

Health & Human Services Agency COUNTY OF TULARE AGENDA ITEM

BOARD OF SUPERVISORS

KUYLER CROCKER District One

PETE VANDER POEL District Two

AMY SHUKLIAN District Three

EDDIE VALERO District Four

DENNIS TOWNSEND District Five

AGENDA DATE: August 11, 2020 REVISED

| Public Hearing Required Scheduled Public Hearing w/Clerk Published Notice Required Advertised Published Notice Meet & Confer Required Electronic file(s) has been sent Budget Transfer (Aud 308) attached Personnel Resolution attached | Yes Yes Yes Yes Yes Yes Yes | | N/A N/A N/A N/A N/A N/A N/A | | |
|--|---|------------|---|-----------|------|
| Agreements are attached and signature tab(s)/flag(s) | line Yes | for Chair | man N/A | is marked | with |
| CONTACT PERSON: Karen M. Elliott | PHON | IE 624-848 | 30 | | |

<u>SUBJECT</u>: Ratify and Approve an agreement with CVS Pharmacy, Inc. and addendum with Wellpartner, LLC

REQUEST(S):

That the Board of Supervisors:

- Ratify and Approve a 340B Contract Pharmacy Services agreement with CVS Pharmacy, Inc. to increase Tulare County's contract pharmacy network, retroactive from July 9, 2020 through December 31, 2023. The agreement is retroactive due to delay in receiving and preparing a written agreement. It was impractical for the Board to take action prior to July 9, 2020 due to the time needed to process, prepare and submit the agenda item.
- 2. Ratify and Approve a 340B Administrative Services Addendum with Wellpartner, LLC to provide administrative services for the County's 340B contract with CVS Pharmacy, Inc., retroactive from July 9, 2020 through December 31, 2023. The agreement is retroactive due to delay in receiving and preparing a written agreement. It was impractical for the Board to take action prior to July 9, 2020 due to the time needed to process, prepare and submit the agenda item.
- 3. Find the Board had the authority to enter into the 340B Contract Pharmacy Services agreement and Administrative Services Addendum as of July 9 2020, and that it was in the County's best interest to do so on that date.
- 4. Ratify the Chair of the Board's signatures on the 340B Contract Pharmacy Services agreement, the 340B Administrative Services Addendum, and the Business Associate Agreement.

SUBJECT: Ratify and Approve an agreement with CVS Pharmacy, Inc. and addendum with Wellpartner, LLC August 11, 2020

SUMMARY:

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 currently 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 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 and/or the high cost of prescription medication. These limitations continue to be the primary causes for individuals not obtaining the necessary medical care. Given these limitations, Tulare County residents will benefit from an increased number of contract pharmaceutical services which are vital components of medical treatment as they contribute to the cure and prevention of disease, the improvement and maintenance of personal health and which mitigate the worsening of existing conditions.

The result is improved personal health, fewer trips to medical facilities and the postponement of the need for long term medical care. The net effect is reduced overall costs. The 340B Drug Discount Program and Tulare County's network of contract pharmacies continue to benefit Tulare County's approximately 8,000 patients who regularly seek services at the County's health centers by providing improved access, extended hours of service and discounted drug pricing.

The agreement has two components. The CVS pharmacy component establishes the agreement with the CVS pharmacies which will be added to the County's 340B contract pharmacy network. The Wellpartner administration component establishes the agreement with Wellpartner, whom CVS acquired in 2017, and now serves as the exclusive 340B administrator for all CVS pharmacies.

The following terms deviate from the standard County boiler plate: (1) The term of the agreement is multi-year; (2) Upon expiration of the initial 3 year term, this agreement shall be renewed automatically for successive two (2) year terms, unless terminated earlier; (3) The agreement contains a mutual indemnification clause; (4) Either party may terminate the agreement without cause with 30 days written notice. (5) The County will sign first.

FISCAL IMPACT/FINANCING:

There is no net county cost to the County General Fund associated with this agreement.

LINKAGE TO THE COUNTY OF TULARE STRATEGIC BUSINESS PLAN:

The County's five-year strategic plan includes the Quality of Life Initiative which promotes public health and welfare and encourages innovative provision of quality supportive services for at-risk adults, youth and children. This agreement supports this initiative through the expansion of the County's contract pharmacy network and SUBJECT: Ratify and Approve an agreement with CVS Pharmacy, Inc. and addendum with Wellpartner, LLC August 11, 2020

by providing increased access, flexibility and convenience to the County's patients.

ADMINISTRATIVE SIGN-OFF:

<u>/s/ Donna Ortiz OBO</u> Karen M. Elliott Director of Public Health

cc: County Administrative Office

Attachment(s) Attachment A-CVS Pharmacy, Inc. Agreement Attachment B-Wellpartner, LLC Addendum Attachment C-Business Associate Agreement

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

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IN THE MATTER OF RATIFY AND APPROVE AN AGREEMENT WITH CVS PHARMACY, INC. AND ADDENDUM WITH) Agreement No. WELLPARTNER, LLC

) Resolution No.

| UPON MOTION OF SUPERVIS | SOR, | SECONDED | BY | | | | | |
|---|-------------------|---------------|-----|--|--|--|--|--|
| SUPERVISOR | , THE FOLLOWING W | AS ADOPTED BY | THE | | | | | |
| BOARD OF SUPERVISORS, AT AN OFFICIAL MEETING HELD | | | | | | | | |
| , BY THE FOLLOWING VOTE: | : | | | | | | | |

AYES: NOES: **ABSTAIN:** ABSENT:

> ATTEST: JASON T. BRITT COUNTY ADMINISTRATIVE OFFICER/ CLERK, BOARD OF SUPERVISORS

BY:

Deputy Clerk

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