



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: 10

Agenda Date: December 15, 2022

In Control: City Council A Session

DEPARTMENT: Finance Department

DEPARTMENT HEAD: Troy Elliott

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Amendment for the Purchase of Vaccines and Biologicals

SUMMARY:

This ordinance authorizes the City to continue the use of the Minnesota Multistate Contracting Alliance for Pharmacy (MMCAP) for an estimated amount of \$1,500,000.00 to provide the City with biological products and influenza vaccines for a period of five years. Funding for the first year of the contract is available in the amount of \$201,000.00 from the FY 2023 General Fund Budget and \$250,000.00 is available from the Immunization COVID-19 Round 3/Round 4 Grant. Funding for subsequent years is contingent upon Council approval of the annual budget.

BACKGROUND INFORMATION:

In March of 2019, City Council approved Ordinance 2019-03-21-0209 for San Antonio Metropolitan Health District (Metro Health) to utilize the Minnesota Multistate Contracting Alliance for Pharmacy (MMCAP) contract in an amount up to \$500,000.00 to provide the City with biological products and influenza vaccines for a period of five years.

On July 1, 2018, the Texas Statewide Procurement Division effectively ended direct contracting

with multiple vaccine and biologicals manufacturers and joined the MMCAP as a Statewide Agency. In October 2018, Metro Health began the process of membership with MMCAP through the Texas Statewide Procurement Division. Since then Metro Health has provided an essential service to the community. In the wake of continuing Covid-19, Varicella, Human Papilloma, Measles Mumps, Rubella, and Flu strain cases, it is essential for these vaccine services to continue in order to provide community protection.

The MMCAP program is operated by the State of Minnesota's Department of Administration. MMCAP provides vaccines, biologicals, healthcare products and services from multiple manufacturers at discount pricing equal to or greater than the pricing previously realized through the Texas Statewide Procurement Division. The State of Texas's MMCAP Membership, through the Texas Statewide Procurement Division, provides access to competitively bid vaccines and biological products under MMCAP terms and conditions. MMCAP holds contracts with manufacturers including Merck, Cardinal Health, Sanofi Pasteur, GlaxoSmithKline, Dynavax Technologies, PaxVax and Seqirus USA, and distributors including FFF Enterprises, McKesson Medical, and Cardinal Health.

This ordinance will allow the City to continue to leverage the purchasing power of the MMCAP program in order to realize cost and resource savings, and other efficiencies, while procuring necessary vaccines and biologicals. These efficiencies include consistent contract terms and conditions, reduced solicitation and negotiating time, and consistency in the products and services available.

Metro Health vaccine and biological purchases are coordinated through the Immunization Program. The Metro Health's Immunization Program purchases the following vaccines for the Immunization Program: DTaP; Hepatitis A; Hepatitis B; combined Hepatitis A and B; Measles, Mumps and Rubella (MMR); Polio; Influenza; Human Papillomavirus 9-valent; Meningococcal Group B; Meningococcal Conjugate (Groups A, C, Y and W-135); Hib; Varicella; Pneumococcal 13-valent; Pneumococcal Polysaccharide (23 Valent); Rotavirus; Tetanus and Diphtheria Toxoids; Zoster Vaccine Recombinant, Adjuvanted; and, Tetanus Toxoid, Reduced Diphtheria Toxoid and Acellular Pertussis.

ISSUE:

Approval of this ordinance will provide Metro Health with authorization to utilize the MMCAP contracts for the purchase of vaccines and biologicals. Pursuant to Texas Local Government Code section 271.102 provides for the City's participation in cooperative purchasing programs and such purchases satisfy any state law requiring competitive bidding.

Additionally, should a vaccine become available to address a public health issue, this contract could enhance Metro Health's ability to secure a vaccine during a potential shortage.

ALTERNATIVES:

Should this action not be approved, Metro Health would return to the process of bidding individual contracts and presenting these contracts to City Council for the purchase of biological and influenza vaccines on a single procurement basis. This will significantly lengthen the procurement processes and limit the City's ability to obtain the most favorable terms, conditions, and pricing during the fiscal year as realized with awarded contracts through MMCAP.

FISCAL IMPACT:

This ordinance authorizes the City to continue the use of the Minnesota Multistate Contracting Alliance for Pharmacy for an amount up to \$1,500,000.00, to provide the City with biological products and influenza vaccines for a period of five years. Funding for the first year of the contract is available in the amount of \$201,000.00 from the FY 2023 General Fund budget and \$250,000.00 is available from the Immunization COVID-19 Round 3/Round 4 Grant. Funding for subsequent years is contingent upon Council approval of the annual budget.

RECOMMENDATION:

Staff recommends approval of this ordinance to allow Metro Health to utilize the MMCAP contract for the purchase of biological products and influenza vaccines in an amount up to \$1,500,000.00 over a period of five years.

This request for capacity based authorization is cooperative purchasing and a Contracts Disclosure Form is not required.