



Jerry McGinty
Director Legislative Budget Board
Robert E. Johnson Bldg., 5th Floor
1501 N. Congress
Austin, Texas 78701-1200

Dear Mr. McGinty:

Pursuant to Article IX, Section 7.11, of the General Appropriations Act (2022-23 biennium), the Teacher Retirement System of Texas notifies the Legislative Budget Board (LBB) that the Teacher Retirement System of Texas intends to or has entered into the following contract.

A. Contract Information.

Attached is a summary of the purpose of and major deliverables for the following contract:

1. Vendor's name, address, and phone number: Express Scripts, Inc., One Express Way, St. Louis, Missouri 63121, 949-412-1440
2. Contract Identification number; CTR001988
3. Maximum amount of the contract; \$12,000,000.00
4. Scheduled payment date(s): monthly in accordance with contract payment terms; and
5. Term of the contract: the date of the latest signature or January 1, 2024, whichever is earlier, to December 31, 2025; with four (4) one-year renewal options.

B. Executive Director Certification

1. I certify that the process used to award this contract complies with or is consistent with the following:
 - a. State of Texas Procurement and Contract Management Guide; and
 - b. All applicable statutes, rules, policies, and procedures related to procurement and contracting of goods and services, including compliance with conflict of interest disclosure requirements.
2. I certify that the agency or institution has an effective process and adequate management controls to:
 - a. Verify vendor performance and deliverables for this contract;



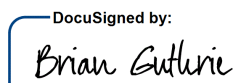
- b. Only pay for goods and services that are within the scope of the contract or procurement; and
 - c. Calculate and collect any liquidated damages associated with vendor performance; and
 - d. When, why, or how to apply corrective action plans for continuing poor vendor performance.
3. I certify that the agency or institution will comply with the requirement to provide information to the Vendor Performance Tracking System in accordance with Section 2155.089 of the Government Code, as amended by Senate Bill 65, Eighty-sixth Legislature, 2019.

C. Risk Statement

I believe that the goods or services being procured via this contract are necessary to provide mission critical functions of this agency or institution¹. The attached describes the importance of the goods and services and risk to the agency or institution if the parameters of the contract are not met within the specified time frames.

D. Continuing Duty to Report

I acknowledge a continuing duty to provide any information or documentation regarding this contract upon request by the LBB and to report any changes to the information provided as well as any later discovered errors or inconsistencies to the LBB.

DocuSigned by:

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9/15/2023

Signature

Date

Brian K. Guthrie

Printed Name of Executive Director

(Institution Administrator)

¹ Goods and services that the agency relies on to execute basic functions essential to the mission of the agency should be considered mission critical. This may include direct services to constituents or indirect support services for critical agency systems.

ATTACHMENT

A. Contract Information: Description of the purpose of the contract and summary of major deliverables.

This Contract is to provide prescription drug benefit management services for the TRS-Care health plan. Deliverables/Performance Guarantees under this Contract fall into the following service categories:

- Implementation Activities (Initial year only)
- Account Management
- Communications
- Customer Service
- Retail Pharmacy Network Management
- Mail Order Pharmacy Network Management
- Specialty Pharmacy Network Management
- Data Processing and Interface
- Reporting
- Claims Processing and Payment
- Audits
- Data Transfer and File Management
- Federal Reporting
- Coordination of Benefits
- Drug Utilization Review
- Step Therapy
- Dose Optimization
- Medication Adherence Program
- Market Checks
- Formulary Management
- Manufacturer Coupons/Patient Assistance Programs



B. Executive Director Certification: If the process to award the contract, contract extension, or procurement did not comply with the requirements of Subsection 1 a and b, provide an explanation for the alternative process utilized, legal justification for the alternative process.

N/A

C. Risk Statement: Statement of the importance of the contract to the agency or institution of higher education, and risk to the agency or institution if the parameters of the solicitation or contract are not met within the specified time frames.

This Contract is extremely important to the agency and there is a high risk if the parameters of the Contract are not met within the specified time frames. The contract ensures deliverable timeliness with the inclusion of Performance Guarantees, a strong liquidated damages penalty for nonperformance, and internal validation process for invoices.