



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

Department Name: Public Health
Department No.: 041
For Agenda Of: June 17, 2014
Placement: Administrative
Estimated Tme:
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Takashi Wada, MD, MPH, Director & Health Officer
Director(s) Public Health Department
Contact Info: Dan Reid, Interim Deputy Director, Primary Care and Family
Health Division (805-681-5173)
SUBJECT: First Amendment to CenCal Health 340B Pharmacy Network Savings Share
Agreement

County Counsel Concurrence

As to form: Yes

Other Concurrence: N/A

As to form:

Auditor-Controller Concurrence

As to form: Yes

Recommended Actions:

That the Board of Supervisors consider recommendations as follows:

- A) Approve and Authorize the Chair to execute the First Amendment to the Santa Barbara San Luis Obispo Regional Health Authority dba CenCal Health 340B Pharmacy Network Savings Share Agreement to modify the Agreement to incorporate Section 8, Sharing of Price File Information.
- B) Determine that these activities are exempt from California Environmental Quality Act (CEQA) review per CEQA Guideline Section 15378(b)(5), as organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment.

Summary Text:

This item is on the Agenda to amend the CenCal Health 340B Savings Share Agreement to incorporate a new Section 8 titled *Sharing of Price File Information*. The 340B Price File contains wholesaler pharmaceutical pricing information. 340B pharmaceutical pricing in many instances is considered confidential and proprietary. This new section allows for and limits the sharing of this information with CenCal Health and SUNRx, the 340B Administrative Services organization that assists the Public Health Department to administer its 340B Pharmacy Network. This information will be used by SUNRx and CenCal Health to ensure accuracy of the 340B savings and to evaluate the most effective and efficient implementation of the program

Background:

In June of 2012, the Board approved a 340B Savings Share Agreement with CenCal Health, administered by SUNRx. This Agreement along with the SUNRx 340B Pharmacy Administrative Services Agreement established the Public Health Department 340B Pharmacy Network. These agreements allow for the extension of 340B Drug Pricing Program discounts to retail and specialty pharmacies that provide pharmaceuticals for PHD patients.

In order to ensure the accuracy of the 340B savings share and to improve efficiency and effectiveness of the program, it is necessary to share wholesaler 340B pharmaceutical pricing information with CenCal Health and SUNRx. This information is provided to the Public Health Department through each of its wholesaler agreements, but due to the confidential and proprietary nature of this pricing information, the 340B Drug Discount Program regulatory agency (Health Resources and Services Administration) recommends that sharing of this pricing information be restricted to those contractors and subcontractors associated with the PHDs 340B Pharmacy Network. This new Section 8 (Sharing of Pricing File Information) establishes the sharing of this information with CenCal Health and SUNRx and prohibits and further disclosure.

Fiscal and Facilities Impacts:

Budgeted: Yes

Fiscal Analysis: There are no fiscal or facilities impacts associated with this action as it is purely administrative in nature.

Special Instructions:

Please return an electronic copy of the Minute Order to the PHD Contracts Unit at PHDRES.ContractsUnit@sbcphd.org

Attachments:

First Amendment to the Santa Barbara San Luis Obispo Regional Health Authority 340B Savings Share Agreement.

Authored by:

Dan Reid, Interim Deputy Director, Public Health Department