

W.4.H.1.

AGENDA COVER MEMORANDUM

Memorandum Date: 19 December 2007
Order Date: 2 January 2008

TO: Board of County Commissioners

DEPARTMENT: Lane County Sheriff's Office

PRESENTED BY: Judy Simpson

AGENDA ITEM TITLE: IN THE MATTER OF ACCEPTING A PROPOSAL FOR LCP 2007-06 FOR CORRECTIONS INMATE PHARMACY SERVICES AND AWARDED A THREE-YEAR REQUIREMENTS CONTRACT TO DIAMOND PHARMACY SERVICES

I. MOTION

MOVE TO APPROVE AWARDED THE CORRECTIONS INMATE PHARMACY SERVICES CONTRACT TO DIAMOND PHARMACY SERVICES AND AUTHORIZING EXECUTION BY THE COUNTY ADMINISTRATOR

II. AGENDA ITEM SUMMARY

The current contract for Inmate Pharmacy Services at the Lane County Adult Corrections Facility was extended to 31 December 2007 pending the outcome of the request for proposal process for a new contract. The process is complete, the proposal should be accepted and a contract executed.

III. BACKGROUND/IMPLICATIONS OF ACTION

A. Board Action and Other History

The Lane County Adult Corrections Facility has contracted for inmate pharmacy services since December 2000.

The current contract was awarded 1 April 2004 and expired 31 March 2007.

Board Order 07-3-21-2 extended the contract while the Oregon Jail Manager's Association studied the feasibility of providing a state-wide inmate pharmacy contract and

also provided Lane County time to complete their own Request for Proposal when the state contract did not materialize.

An invitation to submit Proposals for the Corrections Pharmacy Services was prepared and advertised in the Register Guard on 24 October 2007.

In response to the Request for Proposal, four proposals were received, as listed on the proposal recap sheet.

B. Policy Issues

Per Lane Manual 21.107(5), depending upon the authority to execute a contract per LM 21.145, the recommendation for award of the contract shall be considered and finally decided by either the Board or the County Administrator.

Per Lane Manual 21.145, contracts exceeding \$100,000 and/or 3 years in length require board approval.

C. Board Goals

Relevant strategic plan goals are:

A - Service Improvement – Lane County Government supports contracting out as one option to consider for assuring the efficiency and effectiveness of its services. It is more cost effective to contract out the pharmacy services for inmates rather than attempt to purchase and maintain an extensive inventory of pharmaceutical drugs. The pharmacy services contract also provides credit for unused and returned drugs, quarterly on-site audits ensuring an efficient operation and training for medical staff.

D. Financial and/or Resource Considerations

The purchase of Inmate Pharmacy Services was included and approved in the FY 07/08 Sheriff's Office budget.

E. Analysis

All proposals were evaluated by the evaluation committee for conformance to proposal specifications and requirements.

Diamond Pharmacy Services was selected as the preferred provider based on the combination of qualifications, experience, quality of proposed services and cost for products and services.

The contract will be a three-year requirements contract with an estimated value of \$720,000.

F. Alternatives/Options

Option 1. Adopt the order to award a three-year contract to Diamond Pharmacy Services and authorize its execution.

Option 2. Do not approve the order to award the contract and thereby not provide pharmacy services to Lane County inmates in a cost effective manner.

V. TIMING/IMPLEMENTATION

Upon approval by the Board, Sheriff's Office will proceed with contract processing.

D. RECOMMENDATION

Staff recommends option 1.

Contracting inmate pharmacy services has proven to be more cost effective than maintaining an inventory of pharmaceutical drugs, and Diamond Pharmacy Services has been chosen as the preferred provider.

III. FOLLOW-UP

Following Board action, a contract will be executed between Diamond Pharmacy Services and Lane County.

IV. ATTACHMENTS

1. Board Order.
2. Proposal Opening Recap Sheet
3. Request for Proposal Cover Sheet

LANE COUNTY PURCHASING PROPOSAL OPENING RECAP SHEET

REQUEST FOR PROPOSAL LCP 2007-06 FOR CORRECTIONS INMATE PHARMACY SERVICES

OPENED AND RECORDED BY: JACKIE OWEN, MANAGEMENT SERVICES

DATE: 13 NOVEMBER 2007

PROPOSER	PROPOSED AMOUNT
Correct RX Pharmacy Services, Inc. Dr. Ellen H. Yankellow, President/CEO 803 A Barkwood Court Linthicum, MD 21090	Brand Name – AWP minus 17% Generic – AWP minus 77% Base Cost Proposal - \$11,497.70
MAXOR Correctional Pharmacy Services John Q. Ward, CEO 416 Mary Lindsay Polk Drive, Suite 515 Franklin, TN 37067	Brand Name – AWP minus 19% Generic – AWP minus 78% Base Cost Proposal - \$9,060.20
Diamond Pharmacy Services Mark Zilner, R.PH., Director of Operations 645 Kolter Drive Indiana, PA 15701	Brand Name – AWP minus 18% Generic – AWP minus 72% Base Cost Proposal - \$9,136.34
Westwood Pharmacy Jake Pasternak, CEO 5823 Patterson Avenue Richmond, VA 23226	Brand Name – AWP minus 18% Generic – AWP minus 71% Base Cost Proposal - \$8,042.67

END OF PROPOSER LIST

LANE COUNTY REQUEST FOR PROPOSAL COVER SHEET

1. PROJECT TITLE: Corrections Pharmacy Services
 FOR Lt. Dennis Ewing
 DEPARTMENT: Sheriff's Office DIVISION: Adult Corrections

2. PREPARED BY: Michael Burt x4199 10/17/2007
 Signature Phone Date

- | | |
|--------------------------------------|-------------------------------------|
| Initial | Initial |
| <u>MB</u> a. Instructions to Vendors | <u>MB</u> e. Evaluation Committee |
| <u>MB</u> b. Specifications | <u>MB</u> f. Evaluation Matrix |
| <u>MB</u> c. Proposal Form | <u>MB</u> g. Appeal |
| <u>MB</u> d. Contract Form | <u>NIA</u> h. Other (See LM 21.118) |

3. LEGAL NOTICE PREPARED BY: Dagobert I. Over 682-4193 10/17/07
 Signature Phone Date

NAME OF PAPER DATE(S) OF NOTICE
 a. REGISTER GUARD Tuesday, October 24th
 b. DAILY JOURNAL OF COMMERCE NIA

4. LEGAL COUNSEL APPROVAL: David Law 3725 10/17/07
 Signature Phone Date

5. RISK MANAGER APPROVAL: A. Park 4372 10/18/07
 Signature Phone Date

6. OPENED BY: Dagobert I. Over 4193 11/13/07
 Signature Phone Date

7. DEPARTMENT REVIEW AND APPROVAL (The above items are required in the operation of this Department and the expenditure they represent is an approved budget charge)

Budget Code: 124 - 1515340 - 512751 \$ 720,000.00
 Fund-Dept/Div-Object-Prog-Grant Amount

APPROVED BY: _____
 Signature Title Date

8. PREPARATION OF AWARD (Initial Below)
- | | |
|------------|---|
| _____ | a. Recap Sheet Prepared and Attached |
| _____ | b. Proposal Forms Complete and Agenda Item Prepared |
| <u>NIA</u> | c. Recommendation sent to all Proposers |

REMARKS ON ANY DEVIATIONS: _____

RECOMMENDATION BY: _____
 Signature Phone Date