

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

TO: Honorable Board of Supervisors  
FROM: Brett Wood, Purchasing Manager *BW*  
DATE: February 5, 2013  
SUBJECT: Local Pharmacy Services – Safeway Pharmacy and Rite Aid Pharmacy

**ACTION REQUESTED**

1. Approve the annual renewal of competitively bid Blanket Purchase Orders (BPOs) with Avia Partners dba Safeway Pharmacy #1899 of Roseville and Thrifty Payless dba Rite Aid of Camp Hill, PA for local pharmacy services for Health & Human Services in maximum aggregate amount of \$289,000, for the period of February 5, 2013 to December 31, 2013, funded 50% by federal Medicaid revenues and 50% required County General Fund match, and authorize the Purchasing Manager to sign the resulting BPOs.

**BACKGROUND**

On September 26, 2006 your Board approved the award of competitive Bid No. 9606 to various pharmacies to provide local pharmacy services to Health & Human Services' (HHS) clients when the County's pharmacy in Auburn is closed or when clients are otherwise unable to reach the pharmacy. The resulting BPOs have been renewed on an annual basis. The current BPOs expired on February 4, 2013. HHS has submitted requests to renew the BPOs. The vendors have agreed to renew at the same pricing and terms.

Renewal of these BPOs is authorized by Section 17 of the General Terms and Conditions of Bid No. 9606 and Purchasing Policy Manual Section 1.3(o), both of which allow renewal on a year-to-year basis upon the satisfactory performance and successful negotiation of pricing, terms, and conditions.

**FISCAL IMPACT**

The BPOs resulting from this recommendation will be issued in the maximum aggregate amount of \$289,000 as listed below. The department's Fiscal Impact Statement is attached.

| <u>Division</u> | <u>Vendor</u> | <u>RQ No.</u> | <u>RQ Amount</u> |
|-----------------|---------------|---------------|------------------|
| Clinics         | Rite Aid      | RQ055792      | \$245,000        |
| ASOC            | Rite Aid      | RQ055831      | 12,000           |
| ASOC            | Safeway       | RQ055829      | <u>32,000</u>    |
|                 | Total:        |               | \$289,000        |

Attachment: HHS Fiscal Impact Statement

cc: Dr. Richard Burton, Director, Health & Human Services  
Rebecca Mellott, Fiscal Program Manager, Health & Human Services



**Placer County  
Health and Human Services Department**

**Administrative Services Division**

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Date: February 5, 2013  
To: Honorable Board of Supervisors  
From: Rebecca Mellott, HHS Fiscal Program Manager  
Subject: **Fiscal Impact Statement  
BPO for Pharmaceutical Services  
For the period February 5, 2013 to December 31, 2013**

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The Department has budgeted appropriately for this Blanket Purchase Order (BPO) in the amount of \$283,000 (\$141,500 net County cost). It is funded 50% by federal Medicaid revenues and 50% required County General Fund match. Funding for the February 5 through June 30, 2013 period is included in the Department's FY2012-13 Final Budget, and the remaining six months will be included in the Department's FY2013-14 Requested Budget. The renewal amount is \$43,000 higher than the current BPOs in place due to the full implementation of the Medicaid 1115 Waiver Demonstration Program approved by the Board of Supervisors on July 24, 2012. Pharmaceutical services are mandated and must be provided to eligible 1115 Waiver recipients on an as-needed basis.

*Perspective, Hope, and Opportunity*