

315

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



FROM: Riverside County Regional Medical Center (RCRMC)

SUBMITTAL DATE:
March 28, 2014

SUBJECT: Approval of agreement with Teva Women's Health - ParaGardDirect for women's health pharmaceutical purchases. [\$500,000] Hospital Enterprise Funds. [Districts: All]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve and authorize the Purchasing Agent to execute agreements with Teva Women's Health - ParaGardDirect for purchases of ParaGard T 380A intrauterine copper contraceptive, without seeking competitive bids, for a total of \$100,000 per year, to be renewed annually through 2019, and
2. Authorize the Purchasing Agent, in accordance with Ordinance 459.4, to sign amendments that do not change the substantive terms of the agreement, and to allow the Purchasing Agent to increase the compensation amount not more than ten percent of the annual amount over the twelve month period.

BACKGROUND:

Summary

Riverside County Regional Medical Center (RCRMC) is a full service medical center providing medical services for both inpatients and outpatients. ParaGard is an Intrauterine Contraceptive (ICU) that is

Lowell Johnson
Lowell Johnson
Interim CEO

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 100000	\$ 100000	\$ 500000	\$	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY	\$ 0	\$ 0	\$ 0	\$	
SOURCE OF FUNDS: Enterprise Fund				Budget Adjustment: No	
APPROVE				For Fiscal Year: 13/14	

C.E.O. RECOMMENDATION:

BY: *Debra Cournoyer*
Debra Cournoyer

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

- A-30
- Positions Added
- 4/5 Vote
- Change Order

Prev. Agn. Ref.:

District: All

Agenda Number:

3-18

Departmental Concurrence

Purchasing: *Mark Seiler*
Mark Seiler, Assistant Director

SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

FORM 11: Approval of agreement with Paragard Direct for women's health pharmaceutical purchases.

[\$500,000] Hospital Enterprise Funds. [Districts: All]

DATE: March 28, 2014

PAGE: 2 of 2

BACKGROUND:

Summary (continued)

currently prescribed to patients of the Family Care Centers, and RCRMC. The product is considered a standard of care and allows clinicians and physicians to treat patients' in the same-day. Teva Women's Health – through its ParaGardDirect Program – is the sole distributor/supplier of ParaGard T380A intrauterine contraceptive. ParaGard is 99% effective at preventing pregnancy and lasts as long as desired up to 10 years.

Impact on Residents and Businesses

This service impacts the patients of RCRMC many of whom reside in Riverside County.

Contract History and Price Reasonableness

The price of \$225.00 per unit is based on the 340B Drug Pricing Program, which requires drug manufactures to provide outpatient drugs to eligible health care organizations at significantly reduced prices. Pricing of 340B identified drugs is Federally administered and our cost savings having qualified for such pricing is estimated at 20 – 50 percent.

Date: January 17, 2014
From: Lowell Johnson, Interim CEO, Riverside County Regional Medical Center
To: Purchasing Agent
Subject: Sole Source Procurement; Request for: **ParaGard ® (Intrauterine Copper Contraceptive)**

The below information is provided in support of my Department requesting approval for a sole source. Outside of a duly declared emergency, the time to develop a statement of work or specifications is not in itself justification for sole source.

1. **Supply/Service being requested:** ParaGard ® T380A Intrauterine Copper Contraceptive
2. **Supplier being requested:** ParaGard Direct
3. **Alternative suppliers that can or might be able to provide supply/service:** None. This contraceptive is only available through the ParaGard Direct Program in the United States.
4. **Extent of market search conducted:** Internet/Market Research, personal contact with manufacturer of product.
5. **Unique features of the supply/service being requested from this supplier, which no alternative supplier can provide:** ParaGard is a long-lasting contraceptive that is placed in the patient's uterus. The contraceptive has been determined to be effective in preventing pregnancy for up to 10 years. ParaGard is the only company in the United States marketing and manufacturing a copper-bearing IUC. The benefits of ParaGard are as follows:
 - ParaGard does not contain hormones, which gives the patients reassurance of not having hormone-related side effects such as associated weight gain, mood swings, acne or headaches
 - ParaGard is flexible and can be easily placed in the patient's uterus during a routine office/clinic visit. It can be removed at any time if a patient decides they want to have children later
 - ParaGard is FDA approved
 - Studies have shown that ParaGard is more than 99% effective at preventing pregnancy, and can last two, five, and up to 10 years
6. **Reasons why my department requires these unique features and what benefit will accrue to the county:** ParaGard is made available to patients of the Family Care Centers, and RCRMC. The product allows clinicians and physicians to treat patients same-day. The product has been shown to be comfortable for patients, as it is easily inserted, and easily removed.
7. **Price Reasonableness including purchase price and any ongoing maintenance or ancillary costs from the supplier:** The price of \$225.00 per unit is based on the 340B Drug Pricing Program, which requires drug manufacturers to provide outpatient drugs to eligible health care organizations at significantly reduced prices. RCRMC and Riverside County Health Care System (RCHCS) have been identified as eligible health care organizations under the 340B program. The cost savings are estimated to be 20% - 50%.

8. Does moving forward on this product or service further obligate the county to future similar contractual arrangements or any ongoing costs affiliated with this sole source? (Maintenance, support, or upgrades, if so, please explain). Yes. To furthermore, grant the Purchasing Agent the authority to purchase ParaGard without seeking competitive bids, not to exceed \$100,000.00 through the year 2018, or until the product is no longer offered to patients, whichever comes first.

9. **Period of Performance:** Upon approval, purchases will commence for a 12-month period.

James J. Adams 1/22/14
Department Head Signature Date

Purchasing Department Comments:

Approve Approve with Condition/s Disapprove
Not to exceed: \$ 100,000 One time Annual Amount through 6-13-19
Mark R. De... 4-2-14 14-437
Purchasing Agent Date Approval Number
(Reference on Purchasing Documents)