DATE: 3/24/2020

TO: Honorable Members of the Board of Supervisors

Jeffrey V. Smith, M.D., J.D., County Executive

FROM: René G. Santiago, Deputy County Executive/Director, SCVHHS

Toni Tullys, Director of Behavioral Health Services

SUBJECT: Garcia Pharmacy Update

Under advisement from the Board of Supervisors (Board), and at the request of President Chavez in January 2020, the Administration is providing an off-agenda report related to Garcia Pharmacy and the ongoing efforts of the Behavioral Health Services Department (Department) to serve clients who receive long-acting injectable (LAIs) psychotropic medications. This report provides the requested information.

The Department was notified by Garcia Pharmacy (Garcia) in early November 2019 that Garcia would no longer administer LAIs to clients of Department contractors as changes to Medicaid reimbursement methodology for “specialty medications” (which include LAIs) made it unprofitable to continue what they called their “Alternative Site of Care Program”. (Garcia indicated that this change in practice would be effective on January 1, 2020.)

The Department worked with the County Counsel’s Office to confirm that California law allows pharmacists to administer LAIs to patients. The Department met with several Community Based Organizations (CBOs) to provide more information about their level of involvement with Garcia, including the billing and/or reimbursement practices. From these conversations, the Department confirmed that Garcia was administering LAIs to 49 BHSD clients who were referred by BHSD contractors and in some instances with assistance from Emergency Psychiatric Services staff. The Department also learned that in some instances Garcia was getting paid a fee to provide the service in various ways but could not verify with certainty that Garcia was not billing Medi-Cal patients directly.

The Department has worked with all of the CBO’s previously involved in referring patients to Garcia to find alternative locations where they can have their LAIs administered by qualified staff. Specifically, with assistance from the CBOs, the Department was able to identify all of the clients who were at the time regularly going to Garcia to have their LAIs administered by Garcia pharmacists and collaborated with CBOs to transition clients to County clinics to receive their injections moving forward. (The County clinics and County pharmacy had previously confirmed that they could absorb the volume of patients noted.)
For clients who felt more comfortable remaining with their CBO providers, BHSD expanded its psychiatric services to offer CBO providers an opportunity to have clients who require injection services be seen through the Behavioral Health Urgent care services using a Bridge-Medication protocol. Only two clients of CBO providers continue to have their LAIs administered by Garcia pharmacists, but the Department ensured that Garcia is not charging or billing Medi-Cal patients directly for this service. The Department also required that these providers develop policies and procedures and other mechanisms to provide better communication, coordination, and oversight of the services that Garcia provides to their clients.

As a long-term solution, the Department provided some of the CBO providers an opportunity to certify their outpatient programs to include medication services, to provide this service in house. The Department’s quality improvement division worked diligently with three of the CBO providers to obtain the proper certification and licensure that would allow the CBOs to operate their own medication room and administer these LAIs in-house.

cc: Miguel Marquez, Chief Operating Officer
    James R. Williams, County Counsel
    Megan Doyle, Clerk of the Board
    Chief Board Aides
    Debbie Dills Thompson, OBA Agenda Review Administrator