



Legislation Text

File #: 1819-0293, **Version:** 1

TITLE

Approval of Award to Optum Rx for Prescription Benefit Management Services for three (3) years from 1/1/2020 to 12/31/2022

BACKGROUND INFORMATION

Due to the complex nature of procuring pharmaceutical services for our employees, it was necessary and Board approved to enter into Contract with Gallagher Pharmacy Procurement Services on 1/22/2019 to conduct an extensive RFP for the Prescription Benefit Management Services and analysis of the marketplace. 8 vendors were contacted. 6 responded and 2 declined due to size. The analysis and best and final offers were presented to the Health Insurance Committee on 5/30/2019. The Committee selected Optum Rx based on formulary disruption, network disruption, financial offers, rebates, allowances and credits. Optum Rx agreed to a rate guarantee of the initial rates and minimum guarantee discounts for 36 months. The Rx claims for 2020 are estimated at \$3 Million. The administration fees for the Plan Year 1/1/2020 to 12/31/2020 are \$39,690.00.

BUDGET INFORMATION

Item Budgeted? YES

Total Cost: \$39,690.00 for PY 1/1/2020 to 12/31/2020

Budget Coding: 0712.7730.310.9802.0001

Requisition Attached?

CONTRACT INFORMATION

Contract with: Optum Rx

Contract value: \$39,690.00 for PY 1/1/2020 to 12/31/2020

Budget coding: 071.7730.310.9802.0001

Contract Purpose / Description: To provide the administration of Prescription Plan Management Services

Contract Originator: Kathryn Flannery, x53342, Employee Benefits & Risk Management

Board Meeting Date: July 23, 2019

RECOMMENDATION

Approval of RFP Award to Optum Rx for Prescription Plan Management Services for an initial 36 month contract from 1/1/2020 through 12/31/2022. It shall be the option of the School Board to negotiate a one (1) year additional renewal.