

# **The Sacramento County Primary Care Clinic**

## **Issue**

The Sacramento County Grand Jury reviewed the quality and availability of medical services at the Sacramento County Primary Care Clinic.

## **Reason for Investigation**

Along with growth across all demographics in Sacramento County, the number of low income and indigent individuals has also increased. These individuals require medical services both in terms of intervention and long term health care. The Grand Jury reviewed the quality and availability of these medical services.

## **Method of Investigation**

The Grand Jury interviewed:

- Division Chief, Primary Health Services Division
- Medical Director, Clinic Services Branch
- Director, Pharmacy Services
- Chief, Correctional Health Services, Sheriff's Department
- Project Manager, County Medication Management System (CMMS)

The Grand Jury reviewed:

- Primary Care Clinic brochures and information packets
- Eligibility packets
- Memorandum from the County Pharmacist regarding pharmacy staffing
- Request for Proposal (RFP) for the CMMS, January 10, 2005
- CMMS contract, October 10, 2005
- Pharmacy Computer Service, Inc. of Oregon (PCSI) response to the RFP
- PCSI RX 3000 open item log
- Department of Health and Human Services Information Technology organization chart, April 2, 2007
- Letter from Chief, Primary Health Services Division to PCSI regarding PCSI's failure to demonstrate the RX 3000 outpatient/inpatient application functionality, December 7, 2006
- Letter from PCSI to Chief, Primary Health Services Division, December 11, 2006

## Background and Information

The purpose of the County Medically Indigent Services Program (CMISP) is to provide medically necessary care to all eligible residents of Sacramento County. All recipients of General Assistance (GA) are automatically eligible for CMISP clinic services. Other indigent persons who need to apply for CMISP may do so at the time they request medical service at one of the following clinics:

- Primary Care Clinic  
4600 Broadway  
Sacramento, CA 95852
- South City Health Center  
7171 Bowling Green Drive  
Sacramento, CA 95823
- Del Paso Health Center  
3950 Research Drive  
Sacramento, CA 95838
- Capital Health Center  
1500 C Street  
Sacramento, CA 95814
- Northeast Health Center  
7805 Auburn Boulevard  
Citrus Heights, CA 95610
- Sacramento Dental Clinic  
1500 C Street  
Sacramento, CA 95814

On November 1, 2003, the County of Sacramento opened the new Doctor Paul F. Hom Primary Care Clinic (PCC). PCC is the center of the health support facilities in Sacramento County. PCC is open from 8:00 a.m. until 9:00 p.m., Monday through Friday. Along with indigent patients, the clinic also serves the working poor who are not eligible for Medi-Cal benefits.

On an average day, besides a full schedule of office visits, the clinic will serve as many as 150 additional walk-in patients for treatment. Of these walk-in patients, as many as 50 are new patients and an enormous amount of work is required to document their medical histories. The clinic also receives follow-up patients from area emergency rooms. In an average year, PCC will provide medical support to over 50,000 patients.

While the clinic has a full spectrum of services such as laboratory (outsourced), radiology and pharmacy, the staff also facilitates referrals for services beyond the scope of the PCC. This would include services such as chemotherapy, radiation therapy, advanced diagnostics and inpatient care.

Additional points of interest include:

- The clinic does not have patient transportation available but provides vouchers for taxis and public transit.
- The staff at the clinic can translate over a dozen languages and a phone translation service is available for others.
- The Chest Clinic is the primary county caregiver for patients with tuberculosis regardless of the patient's income or insurance.
- The clinic has many active volunteers, both lay individuals and health care professionals. County residents are encouraged to volunteer at 874.9670.

- The 2007 budget of the clinic through the Department of Health and Human Services is \$93 million.

## **Problems in Pharmacy Staffing**

### **Staffing**

During tours and interviews with the clinic staff, the Grand Jury learned that there is currently a shortage of pharmacists working for Sacramento County. These pharmacists are responsible for dispensing prescription requests from all of the county clinics and the county correctional facilities. Currently, 25% of the authorized positions are vacant. Within the next two years, retirement and work hour cut-back requests will further decrease the existing staff. Pharmacy staffing is problematic for the following reasons:

- There is a severe shortage of licensed pharmacists in the Sacramento area. Even with an attractive benefit package and work schedule, the county has not been able to attract candidates.
- Sacramento County pharmacist salaries are not competitive with area agencies:
  - Area hospitals currently pay 25-35% more than the county.
  - Retail sources pay 20-40% more than the county.
  - Temporary hires are paid 30-50% more than county pharmacists.
  - Neighboring San Joaquin County pays 10% more to its pharmacists.

If the county has to resort to outsourcing a substantial amount of the pharmacy workload, the consequences would be extremely costly. During the labor action at the county clinics in September 2006, the health clinics were forced to send many prescriptions to outside retail pharmacies. The cost of these medications rose by an estimated 287%.

### **New Pharmacy Software**

Adding to the difficulties in the pharmacy department is the failure of the CMMS. In January 2005, the Department of General Services issued an RFP on behalf of the Department of Health and Human Services (DHHS) for a CMMS to manage the pharmacy system in institutional and outpatient environments. The county received three bids. The Grand Jury reviewed the RFP issued on January 10, 2005, and the awarded vendor response. It is clear that the documents were not reviewed for clarity or information technology procurement best practices:

- On page four of the RFP, “. . . the County Department of Health and Human Services for which this RFP is prepared and which will be the end user of the voting machine sought . . . .” This is not a bid for a voting machine.
- On page 12 under “2.3 Health Insurance Portability and Accountability Act (HIPAA) COMPLIANCE,” the county requests that the system support HIPAA standards. However, the RFP document does not require the vendor or support staff to be HIPAA certified.

- On page 22, under “6.2.2.3 Availability and Disaster Recovery,” the reference should be “planned downtime,” not “planned downtown.”
- On page 15, “4.2.1 Criteria” and page 17, “5.1 Contract Execution,” the county states that the awarded vendor must post a performance bond. This condition is mandatory but not met.
- It is also noted that PCSI did not provide several required financial documents: a recent corporate annual report including an auditor’s unqualified opinion or a copy of an auditor’s review signed by a CPA demonstrating either net worth of \$2.5 million or annual gross revenue of \$7.5 million and an annual net profit of \$1 million.

Based on a review of the bid, the county awarded the contract for CMMS to PCSI. The value of the contract was approximately \$690,275. That winning bid should have been deemed non-responsive because the vendor did not include the cost of the required performance bond in the cost portion of its bid. The vendor stated an effort would be made to secure the bond after the contract was awarded and that the county would have to pay for that bond. The awarded vendor did not comply with the mandatory RFP requirements and should not have been awarded the contract.

After more than a year, the outpatient software is described as 85% functional. This means that 15% of the contracted systems are not working. As of March 2007, the county paid the PCSI \$174,000. The inpatient software has proven to be nonfunctional. In February 2007, the Sheriff’s Department withdrew its participation from the inpatient system development and is pursuing other solutions. The juvenile and mental health facilities have also withdrawn participation in the inpatient system. The primary problem, as described to the Grand Jury, is that the vendor switched from a character base data system to a windows base data system, with Sacramento County being the first customer on this system. The vendor is therefore using Sacramento County Medical Services to do its beta testing.

## **Findings and Recommendations**

**Finding 1.** There is currently a shortage of pharmacists employed by Sacramento County. Without action on the county’s part, it is likely that the recruitment and retention problems will increase. This will prove extremely costly and is likely to compromise medical services.

**Recommendation 1.** The DHHS needs to restructure the salary scale for county pharmacists to make it competitive in today’s market.

**Finding 2.** The DHHS and the county purchasing department did not properly review the RFP for the CMMS. They further did not monitor compliance of the selected vendor as to the RFP requirements.

**Recommendation 2.** DHHS must be certain that awarded contracts fulfill all requirements mandated by the RFP on any purchases made by the department.

**Finding 3.** The vendor (PCSI) did not fulfill its contractual obligations. The outpatient system is not fully operational and the inpatient system has never worked.

**Recommendation 3.** The DHHS needs to assure that the county has a functional CMMS as soon as possible. Within the provisions of the contract with PCSI, the county should seek restitution for any services paid for and not provided.

### **Response Requirements**

**Penal Code sections 933 and 933.5 require that specific responses to both the findings and recommendations contained in this report be submitted to the Presiding Judge of the Sacramento Superior Court by October 1, 2007, from:**

- **Sacramento County Board of Supervisors**