



**THE DEPARTMENT OF GENERAL SERVICES**  
**CALIFORNIA PHARMACY PROCUREMENT COLLABORATIVE**  
**CHARTER**

**2011**

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## **A. Introduction**

Recognizing that State governmental entities need to control the costs relating to the purchase and use of pharmaceuticals and medical supplies, the Department of General Services (DGS), by virtue of this Charter and under the authority of Government Code (GC) 14982(a) et seq., does hereby establish the California Pharmacy Procurement Collaborative (CPPC).

The Directors of the DGS, Department of Mental Health (DMH), Department of Developmental Services (DDS), Department of Health Care Services (DHCS), California Department of Public Health (CDPH), the Secretaries of the California Department of Corrections and Rehabilitation (CDCR), California Department of Veterans Affairs (CDVA), the Receiver of the California Correctional Health Care Services, the Chief Executive Officer of the California Public Employees Retirement System (CalPERS), and the President of the University of California (UC), are the Executive Sponsors, and hereby direct the CPPC to meet, discuss, make decisions, and act on critical issues relevant to authorities granted and legislative expectations of Government Code (GC) Sections 14977 through 14982.

The CPPC drives operational decisions to lower levels in the organizations when appropriate, and gives clear direction.

## **B. Background**

The DGS Pharmaceutical Acquisitions Section (Rx Section) has procured pharmaceuticals for State Agencies for many years. Beginning in 2000 the California Legislature recognized the increasing costs of pharmaceuticals and introduced legislation establishing the Statewide Pharmaceutical Program and requiring the DGS and State Agencies to work together to control drug costs.

## **C. CPPC Mission**

Coordinate the efforts of various State and local governmental entities, as appropriate, to identify and implement opportunities for cost savings and quality improvement regarding pharmaceuticals and medical supplies.

## **D. CPPC Values**

- Integrity – We do the right things for the right reasons.
- Accountability – We hold ourselves and each other responsible for all we do.
- Communication – We listen and share information openly and honestly with the goal of mutual understanding and transparency.
- Excellence – We strive for the best for each other and our customers.
- Innovation – We cultivate ideas and implement improvements throughout our organizations.

- Teamwork – We value our organizational diversity and work together to achieve great results.

#### **E. CPPC Goals**

1. Rational Drug Use - Establish systems that ensure the most cost effective medication therapy within State and local governmental entities.
2. Strategic Procurement Initiatives - Leverage departmental efficiencies to obtain the best value on pharmaceutical and medical supply procurements.
3. Program Quality – Establish and monitor performance standards for protocols, guidelines and contracts established for State and local governmental entities supporting the Statewide Pharmaceutical Program.
4. Cost Management Strategies – Develop short term and long term plans integrating private, government, and industry resources for managing drug and medical supply costs within State and local governmental entities.

#### **F. CPPC Membership**

Membership is appointed by the Executive Sponsors. Additional State and local governmental entities eligible to participate in the Statewide Pharmaceutical Program pursuant to GC Section 14978 may participate in the CPPC as appropriate.

#### **G. Conflict of Interest**

CPPC members shall be free from interests that could compromise the objectivity necessary to make independent assessments.

#### **H. CPPC Process**

The CPPC shall be organized in a manner consistent with improving communications and processes. The CPPC Members shall form standing and *ad Hoc* committees to align with the goals of the CPPC. The CPPC shall appoint and dedicate appropriate resources to committees it forms. The DGS shall administer the CPPC under the authority of GC Sections 14977 through 14982.

#### **I. CPPC Roles and Responsibilities.**

##### CPPC Member

- Implement the goals of the CPPC charter.
- Provide leadership and oversight on issues that cross Agency or Departmental lines, and advise the CPPC.
- Receive review, recommend, and reports on high priority and sensitive issues.
- Serves as the point of contact between the CPPC and their Executive Sponsor, and appropriate resources within their agencies.

- Provides briefings on current issues.
- Receives and gives feedback to the CPPC.
- Coordinates and appoints appropriate resources to subcommittees and workgroups established by the CPPC.

DGS Pharmaceutical Program Manager (Facilitator)

- Manages meeting logistics
- Tracks CPPC action items through resolution.

**J. Charter Amendments and Revisions**

This Charter may be revised or amended as and when necessary. The CPPC shall review any proposed changes, revisions, or amendments and submit to their various Executive Sponsors for approval.

**K. CPPC Charter Approvals**

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**Department of General Services  
Fred Klass, Director**

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**California Correctional Health Care Services  
J. Clark Kelso, Receiver**

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**Department of Mental Health  
Cliff Allenby, Acting Director**

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**Department of Developmental Services  
Terri Delgadillo, Director**

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**CalPERS  
Anne Stausboll, Chief Executive Officer**

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**University of California  
Dr. Mark G. Yudof, President**

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**California Department of Corrections and  
Rehabilitation  
Matthew Cate, Secretary**

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**Department of Health Care Services  
Toby Douglas, Director**

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**California Department of Public Health  
Dr. Ron Chapman, Director**

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**California Department of Veterans Affairs  
Peter James Gravett, Secretary**

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**The California State University  
Charles B. Reed, Chancellor**

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**Emergency Medical Services Authority  
Dr. Howard Backer, Director**

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**CalSTRS  
Jack Ehnes, Chief Executive Officer**