

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

133



FORM APPROVED COUNTY COUNSEL
DATE 5/14/15
BY: GREGORY P. PRIAMOS

FROM: Department of Mental Health

SUBMITTAL DATE:
May 21, 2015

SUBJECT: Approval of the Mental Health Pharmacy Agreements Aggregate for FY 15/16, (Districts: All), [\$1,000,000 Total], [\$200,000 Annually], 100% State Funds

RECOMMENDED MOTION: That the Board of Supervisors:

1. Authorize the Purchasing Agent to execute individual Purchasing Agreements with the pharmaceutical vendors listed in Attachment A for the purchase of psychotropic medications in the combined aggregate amount not to exceed \$200,000 annually;
2. Exempt the Purchasing Agent from the sole source requirement when adding new vendors not to exceed \$100,000 without securing competitive bids in accordance with Ordinance 459 while staying within the Board approved aggregate amount of \$200,000; and
3. Authorize the Purchasing Agent in accordance with Ordinance 459 to increase or decrease the agreements listed in Attachment A while staying within the approved aggregate amount of \$200,000 and to sign renewals, based upon the availability of funding, and sign amendments that do not change the substantive terms of the agreement, as approved by County Counsel, through June 30, 2020.

(Continued on Page 2)

Jerry Wengerd
Jerry Wengerd, Director
Department of Mental Health

| FINANCIAL DATA | Current Fiscal Year: | Next Fiscal Year: | Total Cost: | Ongoing Cost: | POLICY/CONSENT (per Exec. Office) |
|------------------------------------|----------------------|-------------------|--------------|-------------------------------|---|
| COST | \$ N/A | \$ 200,000 | \$ 1,000,000 | \$ 200,000 | Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/> |
| NET COUNTY COST | \$ 0 | \$ 0 | \$ 0 | \$ 0 | |
| SOURCE OF FUNDS: State 100% | | | | Budget Adjustment: No | |
| | | | | For Fiscal Year: 15/16 | |

C.E.O. RECOMMENDATION:

APPROVE

County Executive Office Signature BY: *Elizabeth J. Olson*
Elizabeth J. Olson

MINUTES OF THE BOARD OF SUPERVISORS

- A-30
- 4/5 Vote
- Positions Added
- Change Order

Prev. Agn. Ref.: 1/14/14, 3-10

District: ALL

Agenda Number: ~

3-14

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

FORM 11: Approval of the Mental Health Pharmacy Agreements Aggregate for FY 15/16 (Districts: All), [\$1,000,000 Total], [\$200,000 Annually], 100% State Funds

DATE: May 21, 2015

PAGE: Page 2 of 2

BACKGROUND:

Summary

On January 14, 2014, (3-10), the Board of Supervisors approved and authorized the Purchasing Agent to establish agreements with pharmacies located as close as possible to mental health clinics throughout Riverside County with a combined aggregate of \$350,000, through June 30, 2015.

Psychotropic medications are necessary to stabilize and effectively treat mental health clients. Stabilization through psychotropic medication treatment reduces the risk of hospitalization and subsequently lowers costs. In preceding years, the Department of Mental Health (DMH) has successfully utilized various pharmacies located throughout the County to obtain psychotropic medications for its consumers. DMH requires the flexibility to add vendors if necessary to ensure mental health clients are able to obtain their medications in a timely manner.

Impact on Citizens and Businesses

Pharmaceutical services are a component of the Department's system of care aimed at improving the health and safety of consumers and the community.

SUPPLEMENTAL:

Additional Fiscal Information

There are sufficient funds in the Department's budget for FY 15/16 for the pharmaceutical purchasing agreements and no additional County funds are required. Based on actual expenditure data, DMH is requesting to decrease the annual contract aggregate to \$200,000 through June 30, 2020.

Contract History and Price Reasonableness

The pharmaceutical reimbursement costs to the County are limited to Medi-Cal rates. Because there is no negotiation of the reimbursement rates, DMH is requesting to establish annual agreement with pharmacies without seeking competitive bids.

ATTACHMENT A

FY 15/16 PHARMACY VENDOR LIST

| VENDOR | ADDRESS | CITY |
|---------------------------|-------------------------------|---------------|
| ABC Pharmacy | 3525 Presley Ave. | Riverside |
| Blythe Drug | 301 W. Hobsonway | Blythe |
| Daniel's Pharmacy | 126 Avocado Ave. | Perris |
| Delta Drugs | 31762 Mission Trails Rd. | Lake Elsinore |
| Fireside Pharmacy | 73-847 Hwy 111 | Palm Desert |
| McIntosh Pharmacy | 82-422 Miles Avenue | Indio |
| Medicine Shoppe-Banning | 1035 W. Ramsey Street | Banning |
| Medicine Shoppe-Hemet | 1121 S. State Street | Hemet |
| Medicine Shoppe-San Jac | 1477 S. San Jacinto Avenue | San Jacinto |
| Med-Plus Pharmacy | 281 E. Rowland Street | Covina |
| Nuevo Pharmacy | 75 W. Nuevo Road | Perris |
| Pathways Pharmacy | 555 E. Tachevah Dr. #131 | Palm Springs |
| Perris Hills Pharmacy | 540 W. 4 th Street | Perris |
| Pharmacy Express Pharmacy | 4033 Brockton Avenue | Riverside |
| Pharmco Drugs | 2844 Hamner Avenue | Norco |
| Town Square Pharmacy | 81-709 Dr. Carreon E-3 | Indio |
| Stater Bros Markets | 78210 Varner Road | Palm Desert |