

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

June 22, 2021

FROM

VICTOR TORDESILLAS, Interim Director, Department of Risk Management

SUBJECT

Amendment to Contract with Matrix Healthcare Services, Inc. for Workers' Compensation Pharmacy Benefit Management

RECOMMENDATION(S)

Approve **Amendment No. 2 to Contract No. 17-899** with Matrix Healthcare Services, Inc. dba myMatrixx, to extend the contract term for one additional year, for a new term of December 17, 2017 through December 16, 2022, 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: Victor Tordesillas, Interim 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 (PBM) services for 2021-22 is approximately \$800,000, and will be funded through the Department of Risk Management's (Department) workers' compensation self-insurance funds (4082 and 4104) in accordance with the terms and conditions of the contract. Sufficient appropriation is included in the DRM's 2021-22 budget.

BACKGROUND INFORMATION

The San Bernardino County's workers' compensation program has been self-insured and self-administered since 1972. Since then, the Department has utilized various cost containment programs, including PBM services. PBM services are used in managing workers' compensation claims to provide measurable savings on pharmacy costs, no-risk first fills, and clinical intervention programs to ensure the right drugs are dispensed for the right reasons to prevent fraud and abuse of prescription drugs.

Matrix Healthcare Services, Inc. dba myMatrixx (myMatrixx) provides a contracted nationwide pharmacy network with over 9,600 locations in California, comprised of major chains, regional and independent pharmacies that offer competitive contracted pricing and pharmacy mail delivery. myMatrixx increases injured worker safety and ensures appropriateness of medications by providing a prospective, concurrent, and retrospective Drug Utilization Review (DUR) program to assess the appropriateness of drug therapy against customizable, predefined

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criteria. DURs limit inappropriate use of drugs, adverse consequences for injured workers and rising pharmacy costs.

Approval of Amendment No. 2 will exercise the final option to extend the contract term for a second one-year period, allowing 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 (Board) approved Agreement No. 17-899 with 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 term.

On July 14, 2020 (Item No. 48), the Board approved Amendment No. 1 to Agreement No. 17-899 with myMatrixx, exercising the first of two options to extend the contract period for one additional year, for a new term of December 17, 2020 to December 16, 2021, with all other terms and conditions remaining the same.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Cynthia O'Neill, Principal Assistant County Counsel, 387-5397) on May 26, 2021; Purchasing Department (Bruce Cole, Supervising Buyer, 387-2148) on May 26, 2021; Finance (Carolina Mendoza, Administrative Analyst, 387-4883) on May 27, 2021; Human Resources (Diane Rundles, Human Resources Director, 387-5572) on May 28, 2021; and County Finance and Administration (Kelly Welty, Deputy Executive Officer, 387-4376) on May 27, 2021.

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

APPROVED (CONSENT CALENDAR)

Moved: Joe Baca, Jr. Seconded: Dawn Rowe
Ayes: Col. Paul Cook (Ret.), Janice Rutherford, Dawn Rowe, Curt Hagman, Joe Baca, Jr.

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: June 22, 2021



cc: Risk - Tordesillas w/agree
Contractor - C/O Risk w/agree
File - w/agree
CCM 06/30/2021