

**SANTA BARBARA COUNTY
BOARD AGENDA LETTER**



Clerk of the Board of Supervisors
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Agenda Number:
Prepared on: 3/19/2004
Department Name: Public Health
Department No.: 041
Agenda Date: 4/6/04
Placement: Administrative
Estimate Time:
Continued Item: NO
If Yes, date from:

TO: Board of Supervisors

FROM: Roger E. Heroux, MPA, Director
Public Health Department

STAFF CONTACT: Michael D. Harris 681-5214
Primary Care Administration
Public Health Department

SUBJECT: Bid Waiver for Purchase of Robotic Prescription Dispensing System for Santa Maria
Public Health Clinic

Recommendation(s):

That the Board of Supervisors:

Approve the waiver of the competitive bid requirement and authorize the Purchasing Manager to enter into an agreement with Parata Systems, Incorporated, a non-local vendor, for the purchase of a robotic prescription dispensing system in the amount of \$179,000 that includes computer interface, installation, and tax.

Alignment with Board Strategic Plan:

The recommendation is primarily aligned with Goal No. 1. An Efficient Government Able to Respond Effectively to the Needs of the Community.

Executive Summary and Discussion:

In 2002, the Public Health Department (PHD) reopened a pharmacy in its clinic located on Centerpointe Parkway, in Santa Maria. This was in response to an increasing need to insure access to pharmaceuticals for clinic patients who are unable to afford retail costs or significant co-pays. Because of its unique federal standing, the pharmacy at the Santa Maria Clinic only serves County clinic patients or those capitated to PHD clinics by the Santa Barbara Regional Health Authority. It does not provide services to the general public or non-PHD patients. Insuring that patients receive medications to treat or manage illness results in improved health outcomes and long-term health care savings.

From January through October 2003, the PHD's Santa Maria pharmacy experienced a 30% increase in the number of prescriptions filled. In the last 3 months alone of this study period, a 15% increase in prescription volume was noted. Commensurate with this increase in patient demand, has been the parallel growth in services provided to patients with payment sources such as State Medi-Cal, locally managed Medi-Cal

patients, and patients in State programs with pharmacy benefits. While it was anticipated that service requests would increase, this exponential increase has now placed the Santa Maria pharmacy in a position of needing additional resources to provide timely and accurate services.

The PHD has been using a robotic prescription dispensing system in its Calle Real Clinic and has found it to be beneficial to the overall delivery of service. The robotic prescription dispensing system assists staff with the mechanical portion of operating a pharmacy allowing pharmacists to concentrate on patient interactions and ensuring accurate pharmacy services. The PHD is interested in purchasing robotic pharmacy dispensing equipment for the Santa Maria pharmacy to keep pace with the growing needs for pharmacy services at that clinic site.

PHD seeks your Board's approval to waive the bid process and permit the Purchasing Manager to enter into an agreement with Parata Systems for the purchase of pharmacy dispensing equipment. Four robotic prescription dispensing systems were evaluated by, Carol Millage, Pharm.D., the PHD Pharmacy Supervisor. The Parata Systems equipment is the only one determined to meet the space and functionality needs for the Santa Maria site. In addition to having the features and capabilities needed, the Parata Systems robotic prescription dispensing system has a smaller footprint that will enable it to fit in the limited space at the Santa Maria Pharmacy.

The integration of this technology into the PHD's Santa Maria pharmacy will allow the program to continue to provide excellent patient services. With a continued anticipated growth of 1% to 2% monthly, failure to implement this technology will result in the need to hire additional staff.

Mandates and Service Levels:

The assurance of access to Primary Care services for indigent patients is mandated by California Administrative Code, Title 17, Chapter 3, Article 2, Sections 1276, 2500, 2501, 2502, 2503 and 2505; California Administrative Code, Title 17, Chapter 3, Subchapter 1 and Section 17000 of the Welfare and Institutions Code.

Fiscal and Facilities Impacts:

The cost of purchasing the Parata RDS robotic prescription dispensing system is \$179,000, this includes costs for a computer interface, installation and training. The ongoing monthly cost of full service customer support and replacement of all parts is included in the initial six months of ownership. After this period there is a \$417 per month maintenance fee. This is government pricing. The system is being funded with the Department's designated special revenue funds for capital outlay and has been appropriated as a budget adjustment to the Fiscal Year (FY) 2003-04 budget for the Public Health Department. Another purchase of this equipment has been included in the FY 04-05 recommended budget for the Public Health Department for the new Lompoc Clinic pharmacy. Based upon financial projections, it is believed that the equipment will pay for itself within one year through reduced staff time and increased pharmacy revenue volume.

Special Instructions:

None.

Concurrence:

Not Applicable.