

SUMMARY OF REQUEST

DATE: August 31, 2022

FACILITY: Systemwide (All regional hospitals)

PROGRAM/PRODUCT LINE: Pharmacy Division

REQUEST: Approve entering into a 9-year agreement with BD (CareFusion) for medication management automation.

PURPOSE: Extending the current contract or executing a new contract to maintain continuity of care and operations while adding enhancements to Broward Health's medication management systems such as replacing end-of-life hardware and compatible IT servers and implementing new safety measures.

CAPITAL REQUIRED: \$22,000,000

FISCAL IMPACT: FY23 – FY 31

BUDGET STATUS: \$2,313,544 Annually – Current operational

LEGAL REVIEW: The contract is subject to General Counsel's review and approval as to legal form and conditioned on no material changes in the approved business terms.

APPROVED:

08/11/2022 06:51 EDT

DATE: _____

Shane Strum, President/CEO

MEMORANDUM

TO: Board of Commissioners

FROM: Shane Strum, President/Chief Executive Officer

DATE: August 31, 2022

SUBJECT: Approve entering into a 9-year agreement with BD (CareFusion) for medication management automation.

BACKGROUND

The current contract with BD (CareFusion) will expire on January 1, 2023, for automated medication dispensing cabinets.

BD (CareFusion) is fully integrated within Broward Health's clinical systems. The preparation, access, and administration of all patient medication orders are transmitted and completed through BD's (CareFusion) medication management systems throughout Broward Health. BD's (CareFusion) medication management systems also securely store medications (including controlled substances in compliance with state and federal law) and the physical hardware is securely housed within the Pharmacy Departments in all clinical areas where medication treatment is provided.

The agreement will further improve safety and quality by introducing barcode scan technology to verify product integrity before compounding medication and substances within the hospitals. The use of barcode technology in high-risk areas will improve patient safety and quality throughout Broward Health. Inventory automation controls will also be introduced which is an enhancement that reduces medication waste. This automation manages medications from the actual receipt of the order up to and through the administration of the medication to the patient.

Finally, BD (CareFusion) is compatible with both Cerner and Epic in the event that Broward Health transitions to a different EHR database.

ACTION/PROJECT DESCRIPTION

Approve entering into a 9-year extension, amendment, or agreement with BD (CareFusion) for medication management automation with added components such as replacing equipment that has reached its end of life; the installation of compatible IT servers; the implementation of a barcode technology system; and inventory automation controls.

FINANCIAL/BUDGETARY IMPACT

Broward Health's current obligations equal \$2,313,544 annually compared to approximately \$2,400,00 annually if financed or \$2,300,000 annually if purchased.

JUSTIFICATION

The current hardware's lifespan is estimated to be between 7-10 years and a majority of such equipment has reached its end of life. This new agreement will replace such equipment and hardware and provide additional pharmaceutical enhancements consistent with current best practices.

STAFF RECOMMENDATIONS

RECOMMENDATION 1:

Therefore, it is requested that the Board of Commissioners of the North Broward Hospital District authorize the District to enter into an amendment or new agreement with BD (CareFusion) not to exceed an overall cost of \$22 million over a nine (9) year term.

RECOMMENDATION 2:

It is further requested that the Board of Commissioners of the North Broward Hospital District authorize and empower the District's Chief Executive Officer, Chief Financial Officer, and their respective delegates to secure funding through financing or other credit arrangements upon such terms and conditions and at such rates and charges that, in their discretion, they deem advisable, necessary, or appropriate in the manner most favorable to the District, and to take all such action, sign and deliver all such instruments and documents, to execute in the name and on behalf of the District, and to pay all such expenses in connection therewith in order to fully carry out the intent and to accomplish the purposes of entering into the amendment or new agreement with BD (CareFusion).