



CITY COUNCIL COMMUNICATION

June 26, 2012

SUBJECT: Pharmacy Benefit Management

SUBMITTED BY: Carolyn Marshall, HR/Risk Administrator

REFERENCE NO: RFP No. 013-10

ACTION REQUESTED:

Consider extension of contract, per RFP No. 013-10, with LDI Integrated Pharmacy Services for Pharmacy Benefit Management (PBM) services related to the City's health insurance plan. The extension will cover the period of October 1, 2012 to September 30, 2014.

ALTERNATIVES:

- Table the request
- Deny the request

SUMMARY OF SUBJECT:

LDI Integrated Pharmacy Services has provided the City with excellent PBM services over the past two years. Their 2010 proposal provided for a two year term with two 2-year renewals. This request would represent the first renewal. LDI Integrated Pharmacy Services has agreed to an extension of the contract with no rate increase. Staff recommends the extension be granted.

FINANCIAL CONSIDERATIONS:

Revenue Sources: City Contributions, Employee/Retiree Premiums
Expenditure Accounts: 610-5015-519-5202; 610-5015-519-5207
Budgeted Fiscal Year(s): FY 2013
Estimated Expenditure: \$ 40,557.75
Over/Under Projection By: 0.00
Other Comments:

SUPPORTING DOCUMENTS:

- Renewal Letter: LDI

APPROVED BY:

_____ **LG** _____

City Manager's Office

_____ **KS** _____

City Secretary's Office