

RESOLUTION NO. _____

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

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RESOLUTION AUTHORIZING AGREEMENTS WITH JAJCO, INC. DOING BUSINESS AS ANCHOR DRUGS PHARMACY, IN AN AMOUNT NOT TO EXCEED \$4,582,988; SAFEWAY, INC., IN AMOUNT NOT TO EXCEED \$2,979,000; AND TED'S VILLAGE PHARMACY, IN AN AMOUNT NOT TO EXCEED \$500,000, FOR PHARMACY SERVICES, EACH FOR THE TERM OF JULY 1, 2013 THROUGH JUNE 30, 2016, FOR A COMBINED AMOUNT NOT TO EXCEED \$8,061,988

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 April 2013, San Mateo Medical Center (SMMC) conducted a Request for Proposals (RFP) to for pharmacy services to be provided for patients of SMMC and its clinics, ten vendors responded to the RFP, and SMMC is recommending that the County contract with three of the responders, including JAJCO, Inc. doing business as Anchor Drugs Pharmacy (Anchor); Ted's Village Pharmacy (Ted's); and Safeway, Inc. (Safeway); and

WHEREAS, each of these providers will provide discount drugs to eligible SMMC patients through the Federal 340B Drug Discount Program (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, Safeway is also agreeing to provide services at a new SMMC clinic location at 2700 Middlefield Road in Redwood City opening Fall 2013, will separately enter into a lease for the premises at the new SMMC clinic, and said lease will be brought to this Board for its approval; and

WHEREAS, SMMC's participation in the 340B Program using these three pharmacies will help to address SMMC's immediate and long term issues of providing prescription medications to an increasing number of eligible, low-income patients in the County and the increasing costs of such pharmaceuticals by decreasing the County's overall fiscal obligation for providing such items; and

WHEREAS, the agreement with Anchor will have a term of July 1, 2013, through June 30, 2016, and a maximum fiscal obligation of \$4,582,988.00, the agreement with Safeway will have a term of July 1, 2013, through June 30, 2016, and a maximum fiscal obligation of \$2,979,000.00, and the agreement with Ted's will have a term of July 1, 2013, through June 30, 2016, and a maximum fiscal obligation of \$500,000.00, for a combined maximum fiscal obligation of \$8,061,988.00; and

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

NOW, THEREFORE, IT IS HEREBY RESOLVED 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) 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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