



**CITY COUNCIL COMMUNICATION**  
June 24, 2014

**SUBJECT:** Pharmacy Benefit Management

**SUBMITTED BY:** Dale Harwell, Director of Administrative Services

**REFERENCE NO:** RFP No. 013-10

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**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, 2014 to September 30, 2015.

**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 four (4) years. Their 2010 proposal provided for a two year term with two 2-year renewals. This request would represent the second renewal. LDI Integrated Pharmacy Services has agreed to an extension of the contract with a slight rate reduction. Staff recommends the extension be granted.

**FINANCIAL CONSIDERATIONS:**

Revenue Sources: City Contributions, Employee/Retiree Premiums

Expenditure Accounts: 610-5015-519-52.02; 610-5015-519-52.07

Budgeted Fiscal Year(s): FY 2015

Budgeted Expenditure:

Estimated Expenditure: \$ 47,175

Over/Under Projection By:

Other Comments:

**SUPPORTING DOCUMENTS:**

- Renewal Letter: LDI

**APPROVED BY:**

\_\_\_\_\_ **LG** \_\_\_\_\_

City Manager's Office

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City Secretary's Office