



# COUNTY OF HUMBOLDT

For the meeting of: 10/4/2022

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File #: 22-1271

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**To:** Board of Supervisors

**From:** DHHS: Behavioral Health

**Agenda Section:** Consent

**SUBJECT:**

Professional Services Agreement with Diamond Drugs, Inc. Regarding the Provision of Pharmaceutical and Prescription Monitoring Services

**RECOMMENDATION(S):**

That the Board of Supervisors:

1. Approve, and authorize the Chair of the Board to execute, the attached professional services agreement with Diamond Drugs, Inc. regarding the provision of pharmaceutical and prescription monitoring services for the period of July 1, 2022 through June 30, 2024;
2. Authorize the Department of Health and Human Services - Behavioral Health Director, or a designee, thereof, to execute any and all subsequent amendments to the attached professional services agreement with Diamond Drugs, Inc. after review and approval by County Counsel, Risk Management and the County Administrative Office; and
3. Direct the Clerk of the Board to return one fully executed original copy of the attached professional services agreement with Diamond Drugs, Inc. to the Department of Health and Human Services - Contract Unit for further processing.

**SOURCE OF FUNDING:**

Behavioral Health Fund

**DISCUSSION:**

The Department of Health and Human Services - Behavioral Health (DHHS - Behavioral Health) is responsible for providing all necessary medications to the County of Humboldt's behavioral health facilities, including, without limitation, DHHS - Behavioral Health's psychiatric health facility, crisis stabilization unit and medication support clinics, the Humboldt County Correctional Facility, the Humboldt County Regional Facility and the Humboldt County Juvenile Hall. As a result, DHHS - Behavioral Health has historically contracted with licensed pharmacies, including, without limitation, Diamond Drugs, Inc., to provide necessary pharmaceutical and prescription monitoring services.

Diamond Drugs, Inc. provides comprehensive pharmaceutical services for prescription and nonprescription medication and medical supplies required at DHHS - Behavioral Health facilities.

Diamond Drugs, Inc. delivers quality care for patients and clients by utilizing cost-effective innovative technologies, including, without limitation, computerized medication administration records, real-time reports and invoicing, which streamline service delivery and accountability. Additionally, Diamond Drugs, Inc. provides consultant pharmacists who are available for emergency and routine consultations 24 hours per day, 7 days per week. Prior to filling prescription orders, Diamond Drugs, Inc. screens each patient's complete computerized medication profile to ensure safe and therapeutic medication administration.

Diamond Drugs, Inc. also works with DHHS - Behavioral Health staff and the Humboldt County

Pharmacy and Therapeutics Committee to evaluate additions or deletions to DHHS - Behavioral

Health's psychotropic formulary. Diamond Drugs, Inc. provides quarterly medication usage reports

accompanied with graphs, cost comparisons and drug indication for particular drug classes.

On June 16, 2020 (Item C-6), the Board of Supervisors approved the current professional services

agreement with Diamond Drugs, Inc. regarding the provision of pharmaceutical and prescription

monitoring services for the period of July 1, 2020 through June 30, 2022. The attached professional

services agreement will allow DHHS - Behavioral Health clients to continue receiving required pharmaceutical and prescription monitoring services from Diamond Drugs, Inc. for the period of July 1, 2022 through June 30, 2024.

Accordingly, DHHS - Behavioral Health recommends that the Board approve, and authorize the Chair of the Board to execute, the attached professional services agreement with Diamond Drugs, Inc. regarding the provision of pharmaceutical and prescription monitoring services for the period of July 1, 2022 through June 30, 2024. It is also recommended that the Board authorize the DHHS - Behavioral Health Director, or a designee thereof, to execute any and all subsequent amendments to the attached professional services agreement with Diamond Drugs, Inc., after review and approval by County Counsel, Risk Management and the County Administrative Office, in order to avoid any unnecessary delays in the provision of needed pharmaceutical prescription and monitoring services.

FINANCIAL IMPACT:

The attached professional services agreement with Diamond Drugs, Inc. has a maximum amount

payable of \$550,000 for the period of July 1, 2022 through June 30, 2024. In no event shall the

maximum amount paid under the attached professional services agreement with Diamond

Drugs, Inc. exceed \$275,000 per fiscal year for FY's 2022-2023 and 2023-2024. However, in the event local, state or federal funding is reduced or eliminated, the County of Humboldt may reduce the above-referenced maximum amount payable or terminate the attached professional services agreement with Diamond Drugs, Inc. in its entirety.

Expenditure appropriations related to the attached professional services agreement with Diamond

Drugs, Inc. have been included in the proposed FY 2022-2023 budgets for DHHS - Behavioral Health budget units 1170-427, 1170-495 and 1170-498. Funding for the attached professional services agreement with Diamond Drugs, Inc. is available through Medi-Cal financial participation, state realignment and Mental Health Services Act revenues received by DHHS - Behavioral Health. As a result, approval of the attached professional services agreement with Diamond Drugs, Inc. will not impact the Humboldt County General Fund.

STRATEGIC FRAMEWORK:

This action supports your Board's Strategic Framework by ensuring continued opportunities for improved health and safety, protecting vulnerable populations and providing community-appropriate levels of services.

OTHER AGENCY INVOLVEMENT:

None

ALTERNATIVES TO STAFF RECOMMENDATIONS:

The Board could choose not to approve the attached professional services agreement with Diamond Drugs, Inc. regarding the provision of pharmaceutical and prescription monitoring services. However, this alternative is not recommended since it will not allow DHHS - Behavioral Health to provide necessary medications to its clients as required by state law.

ATTACHMENTS:

1. Professional Services Agreement with Diamond Drugs, Inc. Regarding the Provision of Pharmaceutical and Prescription Monitoring Services for Fiscal Years 2022-2023 through 2023-2024.

PREVIOUS ACTION/REFERRAL:

Board Order No.: C-18, C-6, C-27, C-6, C-7, C-12, C-6

Meeting of: 6/24/14, 4/21/15, 6/23/15, 6/7/16, 5/9/17, 10/16/18, 6/16/20, 10/4/22

File No.: 14-0457, 15-400, 15-703, 16-3823, 17-1853, 18-1021; 20-649; 22-1271