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**BOARD OF SUPERVISORS**

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COUNTY OF SANTA BARBARA

October 22, 2021

Agnes Lee, Policy Consultant
 Office of California Assembly Speaker Anthony Rendon
 Room: 219
 Main Capitol Building
 Sacramento, CA 95814

Dear Agnes Lee:

Thank you for meeting with us today to discuss Santa Barbara County's concerns regarding the distribution formula to be proposed by the Department of Health Care Services in response to the budget trailer bill the governor approved creating the 340B Supplemental Payment Pool to backfill revenue lost to a number of non-hospital clinics who participate in the federal 340B pharmacy program.

The formula we believe to be final from the Department for calculating the backfill will not come close to reimbursing Santa Barbara County for the amounts it will lose. We request an equitable and representative formula to backfill the losses. This was and remains the intent of the 340B Supplemental Payment Pool.

Santa Barbara County is a non-hospital county with Federally Qualified Health Centers and a robust 340B pharmacy program, consisting of both in-house and contract pharmacies. The model being considered by the Department for distributing the funds in the Supplemental Payment Pool would result in a distribution to Santa Barbara County of only about 12% of the \$4.2 million Santa Barbara will lose. Such a reduction will significantly impact access to care for Medi-Cal members in Santa Barbara County and will result in the reduction or elimination of important pharmaceutical, specialty health care, outreach, and case management services, which our residents, Medi-Cal Managed Care Plan, and our entire health care provider network have come to rely upon.

We request legislation or special dispensation that smooths the disparity that Santa Barbara County is facing as result of the Department's proposed formula. We would also support consideration of a formula that more closely backfills the reported millions of

dollars lost or otherwise carves Santa Barbara County out of the Medi-Cal Rx component that reverts County 340B savings to State Medi-Cal.

The Board of Supervisors adopted a 2021 Legislative Platform which includes the Access to Quality Health Services Plank which specifically states that the County will support measures which establish, enhance or fund policies, programs, research, standards, educational material and public awareness campaigns that prevent disease, promote wellness and ensure access to needed health care.

If you have questions about the Board's position, please contact the County's Legislative Coordinator, Jasmine McGinty at 805-568-3108 or jmcginty@countyofsb.org. Thank you for your consideration.

Sincerely,



Cliff Berg

Governmental Advocates, Inc.

cc: The Honorable Senator Monique Limon, 19th Senate District
The Honorable Assemblymember Steve Bennett, 37th Assembly District
The Honorable Assemblymember Robert Rivas, 30th Assembly District
Members, County of Santa Barbara Board of Supervisors
Mona Miyasato, County Executive Officer
Nancy Anderson, Assistant County Executive Officer, County of Santa Barbara
Board of Supervisors