

FIRST AMENDMENT 2015-2018

TO AGREEMENT FOR SERVICES OF INDEPENDENT CONTRACTOR

This is an amendment (hereafter referred to as the "First Amended Contract") to the Agreement for Services of Independent Contractor, referenced as number **BC 16-214**, by and between the **County of Santa Barbara** (County) and **Hometown LTC Pharmacy, Inc.** (Contractor), agrees to provide and County agrees to accept the services specified herein.

Whereas, this First Amended Contract incorporates the terms and conditions set forth in the contract approved by the County Board of Supervisors in June 2016, except as modified by this First Amended Contract;

Whereas, the Contractor will provide, at the request of County, a greater number of services than contemplated by the original Agreement, and will incur expenses beyond the value of this Agreement. The amendment adds additional language to the Statement of Work and funds in the amount of \$200,000 for Fiscal Years 16-17, for a new multiyear Agreement maximum of **\$750,000**, so as to compensate Contractor for additional services to be rendered under this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, the parties agree as follows:

I. In Exhibit A1 - Statement of Work - CSU, delete Section 1.A.viii.b and replace with the following:

- b. Pharmacist will be available on call daily after hours from 6:00 p.m. to 9:00 a.m.;

II. In Exhibit A1 - Statement of Work - CSU, delete Section 1.A.ix and replace with the following:

- ix. Have a Pharmacist on call for "Emergency" services (as defined in Section 1.B below) twenty-four (24) hours a day, seven (7) days a week;

III. In Exhibit A1 - Statement of Work - CSU, delete Section 1.A. xiv-xv and replace with the following:

- xiv. Perform monthly reviews of CSU's medication management policies and procedures including storage of medication, labeling, and protocols for reconciliation and counting of controlled medications, and procedures for disposal of medications;
- xv. As directed by Behavioral Wellness, attend committee meetings monthly and quarterly including but not limited to Quality Assessment Process Improvement (QAPI), Infection Control, and Pharmacy and Therapeutics and Infection Control meetings;

IV. In Exhibit A1 - Statement of Work - CSU, delete Section 1.B and replace with the following:

B. Emergency Medication Services: Contractor shall:

- i. Provide any Pharmacy product needed on an emergency basis as promptly as is reasonably practicable, as permitted by applicable law and requested by CSU;
- ii. Provide four (4) CMS-required customized serial-number-locked Emergency Kits ("E-Kit") to accommodate up to fifty drugs which may include up to a maximum of twenty-four oral solid doses, in compliance with CMS requirements, to consist of the following:
 - a. One (1) E-Kit for controlled substance medications;

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- b. One (1) E-Kit for refrigerated medications; and
 - c. One (1) E-Kit for all other medications; and
 - d. One (1) E-kit for medical emergency medications.
- iii. Ensure all E-Kits are maintained and replenished in a prompt and timely manner and are supplied in average dosage levels. E-Kits shall be the property of Pharmacy.
- iv. Ensure that new orders for E-Kits comply with the following procedures:
- a. For any new order, all withdrawals from E-Kits by CSU personnel shall be pursuant to a valid physician order in compliance with applicable laws and regulations; and
 - b. Pharmacists, as required by CMS, shall check and interact with physician by telephone or email to verify and approve new orders. These orders shall be billed in accordance with Exhibit B.

V. In Exhibit A1 - Statement of Work - CSU, delete Section 1.F.i and replace with the following:

- i. Provide a certified licensed Pharmacist on site upon request to do the following:
 - a. Inventory;
 - b. Ship out expired and unused medications (excepted for control substances; and
 - c. Provide an electronic list of all medications shipped for destruction.
 - d. Dispose of all medications not used by the CSU on a monthly basis, in accordance with applicable provisions in the California Code of Regulations, SD/MC Provider Certification & Recertification Protocol, Category 7;
 - e. Pick up unused medication for disposal from CSU as needed and upon request; and
- ii. Provide credit to the County for unused intact medication returned to the pharmacy within 14 days.

VI. In Exhibit A2 - Statement of Work – Outpatient Waiver, delete Section 1.A.i and replace with the following:

- i. Disbursement of pharmaceuticals at the 1482 South Broadway Street, Suite A, Santa Maria, CA 93454 and/ or 1450 W. McCoy Lane, Suite B, Santa Maria, CA 93455 Pharmacy locations will take place Monday through Friday from 9:00 a.m. – 7:00 p.m., and on Saturday and Sunday from 9:00 a.m. - 6:00 p.m., to Santa Barbara County Department of Behavioral Wellness outpatient clients, upon presentation of a valid pharmaceutical waiver from the Department of Behavioral Wellness Clinic;

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VII. Delete Exhibit A3 - Statement of Work – PHF, and replace with the following:

EXHIBIT A-3

BEHAVIORAL WELLNESS PSYCHIATRIC HOSPITAL FACILITY PHARMACY SERVICES

1. **RESPONSIBILITIES OF CONTRACTOR.** Contractor shall provide regular and emergency pharmacy products and services to the Santa Barbara County Department of Behavioral Wellness Psychiatric Health Facility (PHF) located on the First Floor, 315 Camino Del Remedio, Santa Barbara, CA 93110, effective March 21, 2016, as follows:
 - A. **General Services.** Contractor shall:
 - i. Provide pharmacy products and services to PHF and its patients in accordance with California Code of Regulations Title 22, Code of Federal Regulations Title 42 Section 482.25, and all applicable laws and regulations governing pharmaceutical services;
 - ii. Provide, at no additional charge, scheduled delivery of pharmacy products to PHF three (3) times daily Monday through Friday and twice (2) daily Saturday and Sunday with times to be determined by and or as mutually agreed by the parties;
 - iii. Provide unscheduled deliveries at an additional charge, as provided in the Exhibit B1;
 - iv. Provide over the counter House Stock medication upon request;
 - v. Label all pharmacy products in accordance with applicable laws and regulations;
 - vi. Deliver patient medication in individually sealed and labeled medication bubble packages, in accordance with physician orders, at no additional charge;
 - vii. Provide daily medication recalls via emails;
 - viii. Maintain a drug profile on each PHF patient serviced by Pharmacy;
 - ix. Designate a licensed, lead pharmacy technician for PHF as a primary point of contact, who shall be available at an exclusive telephone and fax number and an emergency after-hours number, as follows:
 - a. Business hours telephone line from 9:00 a.m. – 6:00 p.m.: 805-928-2200;
 - b. Pharmacist will be available on call daily after hours from 6:00 p.m. to 9:00 a.m.;
 - c. Weekend hours telephone line from 9:00 a.m. – 6:00 p.m.: 805- 322-3411
 - d. Email: rxtech@santamariarx.org
 - e. Fax: 805-928-6200.

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- x. Have a Pharmacist on call for "Emergency" services (as defined in Section 1.B below) twenty-four (24) hours a day, seven (7) days a week;
- xi. Provide drug information and consultation to PHF's licensed professional staff regarding pharmacy products ordered;
- xii. Collaborate with PHF staff to coordinate pharmacy documentation processes;
- xiii. Inform physicians via memo of formulary changes and requirements for Treatment Authorization Requests (TAR).
- xiv. Conduct, when requested and as mutually agreed to by the parties, in-service education programs on subjects related to pharmacy products and services;
- xv. Provide an electronic prescription system, RXNet, at no charge;
- xvi. Perform monthly reviews of PHF's medication management policies and procedures including storage of medication, labeling, and protocols for reconciliation and counting of controlled medications, and procedures for disposal of medications;
- xvii. Perform, when requested and scheduled by PHF staff and subject to applicable state regulations, a remote patient medication assessment for each patient, provided that no more than four such assessments shall be provided for any patient in any 12-month period;
- xviii. As directed by Behavioral Wellness, attend committee meetings monthly and quarterly including but not limited to Quality Assessment Process Improvement (QAPI), Infection Control, and Pharmacy and Therapeutics and Infection Control meetings;
- xix. Maintain and distribute to County a Policy and Procedures Manual which defines methods and practices by which Contractor shall comply with the terms of this Agreement and regulatory requirements:
 - a. Contractor shall ensure that the Policy and Procedures Manual is maintained in a current, complete, and timely manner reflecting actual practices. The Manual shall include document control through revision control, distribution lists, and periodic audits;
 - b. Said policy and procedures manual shall include instructions, procedures and references to ensure current and complete compliance with Medi-Care and Medi-Cal requirements; and
 - c. Both parties' appropriate personnel shall be trained on the contents and use of the Manual. Revisions shall be reviewed with both parties' appropriate personnel to ensure currency of training.

B. Emergency Drug Services. Contractor shall:

- i. Provide any Pharmacy product needed on an emergency basis as promptly as is reasonably practicable, as permitted by applicable law and requested by PHF;
- ii. Provide four (4) CMS-required customized serial-number-locked Emergency Kits ("E-Kit") to accommodate up to fifty drugs which may include up to a maximum of twenty-four oral solid doses, in compliance with CMS requirements, to consist of the following:

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- a. One (1) E-Kit for controlled substance medications;
 - b. One (1) E-Kit for refrigerated medications;
 - c. One (1) E-Kit for all other medications; and
 - d. One (1) E-kit for medical emergency medications.
- iii. Ensure all E-Kits are maintained and replenished, in a prompt and timely manner and supplied in average dosage levels. E-Kits shall be the property of Pharmacy.
- iv. Ensure that new orders for E-Kits comply with the following procedures:
- a. For any new order, all withdrawals from E-Kits by PHF personnel shall be pursuant to a valid physician order in compliance with applicable laws and regulations; and
 - b. Pharmacists, as required by CMS, shall check and interact with physician by telephone or email to verify and approve new orders. These orders shall be billed in accordance with Exhibit B.

C. **Medical Records.**

- i. Contractor shall provide to PHF Supervisory Staff:
- a. Computerized Physician Order Sheets;
 - b. Color coded Medication Administration Records; and
 - c. Treatment Records to PHF upon request.

D. **Dispensing.**

- i. Medications will be provided in such fills consisting of quantities and packaging as determined by Contractor to be appropriate, or as mutually agreed upon by Contractor and PHF, and in accordance with current Title 22 regulations; and
- ii. Dispensing fee shall be payable by PHF for each fill in accordance with Exhibit B-1 Schedule of Rates. Any failure by Contractor to charge a dispensing fee in accordance with this schedule at the time a prescription is filled will not operate as, or be construed to be, a waiver of PHF obligation to pay, or Contractor right to charge and collect, such fee.

E. **Consultant Services.** Contractor shall:

- i. Perform monthly on site client chart review of patients' medication regimens and monthly written summary reports by the consultant pharmacist of these findings within 5 days of the month's end;
- ii. Provide consultation regarding the disposal of medications; and
- iii. Provide any other service to be performed on-site or off-site by consultant pharmacist at the request of PHF.

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F. **Disposal.** Contractor shall:

- i. Provide a certified licensed Pharmacist on site upon request to do the following:
 - a. Inventory;
 - b. Ship out expired and unused medications; and
 - c. Provide an electronic list of all medications shipped for destruction.
- ii. Dispose of all medications not used by the PHF, on a monthly basis, in accordance with applicable provisions in the California Code of Regulations;
- iii. Pick up unused medication for disposal from PHF as needed and upon request; and
- iv. Provide credit to the County for unused intact medication returned to the pharmacy within 14 days, except for controlled substances.

G. **Discharge Medication.** Contractor shall:

- i. Establish a separate billing account for discharge medications to clients of the PHF;
- ii. Provide a seven (7) day supply of discharge medications packaged in childproof vials to clients of the PHF;
- iii. Provide to clients or staff an emergency medication voucher card for discharge medications to be billed to Hometown when the pharmacy, as a last resort, is unable to deliver medication due to an unforeseen natural disaster or road delay;
- iv. Attempt to bill any third party, including Medi-Cal and Medicare, and/or client for six (6) months after the discharge date for discharge Medications and credit County's account for amounts collected;
- v. Bill clients for co-pays and share of cost; and
- vi. Provide proof of third party billing of discharge medications only when reimbursement is not available from other sources, as described in Exhibit B.

2. **RESPONSIBILITIES OF DEPARTMENT OF BEHAVIORAL WELLNESS PSYCHIATRIC HEALTH FACILITY (PHF)**

A. **General:** PHF shall:

- i. Implement Contractor 's policies and procedures;
- ii. Give Contractor access to all reasonably required patient records;
- iii. Make available to Contractor adequate working and storage space to allow Contractor to perform its obligations under this Agreement;

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- iv. Order exclusively from Contractor all pharmacy products and services required for individual PHF patients;
- v. Promptly notify Contractor of any changes in patient medication upon receipt of physicians' orders;
- vi. Promptly notify Contractor of any room transfer or the discharge of any patient; and
- vii. Guarantee payment for medications provided to inpatients of the PHF. County shall also provide reimbursement for discharge medications only when reimbursement is not available from other sources, as described in Exhibit B.

B. Admissions:

- i. Upon the admissions of each new patient, County shall provide information to such patient (or such patient's responsible party) about the Pharmacy Products and Services provided by Contractor and any applicable policies and procedures of Contractor.

C. Discharge Medication:

- i. Provide Contractor with sufficient information to properly bill Medi-Cal, or as necessary to re-bill Medi-Cal or other third party payors, for clients receiving discharge medications.

D. **Pharmacy Documents:** County shall not reproduce or permit the reproduction of Contractor's documents, manuals or forms, nor circulate such items to any individual or entity, except as necessary to ensure proper administration of the provision of Pharmacy Products and Services.

E. **Medication Disposal:** Contractor shall assist with disposal of medications not used by PHF in the following manner:

- i. One (1) Contractor Pharmacist and one (1) Contractor Pharmacy technician shall conduct scheduled monthly onsite visits to dispose of medications, for a visit not to exceed a maximum of four (4) hours unless otherwise approved by PHF staff;
- ii. All narcotics shall be disposed of within the PHF by a PHF Registered Nurse and a Contractor Pharmacist with no credit for controlled substances;
- ii. To provide proper disposition of unused medications, County PHF staff shall provide signed inventory of all "bubble packed" medication. This medication is to be picked up by Contractor from PHF and returned to Contractor for credit. Contractor shall issue credit for intact and unused medications returned within fourteen days; and
- iii. All other medication necessitating disposal shall be processed via a separate vendor.

VIII. In Exhibit B - Financial Provisions, delete Section 1 and replace with the following:

- 1. **CONTRACTOR SERVICES.** For Contractor services to be rendered under this Agreement, Contractor shall be paid at the rate specified in this Exhibit B, with a maximum value not to exceed \$6,000 for FY 15-16, \$472,000 for FY 16-17 and \$272,000 for FY 17-18, for a multiyear contract maximum not to exceed **\$750,000**.

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IX. In Exhibit B – Financial Provisions, delete Section 7.B.iv and replace with the following:

iv. Consulting services:

- a. Consultations will be billed at rate listed on the Exhibit B1 for in-house services;
- b. No charges will be made for information calls made by staff during normal hours of operation; and
- c. Emergency after hours phone calls will be billed at the pharmacist's hourly rate.

X. Delete Exhibit B-1, Schedule of Fees and replace with the following:

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**EXHIBIT B-1
SCHEDULE OF FEES**

SCHEDULE OF RATES AND CONTRACT MAXIMUM

**CRISIS STABILIZATION UNIT PHARMACY SERVICES
MULTIYEAR FY 15-18**

<u>Type of Service</u>	<u>Billing Increment</u>	<u>Rate</u>
Disbursement of Outpatient Pharmaceuticals	Medi-Cal formulary cost or Average Wholesale Prices plus 10%	Medi-Cal formulary cost or Average Wholesale Prices plus 10%
Disbursement of Aftercare Pharmaceuticals	Per client medication	Medi-Cal formulary cost or Average Wholesale Prices plus 10%
E-Kit	Restocking Fee	\$24
Unscheduled deliveries	Hourly	\$16
Pharmacist Consultation	Hourly*	\$79
Pharmacy Technician	Hourly*	\$29
Psychiatric Technician	Hourly*	\$21
FY 15-16 CSU Total (for transfer of services June 15, 2016 through June 30, 2016) not to exceed:		\$6,000
FY 16-17 CSU Total:		\$92,000
FY 17-18 CSU Total:		\$72,000
Multiyear CSU Services not to exceed:		\$170,000
<p>Contractor understands and accepts that in accordance with <u>Exhibits A and B</u>, medication costs will be billed at the Medi-Cal Formulary rates, or Average Wholesale Prices when Medicaid is not applicable.</p> <p>*Inclusive of all travel fees.</p>		

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**EXHIBIT B-1
SCHEDULE OF FEES**

SCHEDULE OF RATES AND CONTRACT

**OUTPATIENT PHARMACY WAIVER PROGRAM
NORTH AND WEST COUNTY
MULTIYEAR FY 15-18**

<u>Type of Service</u>	<u>Billing Increment</u>	<u>Rate</u>
Disbursement of Pharmaceuticals	Per client medication charge	Medi-Cal formulary cost or Average wholesale Prices
FY 16-17 Outpatient Total:		\$25,000
FY 17-18 Outpatient Total:		\$25,000
Multiyear Outpatient Services Not to Exceed:		\$50,000
<p>Contractor understands and accepts that in accordance with <u>Exhibits A and B</u>, medication costs will be billed at the Medi-Cal Formulary rates, or Average Wholesale Prices when Medicaid is not applicable.</p> <p>Contractor agrees to re-bill Medi-Cal Insurance or third party payor and credit Behavioral Wellness for any eligible retroactive Medi-Cal or third party payor.</p>		

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**EXHIBIT B1
SCHEDULE OF FEES**

SCHEDULE OF RATES AND CONTRACT MAXIMUM

**PSYCHIATRIC HOSPITAL FACILITY PHARMACY SERVICES
MULTIYEAR 15-18**

<u>Type of Service</u>	<u>Billing Increment</u>	<u>Rate</u>
Disbursement of Pharmaceuticals	Per client medication charge	Medi-Cal formulary cost or Average Wholesale Prices plus 10%
E-Kit	Restocking Fee	\$24
Unscheduled deliveries	Hourly	\$16
Pharmacist Consultation	Hourly*	\$79
Pharmacy Technician	Hourly*	\$29
Psychiatric Technician	Hourly*	\$21
FY 16-17 PHF Total:		\$355,000
FY 17-18 PHF Total:		\$175,000
Multiyear PHF Services Not to Exceed:		\$530,000

Contractor understands and accepts that in accordance with Exhibits A and B, medication costs will be billed at the Medi-Cal Formulary rates, or Average Wholesale Prices when Medicaid is not applicable.

Contractor agrees to re-bill Medi-Cal Insurance or third party payor and credit Behavioral Wellness for any eligible retroactive Medi-Cal or third party payor.

*Inclusive of all travel fees.

OVERALL CONTRACT TO INCLUDE	
CSU Services FY 15-16, FY 16-17 and FY 17-18 Not to Exceed	\$170,000
Outpatient Waiver Services FY 16-17 and FY 17-18 Not to Exceed:	\$50,000
PHF Services FY 16-17 and FY 17-18 Not to Exceed	\$530,000
Multiyear FY 15-18 Total Contract Maximum Value Not to Exceed:	\$750,000

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XI. All other terms remain in full force and effect.

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First Amendment to Agreement for Services of Independent Contractor between the **County of Santa Barbara** and **Hometown LTC Pharmacy, Inc.**

IN WITNESS WHEREOF, the parties have executed this First Amendment to be effective on the date executed by COUNTY.

COUNTY OF SANTA BARBARA:

By: _____
JOAN HARTMANN, CHAIR
BOARD OF SUPERVISORS

Date: _____

ATTEST:

MONA MIYASATO
COUNTY EXECUTIVE OFFICER
CLERK OF THE BOARD

By: _____
Deputy Clerk

Date: _____

CONTRACTOR:

HOMETOWN LTC PHARMACY; INC.

By: _____
Authorized Representative

Name: _____

Title: _____

Date: _____

APPROVED AS TO FORM:

MICHAEL C. GHIZZONI
COUNTY COUNSEL

By: _____
Deputy County Counsel

APPROVED AS TO ACCOUNTING FORM:

THEODORE A. FALLATI, CPA
AUDITOR-CONTROLLER

By: _____
Deputy

RECOMMENDED FOR APPROVAL:

ALICE GLEGHORN, PH.D., DIRECTOR
DEPARTMENT OF BEHAVIORAL
WELLNESS

By: _____
Director

APPROVED AS TO INSURANCE FORM:

RAY AROMATORIO
RISK MANAGEMENT

By: _____
Risk Management