



Contra
Costa
County

To: Board of Supervisors
From: Anna Roth, Health Services Director
Date: June 8, 2021

Subject: Purchase Order for McKesson Medical-Surgical Inc.

RECOMMENDATION(S):

APPROVE and AUTHORIZE the Purchasing Agent to execute, on behalf of the Health Services Director, a Purchase Order with McKesson Medical-Surgical Inc., in an amount not to exceed \$5,500,000 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, 2021 through June 30, 2025.

FISCAL IMPACT:

Approval of this action will result in annual expenditures of up to \$5,500,000 over a four year period and will be funded 100% by Contra Costa Community Plan Fund III revenues. Participation in the 340B program allows the health plan to maximize savings.

BACKGROUND:

The 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

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY

☐ RECOMMENDATION OF BOARD

ADMINISTRATOR

COMMITTEE

Action of Board On: **06/08/2021** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

AYE: John Gioia, District I Supervisor
Candace Andersen, District II Supervisor
Diane Burgis, District III Supervisor
Karen Mitchoff, District IV 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: June 8, 2021

Monica Nino, County Administrator and Clerk of the Board of Supervisors

By: Laura Cassell, Deputy

Contact: Jaspreet Benepal,
925-370-5101

members at a significantly reduced price structure governed by the OPA. The \$5,500,000 request,

BACKGROUND: (CONT'D)

for a four year purchase order, maintains drug inventories for our current population.

This vendor has been used for these products since 2009. It provides drugs for patients at a considerable savings for CCHP. Patient prescription needs and cost savings are crucial.

CONSEQUENCE OF NEGATIVE ACTION:

If this purchase order is not approved, premiums for CCHP members will increase and CCHP will no longer be able to supply prescription medications to its members at drastically reduced prices.