



# County of San Mateo

## Inter-Departmental Correspondence

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**Department:** HEALTH

**File #:** 21-310

Board Meeting Date: 4/20/2021

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**Special Notice / Hearing:** None  
**Vote Required:** Majority

**To:** Honorable Board of Supervisors

**From:** Louise F. Rogers, Chief, San Mateo County Health  
Scott Gilman, Director, Behavioral Health & Recovery Services

**Subject:** Amendment to the Agreement with Health Plan of San Mateo for Pharmacy Benefits Administration

### **RECOMMENDATION:**

Adopt a resolution authorizing an amendment to the agreement with the Health Plan of San Mateo for pharmacy benefits administration, extending the term through December 31, 2021, and increasing the amount of the agreement by \$1,000,000 to an amount not to exceed \$6,050,000.

### **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 provided to indigent adults and Medi-Cal members carrying a "share of cost," i.e. not covered by the Medi-Cal funding structure and for whom BHRS is financially responsible.

On December 15, 2015, your Board approved an agreement with HPSM for the term of July 1, 2015 through June 30, 2018, for BHRS to utilize HPSM's pharmacy benefits administration services for clients requiring psychiatric medication, in the amount of \$2,700,000.

On January 8, 2019, your Board approved an amendment to the agreement with HPSM to extend the term through December 31, 2019, increasing the amount by \$1,350,000, to an amount not to exceed \$4,050,000.

On February 11, 2020, your Board approved an amendment to the agreement with HPSM to extend the term through December 31, 2020, increasing the amount by \$1,000,000, to an amount not to exceed \$5,050,000.

### **DISCUSSION:**

HPSM will continue to administer the pharmacy benefits provided to BHRS indigent adult clients and Medi-Cal members carrying a share of cost.

It is now necessary to exercise our option as stated in the contract to extend the term for an additional year and increase the maximum amount for HPSM to continue to provide the services described above.

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

It is anticipated that 89% of clients who receive services will be maintained at current or lower level of care.

**PERFORMANCE MEASURE:**

<b>Measure</b>	<b>FY 2019-20 Actual</b>	<b>FY 2020-21 Estimated</b>
Percentage of clients who receive services that will be maintained at current or lower level of care.	89% 5430 of 6118 clients	87% 4652 of 5340 clients

**FISCAL IMPACT:**

The term of the amended agreement is July 1, 2015 through December 31, 2021. The amount is being increased by \$1,000,000 to an amount not to exceed \$6,050,000. Of the increase, it is anticipated that \$500,000 will be allocated for FY 2020-21 and will be funded as follows: \$450,000 by Realignment and \$50,000 by Net County Cost. These funds are included in the BHRS FY 2020-21 Adopted Budget. Similar arrangements will be made for FY 2021-22 Recommended Budget from July 1, 2021 through December 31, 2021.