

City of Fort Worth, Texas

Mayor and Council Communication

DATE: 08/09/22 M&C FILE NUMBER: M&C 22-0551

LOG NAME: 13P 22-0067 PHARMACY BENEFITS MANAGER CC HR

SUBJECT

(ALL) Authorize Execution of an Agreement with OptumRx Inc., for Administration of the City's Pharmacy Benefits for an Initial Term of One Year with Two Optional One-Year Renewal Terms in an Amount Up to \$236,000.00 for Each Term

RECOMMENDATION:

It is recommended that the City Council authorize the execution of an agreement with OptumRx Inc., for administration of the City's Pharmacy Benefits for an initial term of one year with two optional one-year renewal terms in an Amount Up to \$236,000.00 for each term.

DISCUSSION:

The Human Resources Department approached the Purchasing Division to procure an agreement for a pharmacy benefits manager to provide claim administration for pharmacy benefits for active employees, retirees, and surviving spouses of the City of Fort Worth (City). To procure these services, Purchasing issued a Request for Proposal (RFP) No. 22-0067.

The RFP was advertised in the *Fort Worth Star-Telegram* for five consecutive Wednesdays beginning on February 23, 2022, through March 23, 2022. The City received 11 proposals. An evaluation panel consisting of representatives from Human Resources and Municipal Court Departments reviewed and scored the submittals using Best Value criteria. The individual scores were averaged for each of the criteria and the final scores are listed in the table below. Proposals that did not score at least 50% or more of the total available points for technical criteria were deemed not acceptable (N/A).

Bidders	Evaluation Factors					
	A.	B.	C.	D.	E.	Total Score
OptumRX	13.50	14.40	12.80	7.40	25.00	73.10
CapitalRx	14.00	12.40	12.80	5.20	24.55	68.95
Rightway	14.00	11.20	14.40	5.20	22.77	67.57
CVS-Caremark	8.00	8.00	7.20	6.00	X	N/A
Elixir	11.50	9.20	10.00	3.80	X	N/A
Express Scripts	9.50	8.40	9.20	5.20	X	N/A
Flipt	9.00	9.60	10.80	4.60	X	N/A
Independent Health	9.50	10.00	11.20	5.00	X	N/A
Meritan	10.00	8.80	8.80	5.60	X	N/A
Script Care	9.00	10.00	10.00	5.40	X	N/A
WithMe	12.00	9.20	10.80	4.60	X	N/A

Best Value Criteria:

- a. Quality of Proposal/Acceptability of Proposals
- b. Network, formulary and disruption
- c. Prescription drug programs and value added programs
- d. Firm's background and experience
- e. Cost

After evaluation, the panel concluded that OptumRx Inc., presented the best value to the City. Therefore, the panel recommends that City Council authorize this agreement with OptumRx Inc. No guarantee was made that a specific amount of services would be purchased. Staff certifies that the recommended vendor's proposal met specifications.

Funding will be budgeted in the Claims Administration expense of the Group Health Insurance & Retiree Healthcare Trust Funds for Fiscal Year 2023.

DVIN-BE: A waiver of the goal for Business Equity subcontracting requirement is approved by the DVIN-BE, in accordance with the Business Equity Ordinance, because the purchase of goods or services is from sources where subcontracting or supplier opportunities are negligible.

AGREEMENT TERMS - Upon City Council approval, this agreement shall begin on January 1, 2023 and expire one year from that date.

RENEWAL TERMS: The agreement may be renewed for up to two successive one-year terms at the City's option. This action does not require specific City Council approval provided that City Council has appropriated sufficient funds to satisfy the City's obligations during the renewal term.

ADMINISTRATIVE CHANGE ORDER: An administrative change order or increase may be made by the City Manager up to the amount allowed by relevant law and the Fort Worth City Code and does not require specific City Council approval as long as sufficient funds have been appropriated.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that upon approval of the above recommendation and adoption of the Fiscal Year 2023 Budget by the City Council, funds will be available in the Fiscal Year 2023 operating budget, as appropriated, in the Group Health Insurance & Retiree Healthcare Trust Funds. Prior to an expenditure being incurred, the Human Resource Department has the responsibility to validate the availability of funds.

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Expedited