

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF THE COUNTY OF SAN BERNARDINO
AND RECORD OF ACTION**

July 14, 2020

FROM

LEANNA WILLIAMS, Director, Department of Risk Management

SUBJECT

Amendment to Contract with Matrix Healthcare Services, Inc.

RECOMMENDATION(S)

Approve **Amendment No. 1** to **Contract No. 17-899** with Matrix Healthcare Services, Inc. dba myMatrixx, to extend the current contract for one year, for the new term of December 17, 2017 through December 16, 2021, for the continued provision of workers' compensation pharmacy benefit management services, with no changes to the estimated aggregate cost of \$4.0 million, with all other terms and conditions remaining the same.
(Presenter: LeAnna Williams, Director, 386-8621)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Operate in a Fiscally-Responsible and Business-Like Manner.

FINANCIAL IMPACT

Approval of this item will not result in the use of additional Discretionary General Funding (Net County Cost). The estimated cost for workers' compensation pharmacy benefit management services for 2020-21 is approximately \$800,000, and will be funded through the Department of Risk Management's (DRM) workers' compensation self-insurance funds (4082 and 4104) in accordance with the terms and conditions in the contract. Sufficient appropriation is included in the DRM's 2020-21 budget.

BACKGROUND INFORMATION

The County of San Bernardino's workers' compensation program has been self-insured and self-administered since 1972. Since then, DRM has utilized various cost containment programs, including pharmacy benefit management (PBM) services that provide efficient, timely, and cost effective management of prescription drug usage.

The PBM services include timely, no-risk first prescription fill at network pharmacies within agreed utilization parameters, substitution of generic drugs for brand-name drugs, custom formularies, and opioid management. The PBM's streamlined prior authorization process helps injured employees expedite their recovery and return to work, while preventing fraud and abuse of prescription drugs.

Matrix Healthcare Services, Inc. dba myMatrixx provides a contracted pharmacy network inclusive of national chains with regional and local locations offering competitive contracted pricing, pharmacy mail delivery, monitoring for unrelated medications, duplicate or overlapping

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therapies, early refills, misuse, abuse, fraud, unauthorized physicians, excessive dosages, contra-indicated medications, high dollar drug cost, and over or under-utilization.

Approval of Amendment No. 1 will exercise the option to extend the contract term for a period of one year, allowing Matrix Healthcare Services, Inc. dba myMatrixx to provide uninterrupted workers' compensation pharmacy benefit management services to the County, under the same contract terms and conditions.

PROCUREMENT

On December 5, 2017 (Item No. 54), as a result of a competitive procurement process, ePro Bid No. RMG118-RMADM-2596, the Board of Supervisors approved Contract No. 17-899 with Matrix Healthcare Services, Inc. dba myMatrixx, with an estimated aggregate cost of \$4.0 million for a three year period of December 17, 2017 through December 16, 2020, with two one-year options to extend the contract.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Teresa McGowan, Principal Assistant County Counsel, 387-5283) on June 16, 2020; Purchasing Department (Bruce Cole, Supervising Buyer, 387-2148) on June 12, 2020; Finance (Joon Cho, Administrative Analyst, 387-5402) on June 19, 2020; and County Finance and Administration (Kelly Welty, Deputy Executive Officer, 387-4376) on June 19, 2020.

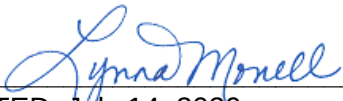
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Record of Action of the Board of Supervisors
County of San Bernardino

APPROVED (CONSENT CALENDAR)

Moved: Robert A. Lovingood Seconded: Josie Gonzales
Ayes: Robert A. Lovingood, Janice Rutherford, Curt Hagman, Josie Gonzales
Absent: Dawn Rowe

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: July 14, 2020



cc: Risk- Williams w/agree
Contractor- C/O Risk w/agree
File- w/agree
la 07/20/2020