



## Legislation Details (With Text)

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**Type:** Resolution      **Status:** Passed  
**File created:** 2/17/2015      **In control:** City Council  
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**Title:** Resolution to Approve Agreements with Express Scripts to Provide Prescription Drug Coverage (\$66,640.00)

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. PSG Application for City of Ann Arbor 3 1 15

Date	Ver.	Action By	Action	Result
2/17/2015	1	City Council	Approved	Pass

Resolution to Approve Agreements with Express Scripts to Provide Prescription Drug Coverage (\$66,640.00)

The attached Resolution authorizes the City Administrator to execute the renewal of Pharmacy Benefit services contracts with Express Scripts, the City's Pharmacy Benefit service provider. Employees, dependents, and retirees, through their labor agreements or in accordance with the City's employee benefit plans, have the availability of using Express Scripts for their Prescription Drug service needs. The plan is administered by Express Scripts. This contract continues services now in effect.

New fees and premium effective 3/1/15 through 12/31/15 are:  
\$2.00 Aggregate premium per member per month (\$5,380,847 annual aggregate attachment point).

The overall costs for the program will fluctuate monthly depending 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.

Express Scripts complies with the requirements of the nondiscrimination and living wage ordinances.

The estimated annual cost of providing prescription drug coverage is approximately \$3,000,000. The cost projections are in accordance with the approved Fiscal Year 2014 - 2015 budget.

Prepared by: Kelly Beck, Employee Benefits Supervisor

Reviewed by: Robyn Wilkerson, HR and Labor Relations Director

Whereas, The City provides Health Care 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 \$3,000,000.00;

Whereas, The City's contract with Express Scripts is due for renewal on January 1, 2016;

Whereas, Human Resources Services recommends the Amendment to this contract and the addition of the aggregate excess loss reinsurance of this contract;

Whereas, Funds have been appropriated in the Fiscal Year 2014 - 2015 budget to cover projected costs associated with the provision of health care; and

Whereas, Express Scripts complies with the requirements of the nondiscrimination and Living Wage Ordinances;

**RESOLVED:** That City Council approve the Amendment and addition of aggregate excess loss reinsurance of the contract for the period January 1, 2015 to December 31, 2015, with Express Scripts to provide Pharmacy Benefit coverage 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 contract documentation after approval as to form by the City Attorney and take any further necessary administrative actions to implement this resolution.