



# Board Agenda Item 37

DATE: March 12, 2019

TO: Board of Supervisors

SUBMITTED BY: David Pomaville, Director, Department of Public Health

SUBJECT: Agreement with Diamond Drugs, Inc.

RECOMMENDED ACTION(S):

**Approve and authorize the Chairman to execute an Agreement with Diamond Drugs, Inc., dba Diamond Pharmacy Services, for pharmaceutical prescriptions and consultation services, effective upon execution, not to exceed five consecutive years, which includes a three-year base contract and two optional one-year extensions, total not to exceed \$1,500,000.**

Approval of the recommended action will allow the Department of Public Health to utilize Diamond Drugs, Inc. (Diamond) for pharmaceutical and consultation services to treat communicable diseases. Diamond was selected through a request for quotation (RFQ) process to provide medication and pharmacy services required by the California Department of Public Health (CDPH). The agreement will be funded by CDPH grant and Health Realignment funds, with no increase in Net County Cost. This item is countywide.

ALTERNATIVE ACTION(S):

There are no viable alternative actions. Should your Board not approve the recommended action, the Department would not be able to obtain medications required to treat communicable diseases in high-need residents.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended action. The maximum compensation is \$1,500,000 for the term. The agreement will be funded by a CDPH grant (16%) and Health Realignment (84%). Sufficient appropriations and estimated revenues are included in the Department's Org 5620 FY 2018-19 Adopted Budget, and will be included in subsequent budget requests for the duration of the term.

DISCUSSION:

The Department provides treatment for communicable diseases such as tuberculosis, meningitis and syphilis to high-need residents. This recommended agreement is instrumental to provide medications for the day-to-day clinic operations as well as specialty medications to treat health outbreaks. Consulting pharmacist services are included as required by the California State Board of Pharmacy.

On December 11, 2018, the Department released RFQ No. 19-033 for Pharmacy and Consultation services. Notices were sent to four potential vendors identified by the Department, and was posted on the Internal Services Department - Purchasing Division Public Purchase website. The RFQ required bidders to demonstrate the capabilities and qualifications required to execute the scope of work through at least five

years of experience working with public health entities.

The RFQ closed January 3, 2019. Purchasing received one proposal from Diamond, who demonstrated the necessary experience and capabilities to effectively execute the scope of work. Based on these criteria, the Department recommends entering into an agreement with Diamond.

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Agreement with Diamond Drugs, Inc.

CAO ANALYST:

Sonia M. De La Rosa