

1 [Agreement Amendment - MedImpact Healthcare Systems, Inc. - Third Party Pharmacy
2 Administration Services at Community Pharmacies - \$17,575,376]

3 **Resolution approving the third amendment to the agreement between the Department**
4 **of Public Health and MedImpact Healthcare Systems, Inc., for third party pharmacy**
5 **administration services at community pharmacies to increase the total contract amount**
6 **from \$9,900,000, for the term of July 1, 2008, through June 30, 2014, by \$7,675,376 for a**
7 **total contract amount of \$17,575,376 for six years.**

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9 WHEREAS, The Department of Public Health, in order to provide third party pharmacy
10 administration services at more than 15 community pharmacies for the more than 50,000
11 patients of the Department's Community Health Network who require them; and

12 WHEREAS, The Department of Public Health conducted a Request for Proposals in
13 December 2007 (RFP 33-2007) to solicit these services, which provided for an initial contract
14 term of one year with options to renew the contract to a maximum term of nine years, and
15 selected MedImpact Healthcare Systems, Inc. to perform them; and

16 WHEREAS, The Department established an agreement with MedImpact Healthcare
17 Systems, Inc. for these services in 2008, amending the contract in 2009 and 2011 to increase
18 the total contract amount and extend the term as needed to the present total contract amount
19 of \$9,900,000; and,

20 WHEREAS, The contract provides online, point-of-service electronic claims
21 adjudication for prescriptions, including, but is not limited to, verifying patient and provider
22 eligibility, formulary status of prescribed medication, patient co-pay status; and,

23 WHEREAS, The Department requests approval of a third amendment to the contract to
24 increase the total contract amount by \$7,675,376 to \$17,575,376 to enable the continued
25 provision of these services through June 30, 2014, a total term of six years; and

1 WHEREAS, A copy of this amendment is on file with the Clerk of the Board of
2 Supervisors in File No. 121062, which is hereby declared to be a part of this resolution as if
3 set forth fully herein; now, therefore, be it

4 RESOLVED, That the Board of Supervisors hereby authorizes the Director of Public
5 Health and the Purchaser, on behalf of the City and County of San Francisco, to amend the
6 contract with MedImpact Healthcare Systems, Inc. to increase the total amount from
7 \$9,900,000 for the term of July 1, 2008, through June 30, 2014 by \$7,675,376, for a total
8 contract amount of \$17,575,376 for the period of July 1, 2008 through June 30, 2014; and, be
9 it

10 FURTHER RESOLVED, That the Board of Supervisors requires that any expenditures
11 under this amendment be consistent with Health Commission policy which currently provides
12 for a 12% contingency.

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RECOMMENDED:

See File for Signature

Barbara A. Garcia
Director of Health

APPROVED:

See File for Signature

Mark Morewitz,
Secretary to the Health Commission