

**THIS IS A DRAFT AND WILL BE REPLACED BY THE FINAL, SIGNED ORDINANCE OR
RESOLUTION ADOPTED BY CITY COUNCIL**

AN ORDINANCE

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 BENEFITS 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 covered employees, and retirees with Prescription Benefit Management (PBM) services; and

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

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

WHEREAS, the criteria used during the RFP 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 review, the staff recommends that CVS Health be awarded the contracts 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. The contract shall be executed for an initial five (5) year term, beginning January 1, 2017, and ending December 31, 2021, and includes an option for the City to extend the contract for two (2) one (1) year periods 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. Financial Allocations

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.

KC:
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Item No.

PASSED AND APPROVED this x day of x, 2016.

M A Y O R
Ivy R. Taylor

ATTEST:

APPROVED AS TO FORM:

Leticia M. Vacek, City Clerk

City Attorney

DRAFT