

**SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

959



**SUBMITTAL DATE:**  
December 2, 2010

**FROM:** Department of Mental Health

**SUBJECT:** Ratify Approval of Pharmacy Agreements

**RECOMMENDED MOTION:** Move that the Board of Supervisors ratify and:

1. Authorize the County Purchasing Agent to execute individual Purchasing Agreements with pharmaceutical vendors listed in Attachment "A" with a minimum amount of \$10,000 each for the purchase of items used in client related therapy for the combined aggregate of \$105,000;
2. Authorize the County Purchasing Agent to renew and/or enter into amendments with the pharmaceutical vendors not to exceed 15% of the approved aggregate amount of \$105,000 through June 30, 2015; and
3. Exempt the Riverside County Purchasing Agent from seeking Board approval for sole source contracts when adding new vendors up to \$100,000 and not to exceed the approved aggregate amount through June 30, 2015, in accordance with Ordinance 459.4.

**BACKGROUND:** On April 18, 2006, Agenda Item 3.12, the Riverside County Board of Supervisors authorized the Purchasing Agent to establish agreements with pharmacies located as close as possible to mental health clinics throughout Riverside County so that clients may obtain their medications in a timely manner. **(Continued on Page 2)**

JW:SLJB

*Jerry Wengerd*  
\_\_\_\_\_  
Jerry Wengerd, Director  
Department of Mental Health

<b>FINANCIAL DATA</b>	Current F.Y. Total Cost:	\$ 105,000	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2010/11 2014/15

<b>SOURCE OF FUNDS:</b> 100%-State (inc. Realign and MHSA),	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

**C.E.O. RECOMMENDATION:**

APPROVE

**County Executive Office Signature**

*Debra Cournoyer*  
\_\_\_\_\_  
BY: Debra Cournoyer  
Debra Cournoyer

- |                                  |  |
|----------------------------------|--|
| <input type="checkbox"/> Consent | <input checked="" type="checkbox"/> Policy |
| <input type="checkbox"/> Consent | <input checked="" type="checkbox"/> Policy |

Dep't Recomm.:  
Per Exec. Ofc.:

**Prev. Agn. Ref.:** 04/18/06, 3.12

**District:** All

**Agenda Number:**

**3.40**

FOR OFFICIAL USE ONLY  
BY: *John R. Mc...* 12/2/10  
DATE: \_\_\_\_\_  
COUNTY OF RIVERSIDE

Purchasing: *Mark Seiler*  
Mark Seiler, Assistant Director

**SUBJECT: Ratify Approval of Pharmaceutical Agreements**

**BACKGROUND: (cont'd):**

Psychotropic medications are necessary to stabilize and effectively treat mental health clients. Stabilization through psychotropic medication treatment reduces the risk of hospitalization and subsequently keeps costs for the department and county low. In the last six years, the Riverside County Department of Mental Health (RCDMH) has successfully utilized various pharmacies located throughout Riverside County to obtain psychotropic medications for its vast consumer population, and therefore wishes to renew its authorization to continue the use of the previously established pharmaceutical vendor agreements for FY 2010/2011.

The pharmacies the RCDMH currently uses for pharmaceutical services are listed in Attachment "A". However, new pharmacies may be added or removed during the fiscal year while remaining within the approved aggregate amount of \$105,000 based upon assessed and determined mental health client need. Therefore, the RCDMH requests that the Board of Supervisors authorize the Purchasing Agent to contract on behalf of RCDMH for an aggregate amount of \$105,000 for FY 10/11 with pharmaceutical vendors providing services throughout Riverside County, and renew this authority annually through June 30, 2015.

**PERIOD OF PERFORMANCE:**

RCDMH requests this authority be effective from July 1, 2010 through June 30, 2011. The purchasing agreements may be renewed annually for up to four (4) years through June 30, 2015, and are subject to termination in the event that the applicable Federal, State and and/or County funds become unavailable.

**FINANCIAL IMPACT:**

There are sufficient funds in the Department's proposed budget for FY 2010/11 to provide for the aforementioned pharmaceutical purchasing agreements, and no additional County funds are required. The amount of this request has been significantly reduced from \$345,000 in previous fiscal years to \$105,000 for FY 10/11 due to the increased usage of Riverside County Regional Medical Center.

**PRICE REASONABLENESS:**

The pharmaceutical reimbursement costs to the County are limited to Medi-Cal rates and have been determined to be the most reasonable rates in the community. Because there is no negotiation regarding the reimbursement rates, the RCDMH is requesting to contract these services without seeking competitive bids.

Attachment A  
2010-2011 Pharmacy Vendor List

<b>Vendor</b>	<b>Address</b>	<b>City</b>	<b>St</b>	<b>Zip</b>
Blythe Drug	301 W. Hobsonway	Blythe	CA	92225-1684
K-Mart	7200 Arlington Avenue	Riverside	CA	92503
Medicine Shoppe-San Jac.	1477 S San Jacinto Avenue	San Jacinto	CA	92583
Medicine Shoppe-Hemet	1121 S. State Street	Hemet	CA	92543
Perris Hills Pharmacy	540 w 4th Street	Perris	CA	92570
McIntosh Pharmacy	82-422 Miles Avenue	Indio	CA	92201
Kustner's Pharmacy	4033 Brockton Avenue	Riverside	CA	92501
Town Square Pharmacy	81-709 Dr.carreon E-3	Indio	CA	92201
Stater Brothers Markets	78210 Varner Road	Palm Desert	CA	92211