

THIS IS A PROPOSED DRAFT AND WILL BE REPLACED BY THE FINAL, SIGNED ORDINANCE OR RESOLUTION ADOPTED BY THE CITY COUNCIL.

ORDINANCE

AUTHORIZING AN AGREEMENT WITH CARDINAL HEALTH 110, LLC AND CARDINAL HEALTH 112, LLC TO SERVE AS THE 340B PRESCRIPTION DRUG PRICING PROGRAM DRUG WHOLESALE DISTRIBUTOR FOR THE SAN ANTONIO METROPOLITAN HEALTH DISTRICT TO PURCHASE DRUGS IN AN AMOUNT UP TO \$151,401.00 FOR A TERM COMMENCING JULY 1, 2019 AND TERMINATING ON JUNE 30, 2020 WITH OPTIONS TO RENEW FOR TWO, ONE-YEAR TERMS.

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WHEREAS, the 340B Drug Pricing Program (340B Program) is a federal program that enables participating drug manufacturers to provide discounted prices on covered outpatient drugs to eligible health care organizations known as covered entities; and

WHEREAS the commonly stated intent of the 340B Program is to permit covered entities to stretch scarce resources as far as possible to more eligible patients and provide more comprehensive services; and

WHEREAS covered entities participating in the 340B Program may contract with pharmacies to dispense drugs purchased through the program on their behalf from contracted prescription drug wholesalers/distributors; and

WHEREAS, with this agreement, Cardinal Health 110, LLC and Cardinal Health 112, LLC (Cardinal Health) will serve as a contract prescription drug wholesaler/distributor for the San Antonio Metropolitan Health District (Metro Health) a covered entity; and

WHEREAS, Metro Health released an RFP for the wholesaler/distributor of the 340B program prescription drugs on March 25, 2019; and

WHEREAS, the Evaluation Committee met and recommended award to Cardinal Health; and

WHEREAS, by consensus vote, the committee is recommending to enter into an agreement with Cardinal Health to serve as a contract wholesaler/distributor for Metro Health to provide certain low cost prescription drugs for patients seen at Metro Health clinics; **NOW THEREFORE:**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The City Manager or designee or the Director of the San Antonio Metropolitan Health District or designee is authorized to negotiate and execute an agreement with Cardinal

Health 110, LLC and Cardinal Health 112, LLC to serve as the 340B prescription drug wholesale distributor for the San Antonio Metropolitan Health District to purchase drugs in an amount up to \$151,401.00 for a term commencing July 1, 2019 and terminating on June 30, 2020 with options to renew the agreement, without further Council action, for an additional two, one-year terms. The agreement in substantially final form is attached hereto and incorporated herein for all purposes as **Attachment I**. The execution authority granted by this Ordinance shall expire 60 days after the effective date.

SECTION 2. [FINANCIAL LANGUAGE PENDING]

SECTION 3. The financial allocations in this Ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director of Finance may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific SAP Fund Numbers, SAP Project Definitions, SAP WBS Elements, SAP Internal Orders, SAP Fund Centers, SAP Cost Centers, SAP Functional Areas, SAP Funds Reservation Document Numbers, and SAP GL Accounts as necessary to carry out the purpose of this Ordinance.

SECTION 4. This Ordinance is effective immediately upon the receipt of eight affirmative votes; otherwise, it is effective ten days after passage.

PASSED AND APPROVED this ____ day of _____.

M A Y O R
Ron Nirenberg

ATTEST:

APPROVED AS TO FORM:

Leticia M. Vacek, City Clerk

Andrew Segovia, City Attorney