

RESOLUTION NO. .

BOARD OF SUPERVISORS, COUNTY OF SAN MATEO, STATE OF CALIFORNIA

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RESOLUTION AUTHORIZING AN AGREEMENT WITH JAJCO INC. DBA ANCHOR DRUGS PHARMACY IN AN AMOUNT NOT TO EXCEED \$5,000,000, SAN MATEO NEIGHBORHOOD PHARMACY IN AN AMOUNT NOT TO EXCEED \$2,500,000, WALGREENS CO. IN AN AMOUNT NOT TO EXCEED \$10,000,000, AND WELLPARTNER, INC. IN AN AMOUNT NOT TO EXCEED \$2,500,000, FOR PHARMACY SERVICES, WITH EACH AGREEMENT HAVING A TERM OF JULY 1, 2016, THROUGH JUNE 30, 2021, FOR A COMBINED AMOUNT NOT TO EXCEED \$20,000,000

RESOLVED, by the Board of Supervisors of the County of San Mateo, State of California, that

WHEREAS, San Mateo County has a continually increasing need for pharmacy services for County residents who receive care through County programs; and

WHEREAS, in January 2016, San Mateo Medical Center (SMMC) conducted a Request for Proposals (RFP) for pharmacy services to be provided for SMMC's patients in relation to the 340B Drug Pricing Program (the 340B Program) operated by the Health Resources and Services Administration (HRSA), with eight vendors responding to the RFP and SMMC recommending that the County contract with five of the responders, including JAJCO, Inc. dba Anchor Drugs Pharmacy, Walgreens Co., San Mateo Neighborhood Pharmacy, Albertsons Companies, and Wellpartner, Inc.; and

WHEREAS, SMMC is still negotiating terms with Albertsons Companies, SMMC needs to move forward with the four other vendors given HRSA requirements, and SMMC may return to this Board for authorization for an agreement with Albertsons

Companies or, in the alternative, to increase the maximum amount of one or more of the agreements with these other vendors; and

WHEREAS, each of these four providers will provide discount drugs to eligible SMMC patients through the 340B Program, a federal program created in 1992 to improve access to medication for uninsured indigent patients by providing drugs to eligible health care organizations at reduced prices; and

WHEREAS, SMMC's participation in the 340B Program using these four pharmacies will help address SMMC's immediate and long-term issues of providing prescription medications to the County's growing low-income population in the face of increasing costs of such pharmaceuticals; and

WHEREAS, the agreement with JAJCO, Inc. dba Anchor Drugs Pharmacy will be in an amount not to exceed \$5,000,000, the agreement with San Mateo Neighborhood Pharmacy will be in an amount not to exceed \$2,500,000, the agreement with Walgreens Co. will be in an amount not to exceed \$10,000,000, and the agreement with Wellpartner, Inc. will be in an amount not to exceed \$2,500,000, with each agreement having a term of July 1, 2016, through June 30, 2021, in a combined amount not to exceed \$20,000,000; and

WHEREAS, this Board has been presented with a form of agreement for each of the respective agreements, has examined and approved each as to both form and content, and desires to enter into them.

NOW THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the President of this Board of Supervisors be and is hereby authorized and directed to execute said agreements for and on behalf of the County of San Mateo, and the Clerk of the Board shall attest the President's signature thereto.

BE IT FURTHER RESOLVED that the Chief of the Health System or designee is authorized to execute contract amendments which modify the County's maximum fiscal obligation of each agreement by no more than \$25,000 (in aggregate for each agreement) and/or modify the contract term and/or services so long as the modified term or services is/are within the current or revised fiscal provisions.

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