

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

TO: Honorable Board of Supervisors  
FROM: Brett Wood, Purchasing Manager  
DATE: December 10, 2013  
SUBJECT: Local Pharmacy Services – Safeway Pharmacy and Rite Aid Pharmacy

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**ACTION REQUESTED**

1. Approve the renewal of competitively awarded blanket purchase orders 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 the maximum aggregate amount of \$60,000, for the period of January 1, 2014 to December 31, 2014, funded by the department's FY2013-14 final budget and FY2014-15 requested budget, and authorize the Purchasing Manager to sign the resulting blanket purchase orders.

**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 blanket purchase orders (BPOs) have been renewed on an annual basis. The current BPOs will expire on December 31, 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.

During this past year, the County's participation in the Medicaid 1115 Waiver Demonstration Program and the recent closure of the County Pharmacy in Auburn have dramatically increased the department's needs for these services. The Medicaid 1115 Waiver Demonstration Program is scheduled to end on December 31, 2013 which will greatly reduce the County's obligation to provide pharmaceuticals in the upcoming year. The implementation of the Affordable Care Act will also reduce the department's requirements for these services.

**FISCAL IMPACT**

The department has requested BPOs for the period January 1, 2014 through December 31, 2014 in the maximum aggregate amount of \$60,000. Funding for this BPO includes \$51,000 from Federal and State sources, and \$9,000 of required County General Fund match. The department's Fiscal Impact Statement is attached.

Attachment: HHS Fiscal Impact Statement

cc: Rebecca Mellott, HHS – Director of Administrative Services  
Stan Hapak, HHS – Fiscal Operations Manager  
Maureen Bauman, HHS – Director of ASOC  
Connie Arney, HHS – Client Services Program Manager

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## Placer County Health and Human Services Department

Administrative Services Division

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Date: December 10, 2013  
To: Honorable Board of Supervisors  
From: Rebecca Mellott, Director of HHS Administrative Services  
Subject: **Fiscal Impact Statement  
BPOs for Medications Program  
Adult System of Care and Community Clinics  
For the period January 1, 2014 to December 31, 2014**

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The Department has budgeted appropriately for the renewal of these \$20,000 and \$40,000 (\$9,000 net County cost) Blanket Purchase Orders (BPOs). The first six months are included in the Department's FY2013-14 Final Budget, and the last six months will be included in the Department's FY2014-15 Requested Budget. Funding for this BPO includes \$51,000 from Federal and State sources, and \$9,000 of required County General Fund match. The renewal amount is a decrease of \$2,214,000 from the current BPOs due to cost shifted to the Affordable Care Act Program. This program provides medications to individuals receiving primary care services and mental health treatment at County clinics.

*Perspective, Hope, and Opportunity*