



County of Monterey

Item No.44

Board Report

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legistar File Number: A 23-585

January 09, 2024

Introduced: 12/21/2023

Current Status: Health Department -
Consent

Version: 1

Matter Type: BoS Agreement

- a. Approve and authorize the Director of Health Services or designee to execute an Agreement with CPS Solutions, LLC (“CPS”) for 340B Program external audit and remote program monitoring services, for a term of February 1, 2024 through January 31, 2028, and a total agreement amount not to exceed \$259,610; and
- b. Accept the recommendation of the Director of Health Services to approve the non-standard provisions in the Agreement; and
- c. Authorize the Director of Health Services or designee to execute up to three (3) future amendments to this Agreement where the total amendments do not exceed 10% (\$25,961) of the agreement amount and do not significantly change the scope of work.

RECOMMENDATION:

It is recommended the Board of Supervisors:

- a. Approve and authorize the Director of Health Services or designee to execute an Agreement with CPS Solutions, LLC (“CPS”) for 340B Program external audit and remote program monitoring services, for a term of February 1, 2024 through January 31, 2028, and a total agreement amount not to exceed \$259,610; and
- b. Accept the recommendation of the Director of Health Services to approve the non-standard provisions in the Agreement; and
- c. Authorize the Director of Health Services or designee to execute up to three (3) future amendments to this Agreement where the total amendments do not exceed 10% (\$25,961) of the agreement amount and do not significantly change the scope of work.

SUMMARY/DISCUSSION:

The Health Department Clinic Services Bureau (Clinic Services) operates ten community clinic sites designated as Federally Qualified Health Centers (FQHCs) which provide preventive, primary, and specialty medical care services.

Clinic Services participates in the federal 340B Drug Pricing Program, which allows FQHCs to purchase eligible drugs at reduced rates for distribution to eligible patients through 340B contract pharmacy arrangements or administered to patients in clinic. Clinic Services depends on 340B savings to help increase patient access and promote health equity by reinvesting these savings into supporting the essential healthcare services that our safety net clinics provide to the underserved community.

The 340B Program is very complex and requires a deep knowledge of the program’s operational and pharmacy compliance requirements, including annual certifications, program-specific billing and drug

purchase requirements, policy/procedure management, and the need for ongoing, monthly audits to verify compliance and avoid penalties and fees.

CPS Solutions, LLC (CPS) has been supporting health systems, including FQHCs and pharmacies since 1992 by evaluating internal programs and contract pharmacy relationships to improve overall program management and optimize 340B savings in a comprehensive and compliant manner.

Approval of this Agreement will allow CPS to deliver a mock HRSA 340B Audit, including corrective action support for any audit findings, and subsequently provide ongoing 340B Program support and education to Clinic Services' operational, clinical and contract pharmacy-related areas through a remote monitoring format.

This work supports one of the Monterey County Health Department's 2018-2024 Strategic Plan Initiative(s): 2. Enhance community health and safety through prevention. It also supports one or more of the ten essential public health services, specifically: 6. Enforce laws and regulations that protect health and ensure safety.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved this Agreement as to legal form. Auditor Controller has reviewed and approved as to fiscal provisions.

FINANCING:

Sufficient appropriations are available in the FY 2023-2024 Health Department Clinic Services Adopted Budget (001-4000-HEA007) to cover the costs of this agreement. This Agreement will be funded by revenues generated from Medi-Cal and Medicare. There is no financial impact to the General Fund resulting from approval of this Agreement.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

Check the related Board of Supervisors Strategic Initiatives:

Economic Development:

- Through collaboration, strengthen economic development to ensure a diversified and healthy economy.

Administration:

- Promote an organization that practices efficient and effective resource management and is recognized for responsiveness, strong customer orientation, accountability and transparency.

Health & Human Services:

- Improve health and quality of life through County supported policies, programs, and services; promoting access to equitable opportunities for healthy choices and healthy environments in collaboration with communities.

Infrastructure:

- Plan and develop a sustainable, physical infrastructure that improves the quality of life for County residents and supports economic development results.

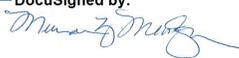
Public Safety:

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- Create a safe environment for people to achieve their potential, leading businesses and communities to thrive and grow by reducing violent crimes as well as crimes in general.

Prepared by: Prisca Segovia, Management Analyst II, 755-4939

Approved by:

DocuSigned by:

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Date: 1/3/2024 | 10:56 AM PST

Elsa Mendoza Jimenez, Director of Health Services, 755-4526 on behalf of Elsa Mendoza Jimenez

Attachments:

Board Report

Agreement