LOS ANGELES COUNTY
PHARMACY MORATORIUM

September 22, 2016

In accordance with Section 14043.55 of the *California Welfare and Institutions Code*, I, Jennifer Kent, Director of the Department of Health Care Services, Health and Human Services Agency, State of California, will implement for 180 days, a moratorium on the enrollment of Pharmacy providers located in Los Angeles County. Upon approval of this moratorium, the non-chain, non-pharmacist owned Los Angeles County Pharmacy Moratorium dated March 26, 2016, will expire and be superseded by this moratorium. This new moratorium will expire on March 21, 2017. This moratorium exempts any of the following applications for provider enrollment:

1. The enrollment of Chain Pharmacy providers. For the purposes of this moratorium, a chain pharmacy is defined as an entity with 20 or more service locations.

2. An application based on the purchase or a change of control interest of an existing Medi-Cal provider pharmacy in Los Angeles County, whether it constitutes a change of ownership or not. This exception is only available when the applicant has assumed or retained all debts, obligations, and liabilities to which the existing provider was subject prior to the transfer or sale and the Department confirms that an access to care issue exists.

3. Applications submitted pursuant to California Code of Regulations, Title 22, Section 51000.55, Requirements for Continued Enrollment.

4. Applications submitted pursuant to California Code of Regulations, Title 22, Section 51000.30(a), by an existing Medi-Cal enrolled pharmacy provider for the sole reason of changing its location provided that its previous business address was located in Los Angeles County.

5. Applicants that are the exclusive persons or entities in the United States to provide a specific product or service that is a Medi-Cal covered benefit.

6. The enrollment of a County, State, or Federally owned and operated pharmacy.

7. Applications submitted pursuant to California Code of Regulations, Title 22, Section 51000.30(b)(6) with no change in the person(s) previously identified in the last complete application package that was approved for enrollment as having a control or ownership interest in the provider totaling five percent or greater.

8. Applicants who will be enrolled solely for reimbursement of Medicare cost sharing amounts.

9. Applications submitted by a provider to operate at the same business location as a Federally Qualified Health Clinic (FQHC). The pharmacy, in whole or in part, must be owned and operated by the same entity that owns the FQHC.

This action is necessary to safeguard public funds and to maintain the fiscal integrity of the Medi-Cal program.

Original signed by Jennifer Kent

Jennifer Kent
Director
Department of Health Care Services
Health and Human Services Agency
State of California

SEP 1 2 2016

Date