

ORDINANCE NO. 180175

Authorizing the City Attorney to negotiate and execute a Legal Services Contract with Wagstaff & Cartmell, LLP, for the provision of legal services related to pharmaceutical pricing.

WHEREAS, the City's Healthcare System Board of Trustees ("Healthcare Trust") manages and directs the affairs of the City's healthcare system for its employees and their dependents; and

WHEREAS, through insurance contracts negotiated by the Healthcare Trust, the City is a high volume purchaser of various pharmaceuticals; and

WHEREAS, the City believes it may have been financially damaged by illegal actions by pharmaceutical manufacturers and distributors such as generic drug suppression, product hopping, patent misuse, price-fixing, sham litigation and/or other illegal anti-competitive actions; and

WHEREAS, the City wants to engage a firm who has the unique or specialized experience and resources to perform monitoring of relevant pharmaceutical pricing court actions nationwide and to litigate these actions, either through direct actions or through class-actions; and

WHEREAS, a selection committee reviewing a City-issued Request for Proposals (RFP) for these legal services concurs with the recommendation of the Healthcare Trust that the City Attorney engage the local firm of Wagstaff & Cartmell, LLC.; and

WHEREAS, Wagstaff & Cartmell intends on utilizing the legal services of Fields & Brown, a local MBE firm, who will join the team in this combined effort; and

WHEREAS, Wagstaff & Cartmell will approach the Healthcare Trust and the City Attorney with litigation options if discovery reveals the City has suffered an economic loss on particular pharmaceuticals due to overpayment resulting from illegal practices; and

WHEREAS, the City will not advance any funds, as any contract for legal services will contain a fairly standard contingency fee arrangement with all legal fees and expenses subtracted from any future settlement or damage recovery; and

WHEREAS, the City will proceed with litigation, when warranted, as a means of protecting the assets of the City, maintaining the stability of its healthcare system and protecting taxpayer dollars; NOW, THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

ORDINANCE NO. 180175

Section 1. That the City Attorney is hereby authorized to negotiate and execute a legal services contract and subsequent agreements on a contingency-fee basis with Wagstaff & Cartmell, LLC, to provide legal services as lead counsel for the City in potential pharmaceutical pricing and similar actions.

Approved as to form and legality:

Joseph A. Guarino
Assistant City Attorney