

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Behavioral Health	(2) MEETING DATE 1/14/2014	(3) CONTACT/PHONE Cindy Collins, ASM, 788-2932 Amy Olson, ASO II, 781-4729	
(4) SUBJECT Request to approve: 1. new January 1, 2014 through June 30, 2015 contracts with Apex Pharmacy dba Bestcare Pharmacy and En Soleil Pharmacy, Inc. at a rate of \$4 per qualified prescription dispensed to provide pharmacy services for qualified Behavioral Health clients; and 2. a new January 1, 2014 through June 30, 2015 contract with Kyoko Mitsuoka at a rate of \$85 per hour to provide pharmacy management for the Psychiatric Health Facility. All Districts.			
(5) RECOMMENDED ACTION It is recommended that the Board: <ol style="list-style-type: none"> 1. Approve and direct the Chairperson to sign the new January 1, 2014 through June 30, 2015 contracts with Apex Pharmacy dba Bestcare Pharmacy and En Soleil Pharmacy, Inc. at a rate of \$4 per qualified prescription dispensed to provide pharmacy services for qualified Behavioral Health clients: 2. Approve and direct the Chairperson to sign the new January 1, 2014 through June 30, 2015 contract with Kyoko Mitsuoka at a rate of \$85 per hour to provide pharmacy management for the Psychiatric Health Facility (PHF). 			
(6) FUNDING SOURCE(S) Realignment	(7) CURRENT YEAR FINANCIAL IMPACT \$437,540.00	(8) ANNUAL FINANCIAL IMPACT \$437,540.00	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ___) <input type="checkbox"/> Board Business (Time Est. ___)			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input checked="" type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) 19001362, 19001363, 1900		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input type="checkbox"/> 4/5 Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input checked="" type="checkbox"/> N/A Date: _____	
(17) ADMINISTRATIVE OFFICE REVIEW Reviewed by Leslie Brown			
(18) SUPERVISOR DISTRICT(S) All Districts -			

County of San Luis Obispo



TO: Board of Supervisors

FROM: Behavioral Health / Cindy Collins, ASM, 788-2932
Amy Olson, ASO II, 781-4729

DATE: 1/14/2014

SUBJECT: Request to approve: 1. new January 1, 2014 through June 30, 2015 contracts with Apex Pharmacy dba Bestcare Pharmacy and En Soleil Pharmacy, Inc. at a rate of \$4 per qualified prescription dispensed to provide pharmacy services for qualified Behavioral Health clients; and 2. a new January 1, 2014 through June 30, 2015 contract with Kyoko Mitsuoka at a rate of \$85 per hour to provide pharmacy management for the Psychiatric Health Facility. All Districts.

RECOMMENDATION

It is recommended that the Board:

1. Approve and direct the Chairperson to sign the new January 1, 2014 through June 30, 2015 contracts with Apex Pharmacy dba Bestcare Pharmacy and En Soleil Pharmacy, Inc. at a rate of \$4 per qualified prescription dispensed to provide pharmacy services for qualified Behavioral Health clients:
2. Approve and direct the Chairperson to sign the new January 1, 2014 through June 30, 2015 contract with Kyoko Mitsuoka at a rate of \$85 per hour to provide pharmacy management for the Psychiatric Health Facility (PHF).

DISCUSSION

Behavioral Health Services has a need for pharmacies on a contract basis to provide pharmacy services to qualified Behavioral Health clients throughout the county as well as medication management in the PHF. In the past, Behavioral Health contracted with Community Healthcare Centers (CHC) to provide pharmacy services for qualified clients and PHF medication management. However, the contract with CHC expired December 31, 2013 and, due to the Affordable Care Act (ACA), CHC will not be renewing portions of their contract covering discharge medications of certain qualified clients of the County. Therefore, Behavioral Health has sought out local independent pharmacies/pharmacists with whom to contract. It is necessary to have pharmacy locations in south county, north county, and San Luis Obispo regions to provide adequate services for the entire county. It is also necessary to contract with a pharmacist to manage the medications for the PHF, as mandated by the State. The County desires to contract with Bestcare Pharmacy for south county outpatient pharmacy location and medication delivery services, with En Soleil Pharmacy for north county outpatient pharmacy services, and with Kyoko Mitsuoka for PHF medication management.

Qualified Behavioral Health clients include those receiving mental health and/or drug & alcohol treatment and require medications prescribed by a psychiatrist in order to maintain proper treatment and health. These individuals do not qualify for Medi-Cal or Medicare benefits and have no other source of health insurance to pay for necessary medications. Those clients who have been seen by Behavioral Health staff in the jail and being released will also be included as a qualified client to receive pharmacy services through Bestcare Pharmacy.

The pharmacist contracted for the PHF shall provide inpatient pharmacy/drug room services. As mandated by the State, the inpatient pharmacist shall perform necessary audits of client charts and the pharmacy area, participate in the PHF Pharmacy and Therapeutics Committee, and maintain performance measures and quality standards for the PHF pharmacy.

Each pharmacy/pharmacist will be licensed by the California State Board of Pharmacy and ensure that they meet all legal

requirements of the California Business and Professions Code relating to the practice of pharmacy. Furthermore, each pharmacist shall have a valid Drug Enforcement Agency (DEA) certificate for the handling of controlled substances. Pharmacists located at the outpatient pharmacies will be responsible for filling new and refilling medications written by psychiatrists according to the drug formulary. The pharmacy shall establish whether the client is qualified or not based on benefits available to the client and then bill the appropriate pay source for the prescription. Each pharmacist at the contracted locations shall also ensure proper counseling of clients receiving newly prescribed medications.

OTHER AGENCY INVOLVEMENT/IMPACT

County Counsel has reviewed and approved the contracts as to form and legal effect.

FINANCIAL CONSIDERATIONS

The FY 2013-14 budget for Behavioral Health includes a cumulative amount of \$437,540 in contract pharmacy services. The rate of pay for the contract outpatient pharmacists is \$4.00 per qualified prescription dispensed. The previous contract with CHC reflected drugs charged at the Wholesale Acquisition Cost (WAC) plus 5% filling fee method, however the new method to be used in contracts with Bestcare and En Soleil calculate drug prices at the Average Wholesale Price (AWP) plus \$4.00 filling fee. The AWP method of pricing drugs is a more current method of pricing drugs and simpler to use for billing purposes. It is estimated that the average drug price using the AWP will be similar to that of using the WAC method. The prescriptions for newly released jail clients will be billed directly to the Sheriff's department.

The inpatient pharmacist will be paid \$85 per hour for the duties associated with the PHF pharmacy. The average hourly wage plus benefit for a pharmacist in the central coastal California region is approximately \$85 per hour.

RESULTS

Pharmacy services are an integral part of Behavioral Health Services, and a critical component to the overall effort to provide quality client care. Each pharmacist is licensed and trained to dispense the medications prescribed to Behavioral Health clients to help control their symptoms. Without these services, Behavioral Health could not meet State mandates for prescription medication services.

Providing pharmacy locations throughout the County contributes to proper medication management. Providing the most appropriate services to the clients increases the probability of positive treatment outcomes. Furthermore, positive treatment outcomes contribute to the wider County vision of a healthy and safe community.

ATTACHMENTS

1. Bestcare Contract
2. En Soleil Contract
3. Mitsuoka Contract