

**SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

968



**FROM:** Human Resources Department

**SUBMITTAL DATE:**  
6/17/08

**SUBJECT:** Approval of Contract between Medco Health Solutions, Inc. and Riverside County Rubidoux Pharmacy for the provision of pharmacy services to Medco prescription benefit members.

**RECOMMENDED MOTION:** That the Board of Supervisors: 1) Approve the attached Service Agreement with Medco Health Solutions, Inc; 2) authorize the Chairperson to sign four (4) copies of the attached Agreement and; 3) retain one (1) copy of the signed Agreement, returning three (3) copies to Human Resources for distribution;

**BACKGROUND:** The Riverside County Rubidoux Pharmacy, operated by the Human Resources Department, funded by Exclusive Care, and located in the Don Shroeder Community Center, will become a participating pharmacy under Medco Health Solutions, Inc., in order to provide prescription services for Medco Health Solutions prescription benefit members.

Ronald W. Komers  
Asst. County Executive Officer/Human Resources Dir.

|                       |                               |      |                         |         |
|-----------------------|-------------------------------|------|-------------------------|---------|
| <b>FINANCIAL DATA</b> | Current F.Y. Total Cost:      | \$ 0 | In Current Year Budget: | No      |
|                       | Current F.Y. Net County Cost: | \$ 0 | Budget Adjustment:      | No      |
|                       | Annual Net County Cost:       | \$ 0 | For Fiscal Year:        | 2007/08 |

|                         |                                  |                          |
|-------------------------|----------------------------------|--------------------------|
| <b>SOURCE OF FUNDS:</b> | Positions To Be Deleted Per A-30 | <input type="checkbox"/> |
|                         | Requires 4/5 Vote                | <input type="checkbox"/> |

**C.E.O. RECOMMENDATION:** APPROVE

BY:   
Elizabeth J. Olson

**County Executive Office Signature**

FORM APPROVED COUNTY COUNSEL  
ATTACHMENTS FILED WITH THE CLERK OF THE BOARD  
BY: Shelly Furuta 6/27/08  
DATE  
Departmental Concurrence

- Policy
- Policy
- Consent
- Consent

Dep't Recomm.:  
Per Exec. Ofc.:

**Prev. Agn. Ref.:** | **District:** | **Agenda Number:**

**3.43**

### **Background continued**

Through the attached Pharmacy Services Agreement, the County's Rubidoux Pharmacy will be authorized to accept Medco identification cards, fill prescriptions and bill Medco Health Solutions, Inc., for an agreed upon reimbursement rate. (Schedule A-745, AD-2007, and A-465 of the agreement specify the reimbursement rates).

The pharmacy, operated by a Doctoral level Pharmacist, originally opened in order to service Exclusive Care members. The purpose of this agreement is to offer prescription services to the 12,000 Exclusive Care members and their dependents who are primarily County of Riverside employees or IHSS providers. As an additional service to the public, all uninsured members of the public, other health insurance members, and all members of the public who have Medco Pharmacy Benefits will be eligible to receive services from the Exclusive Care Rubidoux Pharmacy.

Individuals will be able to access and receive benefits which include: consultation from a Ph.D. level pharmacist who can help members manage their medications, access to dose packaging that ensures better compliance to prescriptions, and free mail order and FedEx® deliveries that will guarantee convenience and accessibility to important prescriptions. Our pharmacist can also develop relationships with prescribing physicians to improve customer service. These benefits are the focus of the Rubidoux Pharmacy because the County of Riverside recognizes that there is a need to help members manage their medications and encourage them to take prescriptions according to their physician's recommendations. The following are statistics that have led to the concept and development of the Rubidoux Pharmacy:

- In 1999 the FDA estimated that 100,000 lives were lost due to improper use of medications.
- Ten percent of all hospital admissions are a result of improper use of medications.
- For individuals 65 and up, 25% of all hospital and nursing admissions are a result of improper use of medications.
- Spending in the US for prescription drugs was \$200.7 billion in 2005, almost 5 times more than spent in 1990.
- The share of prescription drug expenses paid by private health insurance increased substantially over the past decade (from 26% in 1990 to 47% in 2005).
- The average number of retail prescriptions per capita increased from 7.9 in 1994 to 12.4 in 2006.

This prescription service to Exclusive Care members and dependents, including IHSS providers, and the expansion to the public will serve as a public benefit for Riverside County as these benefits provide additional services to public employees, their dependents, low income individuals, and other public employees who have coverage other than through Exclusive Care.

The Medco Pharmacy Agreement, Medco Pharmacy Services Manual, and an Addendum to the Medco Documents are attached. There is no impact to the County General Fund.