



Contra
Costa
County

To: Board of Supervisors
From: William Walker, M.D., Health Services Director
Date: March 31, 2015

Subject: McKesson Corporation Purchase Order

RECOMMENDATION(S):

Approve and authorize the Purchasing Agent, on behalf of the Health Services Department, to execute a Purchase Order with McKesson Corporation in an amount not to exceed \$3,000,000 for the purchase of pharmaceuticals designated as 340B replenishment inventories dispensed through ten (10) Rite Aid pharmacies and one (1) City Center pharmacy located within Contra Costa County, for the period from July 1, 2015 through June 30, 2017.

FISCAL IMPACT:

100% Funding is included in the CCHP Enterprise Fund III budget. Participation in the 340B program allows the Health Plan to maximize savings.

BACKGROUND:

Contra Costa Health Plan (CCHP) has entered into the 340B pharmacy program through the Federal Government's Office of Pharmacy Affairs (OPA). CCHP received OPA approval to contract with ten (10) local Rite Aid pharmacies and one (1) City Center pharmacy in the 340B program. This program supplies prescription medications to CCHP members at a significantly reduced price structure governed by the OPA.

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY ADMINISTRATOR

☐ RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **03/31/2015** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

AYE: Candace Andersen, District II
Supervisor

Mary N. Piepho, District III
Supervisor

Karen Mitchoff, District IV
Supervisor

ABSENT: John Gioia, District I
Supervisor

Federal D. Glover, District V
Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 31, 2015

David Twa, County Administrator and Clerk of the Board of Supervisors

By: Chris Heck, Deputy

Contact: Anna Roth, 370-5101

cc: T Scott, C Rucker, Mary Buscaglia

The \$3,000,000 request, for a new two year purchase order, includes an increase due to the Affordable Care Act Medi-Cal expansion.

CONSEQUENCE OF NEGATIVE ACTION:

This Purchase Order allows the County to purchase drugs under the 340B Drug Pricing Program, resulting in savings of approximately 70% compared to traditional pharmacy pricing.

CHILDREN'S IMPACT STATEMENT:

Not applicable.