



Legislation Text

File #: 16-1458, **Version:** 1

Resolution to Approve Amendment to the Member Services Agreement into the Keenan Pharmacy Purchasing Coalition and Authorize the City Administrator to Execute the Necessary Documentation (\$90,000.00)

The attached Resolution authorizes the City Administrator to execute the amendment agreement for membership into the Keenan Pharmacy Purchasing Coalition through the City's current Pharmacy Benefit Manager, Express Scripts, Incorporated. The Coalition represents employer groups by negotiating discounts for pharmacy products for city employees and retirees and their respective dependents. Employees and retirees, through their labor agreements or in accordance with the City's employee benefit plans, have the availability of using the Express Scripts Network for their pharmacy service needs.

Budget/Fiscal Impact: Cost projections for the program were budgeted and approved in the FY 2017 budget. Barring any unforeseen circumstances, no additional funds will be required to provide pharmacy coverage to City employees, retirees and their respective dependents.

The Express Scripts Network (or its equivalent) is provided for under our current labor agreements and our employee benefits program. The plan is administered by Express Scripts.

This contract amendment continues services now in effect. The amendment updates program protocols as well as the fee schedule.

New fees and premium effective 5/1/16 are:
\$1.50 per member per month (All inclusive fee)

The overall costs for the program will fluctuate monthly depending both on the number of employees and retirees enrolled in the program during any given month, and the amount of incurred claims actually paid during any given month.

Prepared by: Jessica Hull, Employee Benefits Supervisor

Reviewed by: Robyn Wilkerson, HR and Labor Relations Director

Approved by: Howard S. Lazarus, City Administrator

Whereas, The City provides Pharmacy coverage to City employees, their eligible dependents, and retirees and their eligible dependents, in accordance with the employee benefits program and various labor contracts at an estimated annual cost of approximately \$6,659,020.00;

Whereas, Human Resources Services recommends entering into this contract;

Whereas, Funds have been appropriated in the Fiscal Year 2017 budget to cover projected costs associated with the provision of pharmacy coverage; and

Whereas, Keenan Pharmacy Purchasing Coalition complies with the requirements of the City Non-discrimination and Living Wage ordinances;

RESOLVED: That City Council approve the amendment agreement for the period January 1, 2016 to December 31, 2016, with the Keenan Pharmacy Purchasing Coalition to provide discounts for pharmacy products to City employees, their eligible dependents, retirees, and their eligible dependents; and

RESOLVED: That the City Administrator be authorized and directed to execute the necessary amendment agreement documentation after approval as to form by the City Attorney and take any further necessary administrative actions to implement this resolution.

Sponsored by: Mayor Taylor