

NEWS RELEASE



MEDI-CAL RX AND COSTCO TEAM UP TO EXPAND ACCESS TO PRESCRIPTION DRUGS FOR MEDI-CAL MEMBERS

SACRAMENTO — The Department of Health Care Services (DHCS) today announced a new partnership with Costco Wholesale Corporation (Costco) to further expand access to prescription drugs under Medi-Cal Rx, the Medi-Cal pharmacy program. This partnership delivers on Governor Gavin Newsom’s promises of increasing access to quality, affordable health services.

Medi-Cal members now have a new access point in their communities to fill their prescriptions—at one of Costco’s 122 current pharmacy locations across California. It is anticipated that more than 50,000 Medi-Cal Rx prescriptions will be filled each month in California Costco pharmacies. Costco membership is not required for customers solely wishing to access pharmacy services.

“DHCS has worked for the last several years to standardize the Medi-Cal pharmacy benefit under one statewide delivery system,” said DHCS Director Michelle Baass. “Californians now have another avenue to get their prescription drugs more easily.”

DHCS is improving access to pharmacy services by establishing partnerships with the vast majority of outpatient pharmacies, such as Costco, Walgreens, Safeway, CVS, and Rite Aid, as well as many independent pharmacy providers. With Costco’s agreement, there are now more than 6,370 pharmacy locations available to Medi-Cal enrollees statewide. Medi-Cal Rx includes all pharmacy services, from outpatient drugs to enteral nutrition products and medical supplies.

This work began on January 7, 2019, when Governor Newsom’s first act in office was to sign an Executive Order creating the largest single payer of prescription drugs on behalf of the one-third of all Californians who are enrolled in Medi-Cal. On January 1, 2022, DHCS transitioned all Medi-Cal pharmacy services from Medi-Cal managed care to a fee-for-service benefit.

The effort required DHCS to engage with multiple stakeholders, including Medi-Cal managed care plans; advocacy groups; pharmacies, doctors, hospitals, and their respective associations; and counties.

“This is yet another step toward a more equitable health care system in the Golden State,” said Dr. Mark Ghaly, Secretary of the California Health & Human Services Agency. “Californians shouldn’t have to jump through hoops to access life-saving prescription drugs. This partnership will provide people more convenient options for getting the treatments they need.”

This is part of DHCS' work to transform the Medi-Cal program into a more coordinated, person-centered, and equitable health care system accessible to everyone, regardless of where you live or the language you speak. Medi-Cal is working to ensure its members get the care and services they need when they need them so they can live longer, healthier lives.

###

NUMBER: 22-13 | **DATE:** November 3, 2022
CONTACT: [DHCS Office of Communications](#), (916) 440-7660

www.dhcs.ca.gov