opportunity