



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Health System



Date: November 2, 2015
Board Meeting Date: December 15, 2015
Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Louise Rogers, Chief, Health System
Stephen Kaplan, Director, Behavioral Health & Recovery Services

Subject: Agreement with Health Plan of San Mateo for pharmacy benefits administration

RECOMMENDATION:

Adopt a resolution authorizing an agreement with the Health Plan of San Mateo for pharmacy benefits administration for the term July 1, 2015 through June 30, 2018, in an amount not to exceed \$2,700,000.

BACKGROUND:

Since 2010, Behavioral Health and Recovery Services (BHRS) has utilized the Health Plan of San Mateo's (HPSM) pharmacy benefits administration services for BHRS clients requiring psychiatric medication. The services are for indigent adults and Medi-Cal members with a "share of cost" who are not covered by Medi-Cal funding structure and for whom BHRS is financially responsible.

DISCUSSION:

Through this agreement, HPSM will continue to administer the pharmacy benefits provided to BHRS indigent adult clients and Medi-Cal members with a share of cost.

The agreement is late due to prolonged negotiations between BHRS and HPSM.

The resolution contains the County's standard provision allowing amendment of the County's fiscal obligations by a maximum of \$25,000 (in aggregate).

The agreement and resolution have been reviewed and approved by County Counsel as to form.

The agreement contributes to the Shared Vision 2025 outcome of a Healthy Community by providing pharmacy benefit services, which help clients to remain stable in the

community. It is anticipated that 85% of clients who receive services will be maintained at current or lower level of care.

PERFORMANCE MEASURE(S):

Measure	FY 2014-15 Actual	FY 2015-16 Projected
Percent of clients receiving outpatient mental health services maintained at current or lower level of care	82% 4,859 of 5,896 clients	85% 5,012 of 5,896 clients

FISCAL IMPACT:

The term of the agreement is July 1, 2015 through June 30, 2018, for an estimated total of \$2,700,000 for the three-year term. Of this amount, \$1,066,667 will be for FY 2015-16 and funded as follows: \$110,400 by Realignment and \$956,267 by Net County Cost. These funds are included in the BHRS FY 2015-16 Adopted Budget. Similar arrangements will be made for FY 2016-17 and FY 2017-18. The payment provisions and levels of service remain essentially the same as those in the prior agreement.