

AN ORDINANCE **2016-09-08-0692**

APPROVING A CONTRACT WITH CAREMARK PCS HEALTH, L.L.C. DBA CVS HEALTH, IN AN ESTIMATED ANNUAL AMOUNT OF \$124,000.00, TO PROVIDE PHARMACY BENEFIT MANAGEMENT SERVICES FOR THE CITY'S SELF-FUNDED PHARMACY BENEFIT PLANS, FOR A TERM OF FIVE YEARS WITH ONE TWO-YEAR OPTION TO EXTEND.

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WHEREAS, the City's Employee Benefits Program provides active full-time civilian employees, uniformed employees, retired civilian employees, and dependents with Prescription Benefit Management (PBM) services; and

WHEREAS, the Human Resources Department issued a Request for Proposal (RFP) for PBM and Third Party Administration (TPA) services; and

WHEREAS, a total of nine responses, of which six were for pharmacy services only, were evaluated by a selection committee comprised of representatives from various City departments, unions, civilian employees' associations, and City retirees' association; and

WHEREAS, the criteria used during the evaluation process included experience, background and qualifications, proposed plans, proposed price, and Small Business Economic Development Advocacy Program (SBEDA) participation, Local Preference Program, and Veteran-Owned Small Business Preference Program; and

WHEREAS, as a result of the evaluation, Staff recommends that CVS Health be awarded the contract to provide pharmacy services; **NOW THEREFORE:**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The City Manager, or her designee, is hereby authorized to execute a contract with Caremark PCS Health, L.L.C. (CVS Health) to provide pharmacy services for employees, retirees, and their dependents covered under the City's self-funded medical plans, for an initial five (5) year term, beginning January 1, 2017, and ending December 31, 2021, with an option for the City to extend the contract for one (1) two (2) year period, subject to subsequent funding and approval by City Council. A copy of the contract, in final form, is attached hereto as Exhibit A. The terms and conditions of said contract are hereby approved.

SECTION 2. Funds are included in the FY 2017 Proposed Employee Benefits Insurance Fund 75002000. The estimated annual cost for this contract is \$124,000. The impact of this contract in FY 2017 is estimated at \$93,000. Funding for subsequent years is subject to and contingent upon subsequent appropriations by City Council.

KC:
9/8/16
Item No. 16 B

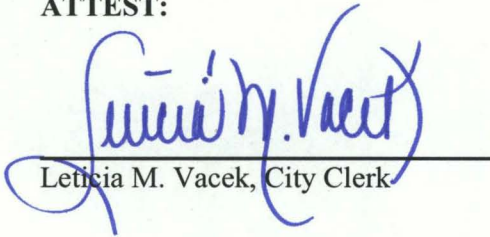
SECTION 3. This ordinance shall take effect immediately upon passage, provided that it is passed by eight or more affirmative votes; otherwise, this ordinance shall take effect ten days from the date of passage.

PASSED AND APPROVED this 8th day of September, 2016.



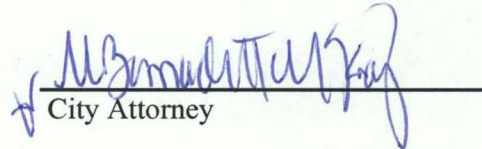
M A Y O R
Ivy R. Taylor

ATTEST:



Leticia M. Vacek, City Clerk

APPROVED AS TO FORM:



City Attorney

Agenda Item:	16B (in consent vote: 5, 6, 7, 8, 9, 11, 11A, 11B, 11C, 11D, 11E, 11F, 11G, 12, 14, 15, 16, 16A, 16B)						
Date:	09/08/2016						
Time:	09:17:27 AM						
Vote Type:	Motion to Approve						
Description:	An Ordinance authorizing the City Manager or her designee to execute a contract with Caremark PCS Health, LLC DBA CVS Health in an estimated annual amount of approximately \$124,000.00 for administrative costs to provide Pharmacy Benefits Management services for the City's self-funded pharmacy benefit plans for a term of five years, beginning January 1, 2017, and ending December 31, 2021, with an option to extend the contract for two years subject to and contingent upon funding and approval by City Council.						
Result:	Passed						
Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Ivy R. Taylor	Mayor		x				
Roberto C. Treviño	District 1		x			x	
Alan Warrick	District 2		x				x
Rebecca Viagran	District 3		x				
Rey Saldaña	District 4	x					
Shirley Gonzales	District 5		x				
Ray Lopez	District 6		x				
Cris Medina	District 7		x				
Ron Nirenberg	District 8		x				
Joe Krier	District 9		x				
Michael Gallagher	District 10		x				