



Legislation Text

File #: 0808-2017, **Version:** 1

Background: This legislation authorizes the establishment of a Universal Term Contract (UTC) with Public Health Service (PHS) Pharmaceuticals for prescription drugs. The Columbus Public Health Department is the sole user of this contract for pharmaceuticals. The contractor will provide FDA approved prescription drugs and any other products approved by the U.S. Department of Health and Human Services, at Public Health Service (PHS) cost. The PHS cost is Federal government discounted pricing as mandated in the 1992 Veterans Health Care Act, Section 602, 340B. The program requires drug manufacturers to provide outpatient drugs to eligible health care organizations/covered entities at significantly reduced prices. The intent of the program is to allow covered entities to stretch scarce federal resources as far as possible, reaching more eligible patients and providing more comprehensive services.

The term of the proposed option contract is through April 30, 2020, with an option to extend for two (2) additional one (1) year periods, subject to mutual agreement by both parties. The Purchasing Office opened formal bids on March 9, 2017.

The Purchasing Office advertised and solicited competitive bids in accordance with relevant provisions of the City Code (RFQ004396). Twenty-one (21) bids were solicited; one (1) response was received.

The Purchasing Office is recommending award to the most responsive, responsible, and best bidder as follows:

Smith Medical Partners: CC# 261299438; Expires: 3/21/2019

Total Estimated Annual Expenditure: \$250,000.00

This company is not debarred according to the Excluded Party Listing System of the Federal Government or prohibited from being awarded a contract according to the Auditor of State Unresolved Findings for Recovery Certified Search.

Fiscal Impact: Funding to establish this option contract is from the General Fund. City agencies will be required to obtain approval to expend from their own appropriations for their estimated annual expenditures.

Emergency Legislation: This ordinance is being submitted as emergency legislation as the current contract expires on April 30, 2017 and a contract is needed so PHS Pharmaceuticals can be purchased from the company named herein.

To authorize the Finance and Management Director to enter into one Universal Term Contract for the option to purchase PHS Pharmaceuticals with Smith Medical Partners; to authorize the expenditure of one dollar (\$1.00) and to establish the contract from the General Fund (\$1.00); and to declare an emergency.

WHEREAS, the Purchasing Office advertised and solicited formal bids on March 9, 2017 for the option to purchase PHS Pharmaceuticals and selected Smith Medical Partners as the most responsive, responsible and best bidder; and

WHEREAS, the current PHS Pharmaceuticals contract expires on April 30, 2017; and

WHEREAS, this ordinance addresses Purchasing objectives of 1) maximizing the use of City resources by obtaining optimal products/services at low prices and 2) encouraging economic development by improving access to City bid

opportunities and 3) providing effective option contracts for City agencies to efficiently maintain their supply chain and service to the public; and

WHEREAS, an emergency exists in the usual daily operation of the Columbus Public Health Department in that it is immediately necessary to authorize the Finance and Management Director to enter into contract with Smith Medical Partners for the option to purchase PHS Pharmaceuticals; now, therefore

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS:

SECTION 1. That the Finance and Management Director is hereby authorized to enter into the following contract for the option to purchase PHS Pharmaceuticals through April 30, 2020, with the option to extend for two (2) additional one (1) year periods in accordance with Request for Quote No. RFQ004396;

Smith Medical Partners; All items in addition to Price List; \$1.00

SECTION 2. That the expenditure of \$1.00 is hereby authorized in Fund 1000 General Fund in Object Class 02 Materials and Supplies per the account codes in the attachment of this ordinance.

SECTION 3. That the funds necessary to carry out the purpose of this ordinance are hereby deemed appropriated, and the City Auditor shall establish such accounting codes as necessary.

SECTION 4. That for the reason stated in the preamble hereto, which is hereby made a part hereof, this ordinance is hereby declared to be an emergency measure and shall take effect and be in force from and after its passage and approval by the Mayor or ten days after passage if the Mayor neither approves nor vetoes the same.