



# COUNTY OF ERIE

**MARK C. POLONCARZ**

COUNTY EXECUTIVE

April 1, 2014

Erie County Legislature  
92 Franklin Street – Fourth Floor  
Buffalo, New York 14202

**Re: Authorization to Contract with Diamond Drug, Inc.**

Dear Honorable Members:

As part of the Department of Health's continued efforts to improve quality and reduce costs in the Correctional Health Services Division, a request for proposals for pharmacy services was issued.

After rigorous scrutiny by an evaluation committee using set criteria, the Department of Health recommends that the County enter into contract with Diamond Drug, Inc. for the provision of certain pharmaceutical services in the Division of Correctional Health Services and the Division of Health. We believe that executing a contract with Diamond will result in savings to the County and will provide seamless integration with Electronic Medical Record/Electronic Health Record software.

If your Honorable Body has any questions, please contact Commissioner of Health Dr. Gale Burstein. Thank you for your consideration.

Sincerely,

Mark C. Poloncarz, Esq.  
Erie County Executive

MCP/mc  
Enclosure

cc: Health Commissioner Gale R. Burstein, MD

## **MEMORANDUM**

**To:** Honorable Members of the Erie County Legislature  
**From:** Department of Health  
**Re:** Authorization to Contract with Diamond Drug, Inc.  
**Date:** March 25, 2014

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### **SUMMARY**

Authorization is requested to enter into a contract with Diamond Drug, Inc. for the purpose of providing pharmacy management services for the Erie County Health Department's Division of Correctional Health and the Division of Health.

### **FISCAL IMPLICATIONS**

It is anticipated that the new pharmacy management contract will help lower county costs.

### **REASONS FOR RECOMMENDATION**

The Erie County Department of Health has been examining options to control costs in the Division of Correctional Health, and to improve the quality, speed, and technology associated with pharmacy management. After examining proposals submitted by pharmacy management service providers, Diamond was chosen for their cost, fast turn-around times, and Electronic Health Record integration.

### **BACKGROUND INFORMATION**

Both the Division of Correctional Health and the Division of the Health require a substantial amount of pharmaceutical deliveries. The services are used to provide pharmaceuticals to the Erie County Holding Center, Correctional Facility, Youth Detention Facility, and to a lesser extent at the tuberculosis and sexually transmitted disease clinics.

Following a RFP process, the Erie County Department of Health received two proposals from pharmaceutical management companies that serve Western New York. Based on their competitive cost, turn around time, extensive technology services, 24 hour support, courier services, and Electronic Health Record integration, Diamond Drug, Inc. was chosen.

### **CONSEQUENCES OF NEGATIVE ACTION**

The Department of Health would continue to pay above-market rates for pharmaceutical services, and be unable to integrate script writing and pharmaceutical management into an Electronic Medical Record.

### **STEPS FOLLOWING APPROVAL**

The Health Department will work with the Division of Budget and Management and the County Attorney to implement this request.

**A RESOLUTION SUBMITTED BY:  
THE DEPARTMENT OF HEALTH**

RE: Authorization to Contract with Diamond Drug, Inc.

WHEREAS, the Erie County Department of Health's Division of Correctional Health and Division of Health require pharmaceutical management services; and

WHEREAS, Erie County Department of Health strives to contract with the highest quality and most cost effective vendors; and

WHEREAS, a Request for Proposals was made to solicit qualified pharmaceutical management respondents; and

WHEREAS, an Evaluation Committee was formed to review these proposals; and

WHEREAS, Diamond Drug, Inc. was chosen as the most qualified and cost effective respondent.

NOW, THEREFORE, BE IT

RESOLVED, that the County Executive is hereby authorized to enter into a contract with Diamond Drug Inc. for the provision of pharmaceutical services in the Department of Health; and be it further

RESOLVED, that the term of this contract shall commence on May 1, 2014 through May 1, 2016; and be it further

RESOLVED, that funding is currently available for these pharmaceutical services in the 2014 Budget of the Department of Health's Division of Correctional Health Services, Account 505800 (Medical and Health Supplies); and be it further

RESOLVED, that certified copies of this resolution be forwarded to the County Executive, the Office of the Comptroller, the Division of Budget and Management, the Department of Law, and to Dr. Gale R. Burstein, Commissioner of Health.