



# City of San Antonio

## Agenda Memorandum

**File Number:** 19-1995

---

**Agenda Item Number:** 5.

**Agenda Date:** 3/21/2019

**In Control:** City Council A Session

---

**DEPARTMENT:** Finance

**DEPARTMENT HEAD:** Troy Elliott

**COUNCIL DISTRICTS IMPACTED:** Citywide

### **SUBJECT:**

Purchase of Various Vaccines and Biologicals

### **SUMMARY:**

This action authorizes the City to utilize the Minnesota Multistate Contracting Alliance for Pharmacy (MMCAP) contract in an amount up to \$500,000.00 to provide the City with vaccines and biologicals for a period of five years.

### **BACKGROUND INFORMATION:**

The San Antonio Metropolitan Health District (Metro Health) historically utilized contracts available through the Texas SmartBuy Program and managed by the Texas Statewide Procurement Division. 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. The final manufacturer direct contract with the Texas Statewide Procurement Division ended on December 31, 2018. In October 2018, Metro Health began the process of membership with MMCAP through the Texas Statewide Procurement Division.

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, Dynavax, Pfizer, Sanofi Pasteur, GlaxoSmithKline and others.

This capacity based authorization will allow the City 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 and undergo approval from the Assistant Director for Communicable Disease. The SAMHD'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:**

This action will provide Metro Health with authorization to utilize the MMCAP contracts for the purchase of vaccines and biologicals. Pursuant to Texas Government Code § 2054.0565, the City is not required to conduct its own competitive bidding when utilizing contracts procured by MMCAP.

Additionally, should a vaccine become available to address a public health issue, this contract could enhance SAMHD'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 vaccines and biologicals 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:**

Funds are not encumbered by this ordinance. All expenditures will be in accordance with the City's adopted operating budgets approved by City Council. The expenditures through the MMCAP contract approved by this ordinance shall not exceed \$500,000.00 over a term of five years. Purchases made by Metro Health are as needed and dependent upon available funds within the adopted budget.

#### **RECOMMENDATION:**

Staff recommends approval of this action to allow Metro Health to utilize the MMCAP contract for the purchase of vaccines and biologicals in an amount not to exceed \$500,000.00 over a period of five years.

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