



**BOARD OF SUPERVISORS  
AGENDA LETTER**

**Agenda Number:**

**Clerk of the Board of Supervisors**  
105 E. Anapamu Street, Suite 407  
Santa Barbara, CA 93101  
(805) 568-2240

**Submitted on:**  
**(COB Stamp)**

**Department Name:** County Health Department  
**Department No.:** 041  
**Agenda Date:** January 13, 2025  
**Placement:** Administrative Agenda  
**Estimated Time:**  
**Continued Item:** No  
**If Yes, date from:**  
**Vote Required:** Majority

**TO:** Board of Supervisors  
**FROM:** Department Director: Mouhanad Hammami, County Health  
Contact: Paola Hurtado, Division Chief of Primary Care and Family Health  
**SUBJECT:** **Second Sight Solutions – Beacon Rebate Model Platform and Beacon MFP Platform Privacy Policy Terms**

Signed by:  
*Mouhanad Hammami*  
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**County Counsel Concurrence**

As to form: Yes

**Other Concurrence:** Risk Management

As to form: Yes

**Auditor-Controller Concurrence**

As to form: N/A

**Recommended Actions:**

That the Board of Supervisors

- a) Approve, ratify and authorize the County Health Director, or designee, to accept the no cost Second Sight Solutions Beacon Rebate Model (Attachment A) and Beacon Maximum Fair Price (MFP) (Attachment B) Platform Privacy Policies between the County Health Department and Second Sight Solutions-Beacon, LLC. These platforms will be used to process, validate, and facilitate funding for the payment of rebates owed under participation in the 340B program from January 1, 2026, to December 31, 2026; and
- b) Determine that the recommended action is not a "Project" within the meaning of the California Environmental Quality Act (CEQA) and is exempt per CEQA Guidelines section 15378(b)(5), because the recommended action consists of organizational or administrative activities of governments that will not result in direct or indirect physical changes to the environment.

**Summary Text:**

This item is on the agenda to receive Board approval to authorize the County Health Director, or designee, to execute the no cost Second Sight Solutions Beacon Rebate Model and Beacon MFP Platform Privacy Policies between the County Health Department and Second Sight Solutions-Beacon, LLC. The MFP is the price that Medicare has negotiated with manufacturers as the maximum price that Medicare will pay for a limited number of high-volume drugs.

These platforms will be used to process, validate, and facilitate funding for the payment of rebates owed under participation in the 340B program from January 1, 2026, to December 31, 2026. The 340B program is a federal initiative established in 1992. It requires drug manufacturers to supply outpatient medications to eligible healthcare organizations and covered entities, such as CHD at significantly reduced prices. The purpose of this program is to enable these entities to maximize limited federal resources, allowing them to reach more eligible patients and offer more comprehensive services.

**Discussion:**

The Health Resources and Services Administration (HRSA) will implement a 340B Rebate Model Pilot Program effective January 1, 2026. Under this pilot program, 340B covered entities, including County Health Department (CHD) pharmacies must purchase nine (9) HRSA approved medications at the Wholesale Acquisition Cost, then submit claims through the Beacon Platform to receive 340B rebates.

This change replaces upfront 340B discounts with a rebate model that introduces greater administrative complexity and potential cash flow challenges. To prepare, CHD Pharmacy leadership will need to evaluate current financial workflows such as assigning staff roles for rebate management, updating policies to ensure compliance and monitoring the timely receipt of rebate payments.

Pharmaceutical manufacturers participating in contractual rebate arrangements have engaged Second Sight's Beacon Rebate Model Platform to process, validate, and facilitate funding for rebate payments owed under participation in the 340B program.

Second Sight's Beacon MFP Platform will allow dispensing entities to manage Maximum Fair Price or MFP rebates. Dispensing entities utilize Beacon to research MFP rebate status, reconcile MFP refund payments and initiate good faith inquiries.

**Background:**

As a Federally Qualified Health Center, CHD participates in the federal Section 340B Drug Discount Program as a covered entity. Through this program, CHD can purchase certain medications at the lowest available market price, thereby improving patient access to affordable prescriptions. CHD extends these discounts to retail pharmacies through contractual agreements and currently maintains several 340B partnerships within its network. CHD has been participating in HRSA's 340B program for more than 10 years. The Rebate Pilot program, which is a necessary part of the overall 340B program, will take effect on January 1, 2026. The 340B rebate platform will be used by CHD to submit rebate claims and receive status updates.

**Performance Measure:**

The Rebate Platforms enable covered entities receiving 340B rebate payments to track the status of processing and payment, submit inquiries related to rebate transactions, and provide information to the Beacon Rebate Model and Beacon MFP Platforms to support resolution of any issues. The CHD

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Pharmacy will monitor the pilot program's performance, follow up on inquiries, and implement internal checks and balances to ensure compliance.

**Fiscal and Facilities Impacts:**

Budgeted: N/A

There are no facilities impacts to enter into this agreement.

**Fiscal Analysis:**

There is no fiscal impact anticipated that would affect the County Health Department.

**Staffing Impacts:**

CHD does not anticipate adding additional pharmacy staff, however, staff resources will need to be redirected to manage the increased additional administrative workload associated with the 340B Pilot Program.

**Special Instructions:**

Request the Clerk of the Board to email a copy of the Minute Order to the County Health Department at [PHDGROUPEContractsUnit@sbcpd.org](mailto:PHDGROUPEContractsUnit@sbcpd.org) when available.

**Attachments:**

**Attachment A** – Second Sight Solutions – Beacon Rebate Platform Privacy Policy and Beacon Rebate Model Terms of Use

**Attachment B** – Second Sight Solutions – Beacon MFP Platform Privacy Policy and Beacon MFP Platform Terms of Use

**Contact Information:**

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