

ATTACHMENT E

The PIC-Drug Distribution Project: Basic Information

Overall Goal

- ❖ Provide more than \$170 million of drugs at no cost to low-income Californians

Drug Distribution Project (DDP) Participants

- ❖ 25 pharmaceutical companies
- ❖ More than 200 nonprofit “safety net” outpatient clinics in California
- ❖ Independent nonprofit organization providing DDP operations management and ongoing outreach to “safety net” clinics

DDP’s Main Features

- ✓ Distributes only brand name drugs.
- ✓ Emphasizes electronics and efficiency, *e.g.*, Internet-based order system, EDI order transmission, broadcast e-mails for most DDP communications.
- ✓ Focuses on “safety net” clinics with large numbers of indigent patients, *e.g.* community health centers, free clinics, county outpatient care clinics.
- ✓ Assigns each participating clinic a “credit limit” based on past indigent care.
- ✓ Combines 25 companies’ differing rules, product allocations, and product amounts into a seamless system of access to free “indigent care” drugs.
- ✓ Complements drug distribution with general purchasing and dispensing education.

Operations

- a. Each company makes \$X of its products available to indigent patients through DDP.
- b. DDP verifies that applicant clinic meets eligibility criteria.
- c. Clinics use a special internet-based “DDP Order System” to request drugs.
- d. DDP reviews and adjusts requests, then electronically transmits batches of orders.

e. Project scheduled to end after three years.

PIC-Drug Distribution Project Additional Information

Pharmaceutical Companies	Product Availability (in millions)
Merck	\$ 20
Glaxo-Wellcome	\$ 19
AHP	\$ 16
Bristol-Myers Squibb	\$ 13
Eli Lilly	\$ 12
Pfizer	\$ 12
SmithKline Beecham	\$ 11
Upjohn	\$ 10
<i>15 Other Companies</i> -Total	<u>\$ 58</u>
DDP Total	<u>\$171</u>

Drugs Offered; Acknowledgement for Companies Offering Most Valuable Drugs

The DDP makes available approximately 150 brand name drugs covering twenty-three therapeutic classes of value to outpatient clinics. <http://www.medpin.org/pdf/py3druglist2.pdf> Mental health drugs are the most requested and most quickly distributed items.

Some companies have worked especially closely with Medpin and safety net providers to get valuable drugs to vulnerable patients. At Medpin's May 2002 Annual Conference, the following drug companies received special recognition for outstanding contributions to low-income Californians through their proactive participation in the PIC-DDP:

** * * Bristol-Myers Squibb, Eli Lilly, Merck, Pfizer, Roche * * **

Clinics

All clinics receiving drugs through the DDP must (1) be located in California, (2) be part of a nonprofit or government-owned entity providing primary care or mental health care to indigent patients (3) own and operate a pharmacy or state-licensed dispensary, and (4) document to Medpin their compliance with eligibility criteria and operating rules.

More than 200 eligible organizations receive DDP drugs, then dispense them at no cost to their uninsured patients. Participants include free clinics, community clinics, freestanding county clinics, and outpatient clinics of county hospitals. They are located in rural, suburban, and urban areas throughout California and serve patients of diverse cultural and linguistic backgrounds. Clinics also range greatly in size; for example, Los Angeles County Medical Center receives more than 100 times total value of DDP drugs as Mt. Shasta Medical Clinic or Casa de Salud.

For more information on the DDP, see http://www.medpin.org/drug_dist/drug_dist.html