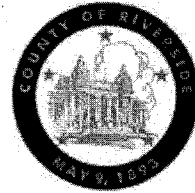


**SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



ITEM  
2.21  
(ID # 6470)

**MEETING DATE:**

Tuesday, February 27, 2018

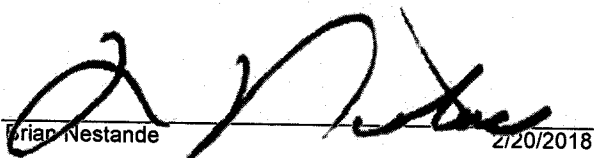
**FROM :** EXECUTIVE OFFICE:

**SUBJECT:** EXECUTIVE OFFICE: Letters Sent to Riverside County's Legislative Delegation and Pertinent Parties from January 30, 2018-February 26, 2018, All Districts [\$0]

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Receive and file the Legislative letters sent from January 30, 2018 - February 26, 2018.

**ACTION:** Consent

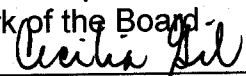
  
Brian Nestande 2/20/2018

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**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Jeffries, seconded by Supervisor Ashley and duly carried by unanimous vote, IT WAS ORDERED that the above matter is received and filed as recommended.

Ayes: Jeffries, Tavaglione, Washington, Perez and Ashley  
Nays: None  
Absent: None  
Date: February 27, 2018  
xc: EO

Kecia Harper-Ihem  
Clerk of the Board  
By:   
Deputy

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

<b>FINANCIAL DATA</b>	<b>Current Fiscal Year:</b>	<b>Next Fiscal Year:</b>	<b>Total Cost:</b>	<b>Ongoing Cost</b>
<b>COST</b>	\$0	\$0	\$0	\$0
<b>NET COUNTY COST</b>	\$0	\$0	\$0	\$0
<b>SOURCE OF FUNDS:</b>			<b>Budget Adjustment:</b>	<b>No</b>
			<b>For Fiscal Year:</b>	

**C.E.O. RECOMMENDATION:** Approve

**BACKGROUND:**

As per Board Policy A-27, the purpose of Riverside County's Legislative Program is to secure legislation that benefits the county and its residents, and to oppose/amend legislation that might adversely affect the County. Recognizing the need for consistency in conveying official positions on legislative matters, the county has instituted a coordinated process involving interaction between the Board of Supervisors, the County Executive Office, County agencies/departments, and the County's legislative advocates in Sacramento and Washington, D.C.

The Executive Office shall include a copy of the written correspondence that is not based on a specific Board vote as a consent item on the next Board agenda.

**Summary**

Since the last meeting of the Riverside County Board of Supervisors, the following letters were delivered to our legislative delegation and all pertinent parties in order to voice Riverside County's Support/Opposition:

**Legislation/Policy:** 340B Drug Pricing

**Position:** OPPOSE - Per Legislative Platform

**Recipient:** Assembly Member Arambula & Senator Pan

**Summary:** Last year during the budget process the Department of Health Care Services (DHCS) proposed modifying the 340B program to allow the state to capture any savings public health care systems receive from purchasing 340B drugs. In January, the Administration proposed to eliminate the use of the 340B program in Medi-Cal entirely.

The 340B program allows safety net providers to purchase discounted outpatient drugs and stretch federal resources to serve more eligible patients and provide more comprehensive services. The Governor's proposal would entirely eliminate the 340B program in Medi-Cal in 2019.

This proposal disproportionately impacts providers that serve the largest number of low-income vulnerable patients. Participation in the 340B program has allowed public health

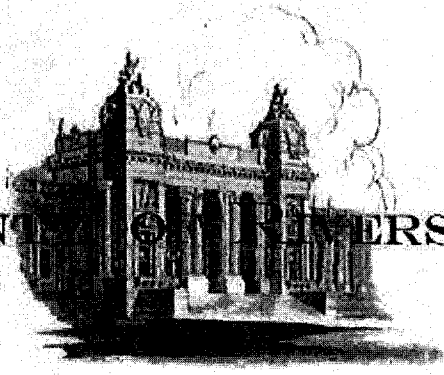
**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,  
STATE OF CALIFORNIA**

care systems, like the Riverside University Health System, to 1) provide drugs to the uninsured, regardless of ability to pay; 2) offer specific programs to the safety net population around Hepatitis C; 3) offset uncompensated care losses from uninsured and Medi-Cal patients; and 4) use program savings to fund a growing clinical pharmacy residency program, which train pharmacists to act as physician extenders in a region that has severe shortages in family medicine and specialty practitioners.

**ATTACHMENTS:**

- Signed Letters

# COUNTY OF RIVERSIDE



## Board of Supervisors

District 1	Kevin Jeffries 951-955-1010
District 2	John F. Tavaglione 951-955-1020
District 3 <i>Chairman</i>	Chuck Washington 951-955-1030
District 4	V. Manuel Perez 951-955-1040
District 5	Marion Ashley 951-955-1050

February 20, 2018  
The Honorable Joaquin Arambula  
Chair, Assembly Budget Subcommittee No. 1  
State Capitol, Room 5155  
Sacramento, CA 95814

Re: 340B Drug Pricing – OPPOSE

Dear Assembly Member Arambula:

On behalf of the Riverside County Board of Supervisors, I write in opposition to the Governor's proposal to eliminate the use of the 340B program in Medi-Cal. Last year during the budget process the Department of Health Care Services (DHCS) proposed modifying the 340B program to allow the state to capture any savings public health care systems receive from purchasing 340B drugs. In January, the Administration proposed to eliminate the use of the 340B program in Medi-Cal entirely. Please note that their proposal does not include a revenue estimate.

The 340B program allows safety net providers to purchase discounted outpatient drugs and stretch federal resources to serve more eligible patients and provide more comprehensive services. The Governor's proposal would entirely eliminate the 340B program in Medi-Cal in 2019.

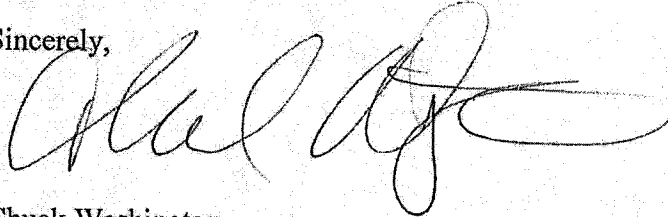
This proposal disproportionately impacts providers that serve the largest number of low-income vulnerable patients. Participation in the 340B program has allowed public health care systems, like the Riverside University Health System, to 1) provide drugs to the uninsured, regardless of ability to pay; 2) offer specific programs to the safety net population around Hepatitis C; 3) offset uncompensated care losses from uninsured and Medi-Cal patients; and 4) use program savings to fund a growing clinical pharmacy residency program, which train pharmacists to act as physician extenders in a region that has severe shortages in family medicine and specialty practitioners.

With limited resources, these savings are important to Riverside University Health System. Because the proposed policy change would impact Medi-Cal managed care drug billing for 340B entities, safety-net systems that serve a disproportionate number of Medi-Cal patients would bear the largest financial risk. If this policy change is implemented it may cause us to reevaluate closing or limiting high-cost drug programs and hospital retail pharmacies.

The Honorable Richard Pan, MD  
February 20, 2018  
Page 2

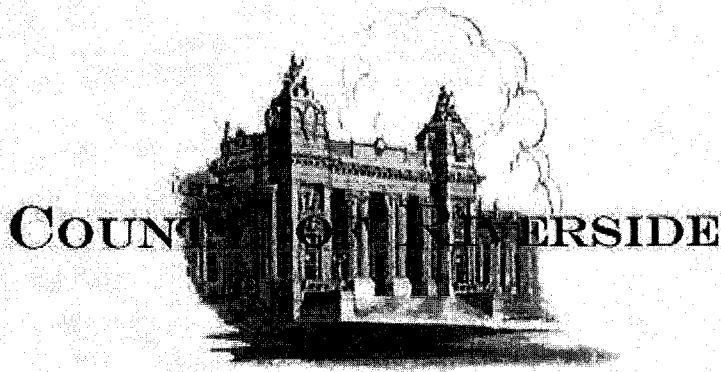
Riverside County opposes this budget proposal and urges you to reject the proposal. If you have any questions about the County's position, please do not hesitate to contact Deputy County Executive Officer, Brian Nestande at (951) 955-1110 or [bnestande@rivco.org](mailto:bnestande@rivco.org).

Sincerely,



Chuck Washington  
Chairman, Riverside County Board of Supervisors

cc: Members, Senate Budget & Fiscal Review Subcommittee No. 3  
Scott Ogus, Consultant, Senate Budget & Fiscal Review  
Anthony Archie, Consultant, Senate Republican Caucus  
County of Riverside Legislative Delegation  
Michael Cohen, Director, Department of Finance  
Jennifer Kent, Director, Department of Health Care Services



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February 20, 2018  
The Honorable Richard Pan, MD  
Chair, Senate Budget & Fiscal Review Subcommittee No. 3  
State Capitol, Room 5114  
Sacramento, CA 95814

Re: 340B Drug Pricing – OPPOSE

Dear Senator Pan:

On behalf of the Riverside County Board of Supervisors, I write in opposition to the Governor's proposal to eliminate the use of the 340B program in Medi-Cal. Last year during the budget process the Department of Health Care Services (DHCS) proposed modifying the 340B program to allow the state to capture any savings public health care systems receive from purchasing 340B drugs. In January, the Administration proposed to eliminate the use of the 340B program in Medi-Cal entirely. Please note that their proposal does not include a revenue estimate.

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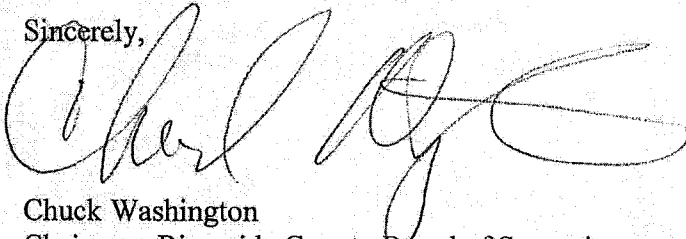
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The Honorable Joaquin Arambula  
February 20, 2018  
Page 2

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Sincerely,

A handwritten signature in black ink, appearing to read "Chuck Washington". The signature is fluid and cursive, with a large initial "C" and "W".

Chuck Washington  
Chairman, Riverside County Board of Supervisors

cc: Members, Assembly Budget Subcommittee No. 1  
Andrea Margolis, Consultant, Assembly Budget Committee  
Alex Khan, Consultant, Assembly Republican Caucus  
County of Riverside Legislative Delegation  
Michael Cohen, Director, Department of Finance  
Jennifer Kent, Director, Department of Health Care Services