



Broward County

Legislation Details (With Text)

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Status: Agenda Ready

In control: HUMAN SERVICES DEPARTMENT

On agenda: 5/5/2020 **Final action:** 5/5/2020

Title: MOTION TO APPROVE additional threshold increase for Contract No.G1253007G1 between Broward County and Minnesota Multistate Contracting Alliance for Pharmacy, for Pharmaceutical Purchasing Program under State of Florida Contract No. 268-000-04-1, for the Broward Addiction Recovery Division, in the increased amount of \$650,000 for an estimated not-to-exceed annual threshold amount of \$1,000,000 for the remainder of the contract's current term, which is through January 28, 2021, and each of the two additional one-year renewal terms, through January 28, 2023.

Sponsors:

Indexes: Established Commission Goals

Code sections:

Attachments: 1. Exhibit 1 - BARC Memorandum dated March 26, 2020, 2. Additional Material - Information

Date	Ver.	Action By	Action	Result
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Broward County Commission Regular Meeting

Director's Name: George Tablack

Department: Finance and Administrative Services **Division:** Purchasing

Information

Requested Action

MOTION TO APPROVE additional threshold increase for Contract No.G1253007G1 between Broward County and Minnesota Multistate Contracting Alliance for Pharmacy, for Pharmaceutical Purchasing Program under State of Florida Contract No. 268-000-04-1, for the Broward Addiction Recovery Division, in the increased amount of \$650,000 for an estimated not-to-exceed annual threshold amount of \$1,000,000 for the remainder of the contract's current term, which is through January 28, 2021, and each of the two additional one-year renewal terms, through January 28, 2023.

Why Action is Necessary

In accordance with the Broward County Procurement Code, Section 21.31.a.4, Award Authority, Board approval is required for awards exceeding \$500,000. The increase to the contract threshold exceeds the authority of the Director of Purchasing.

What Action Accomplishes

Provides additional funding threshold for uninterrupted purchases of pharmaceuticals to be dispensed to patients participating in an addiction program at Broward Addiction and Recovery Centers.

Is this Action Goal Related

Yes

Previous Action Taken

None.

Summary Explanation/Background

THE PURCHASING DIVISION AND THE HUMAN SERVICES DEPARTMENT/BROWARD ADDICTION RECOVERY DIVISION RECOMMEND APPROVAL OF THE ABOVE MOTION.

This item supports the Board's Value of "Approaching human services collaboratively and compassionately, with special emphasis on the most vulnerable" and its Goal to "Effectively advocate for and acquire municipal, state and federal financial support to equitably address health and human services needs of the entire community, through a truly coordinated system of care."

This project will not be subject to the requirements of the Sheltered Market Program or assigned County Business Enterprise participation goals.

The purpose of this contract is to provide pharmaceuticals to individuals participating in substance abuse treatment programs for the Broward Addiction and Recovery Centers (BARC).

The Minnesota Multistate Contracting Alliance for Pharmacy (MMCAP), was created in 1985 and is a voluntary group of purchasing organizations operated and managed by the Materials Management Division of the State of Minnesota's Department of Administration for government-run health care facilities. Products and services offered through the program are the results of Request for Proposal processes that follow the State of Minnesota procurement laws, rules, and policies. It combines the purchasing power of its members to receive the lowest prices available for the products and services for which it contracts. MMCAP contracts with over 150 pharmaceutical manufacturers and has contracts for distributors to support the pharmaceutical contracts. Benefits include pharmaceuticals supplied through prime vendor or alternate supplier as indicated by MMCAP awards and invoice auditing services. MMCAP membership is comprised of thousands of participating facilities. There are no membership costs.

On February 6, 2018 (Item No. 7), the Board approved a retroactive renewal of cooperative Contract No. G1253007G1 between Broward County and MMCAP under State of Florida Contract No. 268-000-04-1, for a one-year period in the estimated annual amount of \$350,000, and authorized the Director of Purchasing to renew the contract for four one-year periods, for a total five-year potential estimated amount of \$1,750,000. The distributor for the State of Florida is Cardinal Health 110, LLC.

The average monthly expenditures in Fiscal Year 2018-2019 were \$46,000 per month or approximately \$552,000 annually. As a result, BARC requested two one-time threshold increases in January 2019 and November 2019 for \$100,000 and \$224,664, respectively.

On January 24, 2019, the Purchasing Director approved a \$100,000 threshold increase for BARC to have sufficient contract threshold to pay for the final months of the contract period that expired on January 28, 2019. The increase was necessary due to an unexpected increase in usage and cost of Vivitrol, which blocks opioid receptors in the brain; helping patients to prevent relapse to opioid dependence.

On December 4, 2019, the Purchasing Director approved a \$224,664 threshold increase for BARC to have sufficient contract threshold to pay for the final months (October 2019 through January 2020) of the contract period that expired on January 28, 2020. The increase was necessary due to a

significant increase of patients participating in the Medicated Assisted Treatment (MAT) Program.

BARC has requested a \$650,000 annual contract threshold increase based on a need to acquire medication to adequately serve BARC clients, which has increased over the past few years. The requested threshold increase is due to the opioid crisis and related treatment regimens. Current monthly expenditures in Fiscal Year 2019-2020 are averaging \$60,000 per month and increasing, with estimated annual expenditures of \$720,000. The current contract annual threshold of \$350,000 is not enough to sustain the rise in usage or ability to pay invoices for the remainder of the current contract term and optional renewal terms.

Source of Additional Information

Brenda J. Billingsley, Director, Purchasing Division, (954) 357-6137

Fiscal Impact

Fiscal Impact/Cost Summary

Each requirement processed against this open-end contract will be funded by the appropriate source at the time of release.