



County of San Mateo

Inter-Departmental Correspondence

Department: HEALTH

File #: 19-029

Board Meeting Date: 1/8/2019

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Louise Rogers, Chief, San Mateo County Health
Stephen Kaplan, Interim 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, 2019, and increasing the amount of the agreement by \$1,350,000 to an amount not to exceed \$4,050,000.

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 authorized 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.

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 six months 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.

Approval of this amendment 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:

| Measure | FY 2017-18 Actual | FY 2018-19 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 amended agreement is July 1, 2015 through December 31, 2019. The amount is being increased by \$1,350,000 to a new amount not to exceed \$4,050,000. Of the increase, it is anticipated that \$900,000 will be allocated for FY 2018-19 and will be funded as follows: \$810,000 by Realignment and \$90,000 by Net County Cost. These funds are included in the BHRS FY 2018-19 Adopted Budget. Similar arrangements will be made for FY 2019-20. Payment provisions and levels of service will remain the same and allow BHRS to serve the existing number of clients without interruption of services.