



Health & Human Services Agency COUNTY OF TULARE AGENDA ITEM

KUYLER CROCKER District One PETE VANDER POEL District Two AMY SHUKLIAN District Three EDDIE VALERO District Four

DENNIS TOWNSEND District Five

AGENDA DATE: June 30, 2020

SUBJECT: Approve an amendment to Agreement No. 28564 with Walgreen

Co.

REQUEST(S):

That the Board of Supervisors:

- Approve an amendment to Agreement No. 28564 with Walgreen Co. to add a specialty pharmacy to the County's contract pharmacy network which will fill prescriptions for County patients with rare and complex conditions, effective July 1, 2020 through September 30, 2020.
- 2. Authorize the Chair of the Board to sign one (1) copy of the amendment.

SUMMARY:

On October 1, 2014, the Tulare County Board of Supervisors approved an agreement with Walgreen Co. for mandated pharmacy services. This agreement established a contract pharmacy network for Tulare County Public Health which provides access to pharmaceutical services for its patients.

The Welfare and Institutions (W&I) Code Section 17000 requires Tulare County to provide or arrange for medical care and pharmaceutical services to its patients. Pharmaceutical services are provided to County patients through the 340B Drug Discount Program, a federal program that allows participating pharmaceutical manufacturers to provide discounted medication pricing to eligible healthcare organizations which serve the county's indigent and vulnerable population. Tulare County has a substantial number of individuals whose access to medical and pharmaceutical care is limited by the lack of transportation to medical services

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and/or the high cost of prescription medication. Tulare County's existing contract pharmacy network includes Walgreens which improves access to care through expanded hours of service and locations. The result is improved personal health, less trips to a medical facility and the postponement of the need for long term medical care. However, there is a need to include a "specialty" pharmacy in our network to serve patients who have rare and complex diseases.

Tulare County Public Health Branch has undertaken an effort to identify a "specialty pharmacy" to fill prescriptions to treat these rare and complex conditions such as tuberculosis (TB). Until recently, TB prescriptions were being filled by a local pharmacy that was not 340B certified. This resulted in Tulare County not being able to take advantage of 340B discount pricing and incurring expenses associated with driving to the local pharmacy to pick up the medication. This amendment adds a specialty pharmacy located in Bakersfield in the County's 340B pharmacy network. There are not any specialty pharmacies located within Tulare County that are part of this network. The specialty pharmacy that will be added by this Amendment allows the County to purchase medication at a reduced cost though the 340B pricing as appropriate for the County's patients. The savings from these discounts provide economic benefits in terms of reduced medication spending while simultaneously supporting outreach and care for uninsured and underinsured patients. Additionally, the amendment allows the County to implement a two-tiered discount as required through a Covered Entity Assessment for maintaining our designation as a FQHC-LAL Federally Qualified Health Centers Look Alike (FQHCLA). Implementing the two-tiered discount results in an increase of two dollars (\$2.00) in the Self-Pay Dispensing Fee paid to Walgreens by patients. All other terms and conditions in the original agreement remain the same.

The following terms and conditions in the amendment deviate substantively from the County's standard boilerplate: (1) the County is required to defend and indemnify Walgreens against (a) any claims resulting from Walgreens withholding medication because of a patient's refusal to pay the Self-Pay Co-Pay and (b) any claims related to the Covered Entity Assessment, Walgreens collects the Self-Pay Co-Pay, including the Covered Entity Assessment, from patients on the County's behalf; and (2) no-cost delivery from the specialty pharmacy located in Bakersfield is not included in the amendment.

FISCAL IMPACT/FINANCING:

This amendment will have no fiscal impact on any Health and Human Services Agency programs. The agreement will continue to provide greater access, flexibility, convenience to the County's patients and the availability of discount medication pricing to County's indigent and vulnerable population. There is no County match requirement with this agreement.

LINKAGE TO THE COUNTY OF TULARE STRATEGIC BUSINESS PLAN:

This request furthers the Quality of Life Initiative which promotes public health and welfare. This amendment to the existing agreement supports this initiative by

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expanding our Walgreens pharmacy network and promotes an improved quality of life for eligible 340B clients requiring specialty medications.

ADMINISTRATIVE SIGN-OFF:

/s/Robert Stewart OBO
Karen M. Elliott
Director of Public Health

cc: County Administrative Office

Attachment(s) Amendment

BEFORE THE BOARD OF SUPERVISORS COUNTY OF TULARE, STATE OF CALIFORNIA

IN THE MATTER OF APPROVE AN AMENDMENT TO AGREEMENT NO. 2 WITH WALGREEN CO.) 28564) Resolution No) Agreement No)
UPON MOTION OF SUPERVISO	OR, SECONDED BY
SUPERVISOR	_, THE FOLLOWING WAS ADOPTED BY THE
BOARD OF SUPERVISORS, AT AN OI, BY THE FOLLOWING VOTE:	FFICIAL MEETING HELD
AYES: NOES: ABSTAIN: ABSENT:	
ATTEST:	JASON T. BRITT COUNTY ADMINISTRATIVE OFFICER/ CLERK, BOARD OF SUPERVISORS
BY:	Deputy Clerk
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