



LOS ANGELES COUNTY DEPARTMENT OF MENTAL HEALTH
550 S. VERMONT AVE., LOS ANGELES, CA 90020 HTTP://DMH.LACOUNTY.GOV



MARVIN J. SOUTHARD, D.S.W.
Director
ROBIN KAY, Ph.D.,
Chief Deputy Director
RODERICK SHANER, M.D.
Medical Director


ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

May 19, 2015

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

29 OF MAY 19, 2015


PATRICK OGAWA
ACTING EXECUTIVE OFFICER

Dear Supervisors:

**APPROVAL TO EXTEND THE TERM OF 51 DEPARTMENT OF MENTAL HEALTH
PHARMACY AGREEMENTS FOR FISCAL YEAR 2015-16
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)**

SUBJECT

Request approval to extend the term of 51 pharmacy agreements for the purpose of dispensing medication to Department of Mental Health clients throughout Los Angeles County.

IT IS RECOMMENDED THAT THE BOARD:

1. Approve and authorize the Director of Mental Health (Director), or his designee, to prepare, sign, and execute the term extension amendment for 51 pharmacy agreements, substantially similar to Attachment I, with the pharmacy contractors listed in Attachment II, for a period of up to 12 months, on a month-to-month basis, beginning July 1, 2015, through June 30, 2016, to dispense medication to the Department of Mental Health (DMH) clients in Los Angeles County. The estimated annual cost of the 51 pharmacy agreement extensions is \$5,264,026 funded by 2011 Realignment and State Mental Health Services Act (MHSA) revenue.
2. Delegate authority to the Director, or his designee, to prepare, sign, and execute future new agreements with additional qualified pharmacies and amendments to existing or future new agreements, provided that: 1) any revision will reflect programmatic and/or policy changes; 2) your Board has appropriated sufficient funds for all changes and new agreements; 3) approval as to form by County Counsel, or his designee, is obtained prior to execution of any such amendments or new agreements; and 4) the Director, or his designee, notifies your Board and the Interim Chief Executive

Officer (CEO) of new agreements or changes in writing within 30 days after execution of each agreement or amendment.

3. Delegate authority to the Director, or his designee, to terminate agreements with pharmacies upon their request, or for those that have closed, changed ownership, or choose not to acquire or maintain Surescripts certified pharmacy management software for the purposes of receiving electronic prescriptions submitted by County prescribers. The Director, or his designee, will notify your Board of such terminations in writing within 30 days after execution of each termination.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Board approval of the recommended actions will extend the term of our pharmacy agreements expiring on June 30, 2015, and allow DMH to execute new agreements and/or amendments as the need arises.

The term extension amendment will extend the agreement term up to 12 months, on a month-to-month basis, beginning July 1, 2015, through June 30, 2016. The term extension will allow DMH pharmacy contractors to continue dispensing medically necessary medications to DMH clients while DMH concludes a Request for Proposal (RFP) solicitation bid process for a Pharmacy Benefit Management (PBM) agreement.

Contract negotiations with the new PBM are currently in progress and are expected to conclude in May 2015. Full implementation of the PBM Agreement is expected to occur four months to six months following Board approval and subsequent contract execution with the PBM. Once this occurs, the PBM will assume responsibility for administration of DMH's prescription drug program. It is anticipated that the PBM will be fully implemented by January 2016. However, the term extension amendment may, if necessary, extend the pharmacy agreements beyond that date through June 30, 2016, should there be any unanticipated delays with this implementation.

Implementation of Strategic Plan Goals

The recommended actions are consistent with the County's Strategic Plan Goal 3, Integrated Services Delivery.

FISCAL IMPACT/FINANCING

The total annual estimated cost of these 51 pharmacy agreement extensions in FY 2015-16 is \$5,264,026 funded by 2011 Realignment and State MHSA revenue and is included in FY 2015-16 DMH Recommended Budget.

There is no increase in net County cost associated with the above recommendations.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The term extension of the 51 pharmacy agreements, listed on Attachment II, is a critical component in the delivery of mental health services as prescribed medications play a vital role in the treatment of mental health clients. Psychiatrists in contracted and directly operated mental health programs write prescriptions which are filled by local pharmacies.

The attached Amendment format has been approved as to form by County Counsel. The CEO has reviewed the proposed actions.

Clinical and administrative staff of DMH will continue to administer and monitor contractors' adherence to the agreements to ensure quality services are provided to clients. As mandated by your Board, DMH evaluates the performance of all contractors on an annual basis to ensure contractors are in compliance with all contract terms and performance standards.

CONTRACTING PROCESS

Approval of the Board letter to extend the term of the existing 51 pharmacy agreements, which will expire on June 30, 2015, will allow the continuation of services to Los Angeles County residents until the pending RFP solicitation process for a PBM concludes. Upon implementation of services by the new PBM, DMH will terminate its pharmacy agreements with the existing DMH network of pharmacy providers.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Board approval of the term extension amendment will allow existing contractors to continue dispensing medication to DMH clients.

Respectfully submitted,



MARVIN J. SOUTHARD, D.S.W.

Director of Mental Health

MJS:RS:DM:RK:pd

Enclosures

c: Acting Executive Officer, Board of Supervisors
Interim Chief Executive Officer
County Counsel
Chairperson, Mental Health Commission

ATTACHMENT I

CONTRACT NO. MH150XXX

AMENDMENT NO. X

THIS AMENDMENT is made and entered into this ___ day of _____, 2015, by and between the COUNTY OF LOS ANGELES (hereafter "County") and PHARMACY CONTRACTOR (hereafter "Contractor").

WHEREAS, County and Contractor have entered into a written Agreement, dated JULY 1, 2010, identified as County Agreement No. MH150XXX, as subsequently amended (hereafter collectively "Agreement"); and

WHEREAS, for Fiscal Years 2010-15, County and Contractor executed Agreement MH150XXX for the provision of Pharmacy Services to dispense medications to clients who reside throughout the County of Los Angeles; and

WHEREAS, for Fiscal Year 2015-16, County and Contractor intend to amend Agreement to **extend** the term of this Agreement for up to an additional 12 months, on a month-to-month basis, beginning July 1, 2015 through June 30, 2016 to continue to provide Pharmacy services to dispense medications to clients who reside throughout the County of Los Angeles.

NOW, THEREFORE, County and Contractor agree that Agreement shall be amended only as follows:

1. Paragraph 1 (TERM) subparagraphs 1 through 4 shall be deleted in its entirety and the following substituted therefore:

ATTACHMENT I

1. TERM:

A. Initial Period: The Initial Period of this Agreement shall commence on July 1, 2015 and shall continue in full force and effect through July 31, 2015.

B. Extension Period(s): After the Initial Period, this Agreement may be extended by DMH, in its sole discretion, for up to eleven additional one-month terms, unless the desire of either party to terminate this Agreement is given in writing to the other party thirty days prior to termination.

(1) First Extension Period: If this Agreement is extended, the First Extension Period shall commence on August 1, 2015 and shall continue in full force and effect through August 31, 2015.

(2) Second Extension Period: If this Agreement is extended, the Second Extension Period shall commence on September 1, 2015 and shall continue in full force and effect through September 30, 2015.

(3) Third Extension Period: If this Agreement is extended, the Third Extension Period shall commence on October 1, 2015 and shall continue in full force and effect through October 31, 2015.

(4) Fourth Extension Period: If this Agreement is extended, the Fourth Extension Period shall commence on November 1, 2015 and shall continue in full force and effect through November 30, 2015.

(5) Fifth Extension Period: If this Agreement is extended, the Fifth Extension Period shall commence on December 1, 2015 and shall continue in full force and effect through December 31, 2015.

(6) Sixth Extension Period: If this Agreement is extended, the Sixth

ATTACHMENT I

Extension Period shall commence on January 1, 2016 and shall continue in full force and effect through January 31, 2016.

(7) Seventh Extension Period: If this Agreement is extended, the Seventh Extension Period shall commence on February 1, 2016 and shall continue in full force and effect through February 29, 2016.

(8) Eighth Extension Period: If this Agreement is extended, the Eighth Extension Period shall commence on March 1, 2016 and shall continue in full force and effect through March 31, 2016.

(9) Ninth Extension Period: If this Agreement is extended, the Ninth Extension Period shall commence on April 1, 2016 and shall continue in full force and effect through April 30, 2016.

(10) Tenth Extension Period: If this Agreement is extended, the Tenth Extension Period shall commence on May 1, 2016 and shall continue in full force and effect through May 31, 2016.

(11) Eleventh Extension Period: If this Agreement is extended, the Eleventh Extension Period shall commence on June 1, 2016 and shall continue in full force and effect through June 30, 2016.

2. Contractor shall provide services in accordance with the Contractor's Fiscal Year 2010-11 Contract Package for this Agreement and any addenda thereto approved in writing by Director or his designee.
3. Except as provided in this Amendment, all other terms and conditions of the Agreement shall remain in full force and effect.

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ATTACHMENT I

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by County's Director of Mental Health, or his designee, and Contractor has caused this Amendment to be subscribed in its behalf by its duly authorized officer, the day, month, and year first above written.

COUNTY OF LOS ANGELES

By _____
MARVIN J. SOUTHARD, D.S.W.
Director of Mental Health

CONTRACTOR

By _____

Name _____

Title _____

(AFFIX CORPORATE SEAL HERE)

APPROVED AS TO FORM:
OFFICE OF THE COUNTY COUNSEL

APPROVED AS TO CONTRACT
ADMINISTRATION:

DEPARTMENT OF MENTAL HEALTH

By _____
Chief, Contracts Development
and Administration Division

ATTACHMENT II

LOS ANGELES COUNTY - DEPARTMENT OF MENTAL HEALTH
 CONTRACTED PHARMACY EXTENSION LIST 7/1/15 - 6/30/16

CONTRACTOR	PHARMACY DBA	SERVICE AREA	SUPE DIST.	PHARMACY SITE ADDRESS	CITY	STATE	ZIP CODE	TELEPHONE	FAX	EFFEC DATE	EXP DATE	NAME	TITLE
1	Mission Road Pharmacy, Inc.	4	1	1155 North Mission Rd	Los Angeles	CA	90033	323 227-4646	323 227-8887	7/1/2010	6/30/2015	Jeffrey Freedman	Chief Executive Officer
2	Rami, Inc.	4	2	174 S. Alvarado Street	Los Angeles	CA	90057	213 483-8741	213 483-8743	7/1/2010	6/30/2015	Rama Sou	President
3	Gold Medal Pharmacy, Inc.	3	5	631 W. Duarte Road	Arcadia	CA	91007	626 446-3300	626 446-3360	7/1/2010	6/30/2015	Walter Ching	President
4	GWLW Sweeney Pharmacy, Inc.	3	5	1377 N. Fair Oaks Ave	Pasadena	CA	91103	626 794-1124	626 797-0424	7/1/2010	6/30/2015	Gilbert Ow	President
5	Exclusive Image, Inc.	8	4	891 W. 9th Street	San Pedro	CA	90731	310 833-2575	310 832-2531	7/1/2010	6/30/2015	Fariborz David Massoud	President
6	Pharmacy, Inc.	2	3	20914 Roscoe Blvd.	Canoga Park	CA	91304	818 341-9515	818 341-4434	7/1/2010	6/30/2015	David Meyers, Pharm. D	President
7	Desert Drug Pharmacy	2	5	18635 Soledad Canyon	Canyon County	CA	91351	661-298-3135	661- 298-3116	7/1/2010	6/30/2015	Moazzem H. Chowdhury	President
8	BGMT Pharmacy, Inc.	8	2	1045 W. Redondo Be	Gardena	CA	90247	310 532-0222	310 532-0553	7/1/2010	6/30/2015	Tim T. Tsukamoto	President
9	Crenshaw Pharmacy, Inc.	4	2	3756 Santa Rosalia Dr	Los Angeles	CA	90008	323 295-5585	323 293-7789	7/1/2010	6/30/2015	Hyo Soo Lee	President
10	Andrew Kwong	4	1	3133 N. Broadway	Los Angeles	CA	90031	323 223-3228	323 222-1825	7/1/2010	6/30/2015	Andrew Kwong	Owner
11	H P Badesha Co.	3	5	130 W. Route 66	Glendora	CA	91740	626 335-0288	626 335-1487	7/1/2010	6/30/2015	Paramjit Randhawa	President
12	Rivendell, Inc.	7	1	11721 Telegraph Rd.,	Santa Fe Sprin	CA	90670	562 949-1003	562 949-3347	7/1/2010	6/30/2015	Thomas J. Roberson	President
13	Fairveola Banks and Blanca Banks	6	2	403 S. Long Beach Blvd., Suite C	Compton	CA	90221	310 639-1653	310 635-7374	7/1/2010	6/30/2015	Fairveola Banks	Owner
14	Fairveola Banks	7	2	3628 E. Imperial High	Lynwood	CA	90262	310 637-2006	310 637-2522	7/1/2010	6/30/2015	Fairveola Banks	Owner
15	Pai and Chan Pharmacy Corporation II	4	2	770 S. Vermont Aven	Los Angeles	CA	90005	213 383-2211	213 559-0710	7/1/2010	6/30/2015	James Pai	President
16	Recovery Pharmaceutical, Inc.	2	2	16911 San Fernando	Granada Hills	CA	91344	818 363-8107	818 831-2024	7/1/2010	6/30/2015	Milad Tossoun	President/CEO

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17	Lauren Pharmacy	Laurel Pharmacy	2	2	13686 Van Nuys Blvd.	Pacoima	CA	91331	818 896-1104	818 896-7299	7/1/2010	6/30/2015	Barry Wise	President
	Pai and Chan Pharmacy Corporation	Medical Center Pharmacy	8	2	501 E. Hardy Street,	Singlewood	CA	90301	626 673-9744	714 995-4150	7/1/2010	6/30/2015	James Pai	CEO
18		Memorial Medical Center Pharmacy	6	2	9806 Venice Blvd.	Culver City	CA	90232	310 837-6158	310 837-6159	7/1/2010	6/30/2015	Sonny Kim	Co-owner
19	Sungyong S. Kim	North Hollywood Medical Arts Pharmacy	2	3	4420 Vineland Avenue	North Hollywood	CA	91602	818 766-3996	818 766-0239	7/1/2010	6/30/2015	Kenneth Ross	Owner
20	Kenneth Ross	Pharmacy Oakdale	2	3	5400 Balboa Boulevard	Encino	CA	91316	818 788-0770	818 788-0550	7/1/2010	6/30/2015	Richard Kane	President
21	Pharmacy, Inc.	Owl Rexall Drugs	4	1	5634 N. Figueroa Street	Los Angeles	CA	90042	323 254-2851	323 254-0875	7/1/2010	6/30/2015	Jimmy Cheung	President
22	Inc.	Palmdale Medical Pharmacy	1	5	540 West Palmdale Blvd	Palmdale	CA	93551	661 267-2638	661 267-0813	7/1/2010	6/30/2015	Ivan Law	Secretary
23	IJ Group, Inc.	PharMerica Drug Systems, #7020			833 Marlborough Ave	Riverside	CA	92507	714 891-5145	714 372-3119	7/1/2010	6/30/2015	Thomas A. Caneris	Vice President
24	PharMerica Drug Systems, Inc.	PharMerica #7036			11205 Knott Ave.,	Suit Cypress	CA	90630	951 784-1616	951 680-4715	7/1/2010	6/30/2015	Thomas A. Caneris	Vice President
25	Thrifty Payless, Inc.	Rite Aid	2,3,4,6,8	4	30 Hunter Lane	Camp Hill	PA	17011	717 730-8217	310-320-8211	7/1/2010		William F. Wolf	Sr. Vice President
26		St. John's Medical Plaza Pharmacy	5	3	1301 20th St. #120	Santa Monica	CA	90404	310 453-6553	310 828-5645	7/1/2010	6/30/2015	Farnaz Mahdavi-Mavad	CEO
27	GIPL, Inc.	Star Pharmacy	2	3	14400 Vanowen St.	Van Nuys	CA	91405	818-304-0888	818-304-0882	7/1/2010	6/30/2015	Mikhail Iskhakov	President
28	Inf Corp.	Super-Rite Drugs	2	3	14425 Burbank Blvd.	Van Nuys	CA	91401	818 785-0441	818 785-1315	7/1/2010	6/30/2015	David Preller	President
29	Prescriptions Plus Inc.	The Marsh Village Pharmacy	2	5	2143 Foothill Blvd.	La Canada	CA	91011	818 248-3643	818 248-0678	7/1/2010	6/30/2015	Samir Daher	Owner
30	Moadelly Pacific Pharmacy Group	Valencia Pharmacy	3	5	23550 Lyons Avenue, Suite 111	Newhall	CA	91321	661-255-7910	661-255-7987	7/1/2010	6/30/2015	Dr. Jan Balthasar	President/CEO
31		Verdugo Clinic Pharmacy	3	5	1540 E. Colorado Street	Glendale	CA	91205	818 550-0218	818 550-0211	7/1/2010	6/30/2015	Kirk T. Hiura, Pharm D	President
32	KC Pharmacies, Inc.	Robert Feiles and Susan												
33	Feiles	Pharmacy	2	3	19300 Vanowen Street	Reseda	CA	91335	818 345-6111	818 345-6531	7/1/2010	6/30/2015	Robert Feiles	Owner

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Westlake Medical Management, Inc.	Westlake Pharmacy	1	4	2500 Wilshire Blvd., S	Los Angeles, CA	90057	213 383-4262	213 383-4263	7/1/2010	6/30/2015	Diane Blumkin	President
Woori Pharmacy, Inc.	Woori Pharmacy	2	4	266 S. Harvard Blvd.,	Los Angeles, CA	90004	213 384-6323	213 384-6340	7/1/2010	6/30/2015	Sang Jung Lee, R. Ph.	CEO
Prime Pharmacy Services, Inc.		4	2	4211 Avalon Blvd. Ste	Los Angeles, CA	90011	323 432-5183	323 231-5091	7/1/2010	6/30/2015	Linda Zou	President
Koam Pharmacy, Inc.		7	4	18102 Pioneer Blvd.,	Artesia, CA	90701	562 402-3636	562 402-3676	7/1/2010	6/30/2015	Kwang Ja Kim	President
La Crescenta Pharmacy, Inc.		2	5	2764 Foothill Blvd.	La Crescenta, CA	91214	818 248-5851	818 248-6292	7/1/2010	6/30/2015	Kaushik B. Patel	President
IVARKET Pharmacy Inc.		2	5	9250 Reseda Blvd., #2	Northridge, CA	91324	818 701-7777	818 700-4510	7/1/2010	6/30/2015	Armen Tatevossian	President
Garden Plaza Pharmacy, A Professional Corporation		2	3	18411 Clark Street, S	Tarzana, CA	91356	818 345-7982	818 345-7983	7/1/2010	6/30/2015	Stanley Widre	President
Anaheim Plaza Pharmacy, Inc.		Out of County	Count	3010 W. Orange Ave.	Anaheim, CA	92804	714/220-0717	714/220-3180	7/1/2010	6/30/2015	Shannon Lew	President
EVERgreen Pharmaceutical of California, Inc.	Pharmacy Support Services	7	4	13825 A1 & A2 Cerrit	Cerritos, CA	90703	562 229-3500	562 229-3590	10/27/2011	6/30/2015	Michael Wood	President
Pacific Healthcare, Inc.	B & B Pharmacy	7	5	10244 Rosecrans Ave	Bellflower, CA	90706	562 866-8363	(562) 925-620	2/24/2012	6/30/2015	Hyun Joon Ro	Secretary/Pharm
Silver Brooks Enterprises, Inc.	Vernon-Main Pharmacy Center	4	2	4401 South Main St.	Los Angeles, CA	90037	323 231-9307	323 231-7057	2/28/2012	6/30/2015	Silvana Sakia	President
Medical Specialty Pharmacy		2	3	18433 Roscoe Blvd. #	Northridge, CA	91325	818 993-7333	818 993-7191	7/27/2012	6/30/2015	Thomas G. Diamantidis	President
Hygeia Apothecary Inc.	Botica Del Sol	8	4	2331 E. Cesar Chavez	Los Angeles, CA	90033	323-260-7531		8/7/2012	6/30/2015	Bill Hasbun	President
Suburban Drug Co.	Los Coyotes Drug	8	4	3597 Los Coyotes Dia	Long Beach, CA	90808	562 420-1480	866 859-1508	10/25/2012	6/30/2015	Jerrold Rosenbaum	President
ModernHEALTH Specialty, LLC	AD-RX Pharmacy Modern	4	3	6240 Wilshire Blvd.	Los Angeles, CA	90048	323 936-8221	323 936-0312	12/10/2012	6/30/2015	Richard Katz	Owner/President
ModernHEALTH Holdings, Inc.	Health Pharmacy	3	5	110 E. Huntington Dr	Monrovia, CA	91016	626 932-1600	626 932-1788	12/18/2012	6/30/2015	Sherri Cherman	Owner/President
Pacific Healthcare, Inc.	Better Value Pharmacy	3	1	1135 S. Sunset #101	West Covina, CA	91790	714-805-8344		4/4/2013	6/30/2015	Eugene Ro	Owner
Good Health	Premier Pharmacy	3	1	410 Cloverleaf Dr.	Baldwin Park, CA	91706	888-619-6196	8662017820	7/1/2010	6/30/2015	Stephen Samuel	President/CEO

