



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 15, 2021
Placement: Administrative
Estimated Tme:
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Van Do-Reynoso, MPH, PhD, Director
Director(s) Public Health Department
Contact Info: Dana Gamble, Assistant Deputy Director, 681-5171
SUBJECT: **Third Amendment to CenCal Health 340B Pharmacy Network Savings Share Agreement**

County Counsel Concurrence

As to form: Yes

Other Concurrence: Risk Management

As to form: Yes

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 a Third Amendment to the Santa Barbara San Luis Obispo Regional Health Authority dba CenCal Health 340B Pharmacy Network Savings Share Agreement to extend the term for one year from July 1, 2021 through June 30, 2022; and
- b) Determine that the activity is not a "Project" subject to California Environmental Quality Act (CEQA) review per CEQA Guideline Section 15378(b)(5), since the activity is an organizational or administrative activity of government that will not result in direct or indirect physical changes in the environment.

Summary Text:

This item is on the Agenda to execute a Third Amendment to the CenCal Health 340B Savings Share Agreement to extend the term for one year through June 30, 2022 (Attachment A). The Public Health Department (PHD) uses the savings generated from the 340B program in accordance with program requirements that the savings be used to support health center services offered to the low income insured and uninsured population.

Background:

Since 2012, PHD has participated with CenCal Health in a 340B Savings Share Agreement, allowing for the extension of 340B Drug Pricing Program discounts to retail and specialty pharmacies that provide pharmaceuticals for PHD patients. PHD uses the savings generated from the 340B program in accordance with program requirements that the savings are used to support health center services offered to the low income underinsured or uninsured population. The 340B program was created by Congress in 1992 to help vulnerable or uninsured patients gain access to needed prescription medicines, by requiring pharmaceutical manufacturers to provide discounts to health centers - such as those operated by the PHD - as a condition of their drugs being covered by the Medicaid program (Medi-Cal in California). Execution of this Third Amendment ensures that the savings experienced by the PHD participation in the 340B program will continue to benefit PHD Health Center patients, particularly those who are CenCal Health members.

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 execute two (2) originals of the Third Amendment to the CenCal Health 340B Savings Share Agreement and retain one (1) original Amendment and one (1) Minute Order for pick-up by the department. Please email Kelly.Lazarus@sbcphd.org when available for pickup.

Attachments:

- A. Third Amendment to the Santa Barbara San Luis Obispo Regional Health Authority 340B Savings Share Agreement
- B. Second Amendment to the Santa Barbara San Luis Obispo Regional Health Authority 340B Savings Share Agreement
- C. First Amendment to the Santa Barbara San Luis Obispo Regional Health Authority 340B Savings Share Agreement
- D. Santa Barbara San Luis Obispo Regional Health Authority 340B Savings Share Agreement

Authored by:

Dana Gamble, Assistant Deputy Director, Public Health Department