



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: 18

Agenda Date: May 12, 2022

In Control: City Council A Session

DEPARTMENT: Health Department

DEPARTMENT HEAD: Claude Jacob

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Ordinance approving a renewal and amendment to an agreement with Carvajals, Inc. d/b/a Carvajal Pharmacy to add an additional \$1,200.00, increasing the annual compensation to an amount not to exceed \$16,200.00, annually, for services related to the San Antonio Metropolitan Health District's Class D Pharmacy operation, for a term ending May 31, 2023. Funding for the agreement is available in the FY 2022 General Fund Budget. Funding for subsequent years is contingent upon City Council approval of the annual budget.

SUMMARY:

This Ordinance approves a renewal and amendment to an agreement with Carvajals, Inc. d/b/a Carvajal Pharmacy to add an additional \$1,200.00, annually, increasing the annual compensation to an amount not to exceed \$16,200.00, for services related to the San Antonio Metropolitan Health District's Class D Pharmacy operation, for a term beginning June 1, 2022 and ending May 31, 2023, which may be renewed for two, one-year terms, for a cumulative value not to exceed \$78,600.00, inclusive of renewals.

BACKGROUND INFORMATION:

Metro Health's Class D Pharmacy supports the clinical operations of the Department and requires a Pharmacist-In-Charge (PIC). The Class D Pharmacy is housed at the STD Clinic but supplies

medications to additional Metro Health's programs. These medications are provided to community members in need. The PIC ensures that all policies and procedures are in compliance with the Texas State Board of Pharmacy including but not limited to staffing, compliance, medication management, medication preparations, labeling, dispensing, consulting, and training.

Historically, Metro Health has contracted with a local pharmacy to provide a PIC to manage Class D Pharmacy medications, review monthly inventory, and remove expired medications. Monthly inventory is required to be submitted to the Fiscal Section and all medications must be accounted for.

In 2019, Metro Health issued a Request For Proposal (RFP) where Carvajals, Inc. d/b/a Carvajal Pharmacy was the selected respondent from this solicitation. Through Ordinance No. 2020-04-16-0270, City Council approved an initial agreement with Carvajals, Inc. d/b/a Carvajal Pharmacy, for a term beginning June 1, 2020 and ending May 31, 2021, for an amount up to \$15,000.00 annually, with the option to renew for four, one-year terms and a total compensation amount up to \$75,000.00 inclusive of renewals.

Due to additional reporting needs, and an increasing number of medications requiring monthly monitoring and management, as required by the Texas State Board of Pharmacy, the cost for managing the Class D Pharmacy has increased. These additional costs will support additional reporting and the ongoing management of the Class D Pharmacy to include the provision of a PIC as required by the Texas State Board of Pharmacy. The PIC will ensure that documents and activities meet state requirements in order to provide medication to several Metro Health programs.

ISSUE:

Metro Health is requesting approval of a renewal and amendment to the agreement with Carvajals, Inc. d/b/a Carvajal Pharmacy to increase compensation to the contractor by \$1,200.00, annually, for a total amount up to \$16,200.00, to provide additional reporting, as required by the Texas State Board of Pharmacy, due to an increasing number of medications requiring monthly monitoring and management services related to the San Antonio Metropolitan Health District's Class D Pharmacy operation, for the renewal term ending May 31, 2023 and the additional two, one-year renewal options remaining on the agreement.

ALTERNATIVES:

Should this agreement not be authorized, Metro Health will not be able to increase the compensation of the agreement to \$16,200.00, annually, to meet additional reporting needs, as required by the Texas State Board of Pharmacy, due to an increasing number of medications requiring monthly monitoring and management services for Metro Health's TB Program. Without authorization to execute the agreement, Metro Health would need to identify other professionals in the community that can provide similar services and would significantly delay Metro Health from providing essential medications to clients of Metro Health's TB program.

FISCAL IMPACT:

This ordinance approves a renewal and amendment to the agreement with Carvajals, Inc. d/b/a Carvajal Pharmacy to add an additional \$1,200.00, annually, increasing the annual compensation to an amount not to exceed \$16,200.00, for a term beginning June 1, 2022 and ending May 31, 2023, and the additional two, one-year renewal options. The total contract value will not exceed \$78,600.00, inclusive of renewals. Funding for the agreement is available in the FY 2022 General Fund Budget. Funding for subsequent years is contingent upon City Council approval of the annual budget.

RECOMMENDATION:

Staff recommends approval of the ordinance to execute a renewal and amendment to the agreement with Carvajals, Inc. d/b/a Carvajal Pharmacy to renew and increase compensation and services related to the San Antonio Metropolitan Health District's Class D Pharmacy operation.