



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Behavioral Wellness
Department No.: 043
For Agenda Of: March 15, 2016
Placement: Administrative
Estimated Tme:
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Alice Gleghorn, Ph.D., Director
Director(s) Department of Behavioral Wellness 681-5220
Contact Info: Dr. Ole Behrendtsen, MD, Medical Director
Department of Behavioral Wellness 681-5220

SUBJECT: Behavioral Wellness Pharmacy Contract Amendment

County Counsel Concurrence

As to form: Yes

Other Concurrence: Risk Management

As to form: Yes

Recommended Actions:

That the Board of Supervisors:

- A. Approve, and authorize the Chair to execute a Second Amendment for Services of Independent Contractor with Medicine Shoppe Pharmacy of Santa Barbara (a local vendor) to extend the term of the contract through June 30, 2016 for the continued provision of pharmaceuticals for Behavioral Wellness clients.
- B. Determine that these activities are exempt from California Environmental Quality Act review per CEQA Guidelines Section 15378(b)(5) since the recommended actions are government administrative activities which do not involve commitment to any specific project which may result in potentially significant physical impact on the environment.

Summary Text:

Behavioral Wellness currently contracts with two pharmaceutical providers, Medicine Shoppe and Omnicare, to provide outpatient and inpatient medications for County clients under Board of Supervisor (BOS) approved bid waivers through March 31, 2016 while the department completed a competitive bidding process for pharmacy services. After evaluating the responses to its Request for Proposals (RFP), the Department of Behavioral Wellness selected Medicine Shoppe to deliver South County Outpatient Waivered Pharmacy services through June 30, 2018 in order to deliver uninterrupted service through the end of this fiscal year.

During our contract renewal process, we will issue a multi-year contract to the vendor through June 2018. Approval of the recommended actions will allow Behavioral Wellness to ensure continuation of lowest cost outpatient care to our clients and allow Behavioral Wellness to comply with the Pharmacy Request for Proposal awarding.

Background:

A lengthy and rigorous Pharmacy Request for Proposal (RFP) was recently completed on January 27, 2016. The RFP process allowed the Department to provide cohesive and efficient delivery of pharmacy services for the County Psychiatric Hospital Facility, the Crisis Stabilization Unit and the Outpatient Waiver Program. In addition, it provided the Public Health Department (PHD) with ample time to conduct the internal review for Pharmacy efficiencies and provide recommendations for Behavioral Wellness for future changes as directed by the County Executive Office (CEO) and Board of Supervisors. The Department of Behavioral Wellness is currently working with PHD to implement the suggested recommendations.

Medicine Shoppe was awarded the South County Outpatient Waivered Medication contract for services for a term from March 15, 2016 through June 30, 2018. Medicine Shoppe provides pharmacy supplies and services to Behavioral Wellness waiver program at the lowest possible rates and the current Medicaid rates when applicable and Average Wholesale Prices when Medicaid rates are not applicable. Medicine Shoppe has provided valuable services for over five years to provide outpatient clients with pharmaceutical services.

This contract amendment will allow Behavioral Wellness to provide necessary services without interruption until the multi-year contract for FY 16-18 can be established for delivery of services.

Fiscal Analysis: Narrative:

The Pharmacy costs were budgeted and approved for FY 15-16 and the Second Amendment does not impact the FY 15-16 Budget.

Key Contract Risks: There is a risk that the services provided by the above vendor falls short of Federal and State standards, resulting in audit findings. To address this risk, the contract includes provisions requiring the vendor to maintain compliance with Federal and State standards. In addition, the termination provisions of the contract allow the County to terminate the contract for cause.

Special Instructions:

Please return one (1) scanned copy of the Minute Order and a complete fully executed of the contracts to: admhscontractsstaff@co.santa-barbara.ca.us.

Attachments:

Attachment A: Medicine Shoppe Contract FY 14-16 Second Amendment

Attachment B: Medicine Shoppe Contract FY 14-16 First Amendment

Attachment C: Medicine Shoppe Contract FY 14-16 Board Contract

Attachment D: Pharmacy Request For Proposal Notice of Award

Authored by: DMorales

cc: