

City of Fort Worth, Texas

Mayor and Council Communication

DATE: 09/16/25 M&C FILE NUMBER: M&C 25-0845

LOG NAME: 13P RFP 25-0120 PHARMACY BENEFITS MANAGER DM HRD

SUBJECT

(ALL) Authorize Execution of an Agreement with Rightway Healthcare, Inc., for Administration of the City’s Pharmacy Benefits in an Amount Up to \$2,032,160.00, for the Initial Three-Year Term with the Option to Renew for Two Additional One-Year Terms for the Same Amount at the City’s Sole Discretion for the Human Resources Department

RECOMMENDATION:

It is recommended that the City Council authorize the execution of an agreement with Rightway Healthcare, Inc., for administration of the City’s pharmacy benefits in an amount up to \$2,032,160.00, for the initial three-year term with the option to renew for two additional one-year terms for the same amount at the City’s sole discretion for the Human Resources Department.

DISCUSSION:

The Human Resources Department approached the Purchasing Division to secure 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. 25-0120, which outlined detailed scope of services including claims administration, financial guarantees on discounts and rebates, reporting, and customer service for active employees, retirees, and surviving spouses.

The RFP was advertised in the *Fort Worth Star-Telegram* for six consecutive Wednesdays from April 16, 2025 through May 21, 2025. The City received nine (9) responses.

An evaluation panel consisting of staff from Human Resources, the Police Department, and a retired City employee reviewed and scored the submittals using the Best Value criteria. Scores were averaged for each of the criteria and the top five Proposers were invited for interviews and had the opportunity to submit best and final offers. Final scores are shown in the table below.

Proposer	Evaluation Factors					Total
	a	b	c	d	e	
Rightway Healthcare, Inc.	18.76	21.67	12.67	18	12	83.09
OptumRx	17.39	13.33	17.33	10	7.5	65.56
BCBSTX	17.48	11.67	12.67	8.66	12.5	62.98
CVS Health	20	10.83	12	12	8	62.83
Perform Rx, LLC	18.88	10	12.67	9.33	6	56.88

The RFP outlined the following evaluation factors:

- a. Cost
- b. Quality of Proposal/Acceptability of Proposal
- c. Network, Formulary, and Disruption
- d. Prescription Drug Program and Valued Added Programs
- e. Firm’s Background and Experience

After completing the evaluation, the panel concluded that Rightway Healthcare, Inc. offered the best value to the City. As a result, the panel recommends that City Council authorize an agreement with Rightway Healthcare, Inc. No guarantee was made that a specific amount of these services would be purchased and Staff certifies that the recommended vendor's proposal meets all required specifications.

FUNDING: The maximum amount allowed under this agreement will be \$2,032,160.00; however, the actual amount used will be based on the needs of the department and available budget. Funding will be budgeted in the Claims Administration Expense account within the Group Health Insurance and Retiree Healthcare Trust Funds for Fiscal Year 2026.

AGREEMENT TERMS: Upon City Council approval this agreement shall begin January 1, 2026 and expire three years from that date.

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

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.

This project will serve ALL COUNCIL DISTRICTS.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that upon approval of the above recommendation and adoption of the Fiscal Year 2026 Budget by the City Council, funds will be available in the Fiscal Year 2026 operating budget, as appropriated, in the Group Health Insurance and Retiree Healthcare Trust Funds. Prior to an expenditure being incurred, the Human Resources Department has the responsibility to validate the availability of funds.

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