



City Council Report

Date: August 21, 2023
To: City Council
Through: Michael Kennington, Deputy City Manager/Chief Financial Officer
From: Edward Quedens, Business Services Director
Kristy Garcia, Procurement Administrator
Subject: Two-Year Term Contract with Three Years of Renewal Options for Pharmacy Benefit Manager for Workers Compensation Program for the Human Resources Department **(Funded by the Workers' Compensation Fund) (Citywide)**

Recommendation

Council is requested to approve the award as recommended.

A committee representing the Human Resources Department and Purchasing evaluated responses. The evaluation committee recommends awarding the contract to the highest scored and lowest priced proposal from RxBridge, LLC at \$150,000 annually, with an annual increase allowance of up to 5% or the adjusted Consumer Price Index.

Background / Discussion

The Pharmacy Benefit Manager (PBM) will provide workers' compensation prescription benefit management services for the City's claimants. PBM will provide a preferred network with a maximum number of retail pharmacies where the City will receive a greater discount from the Average Wholesale Price (AWP) for all prescriptions including specialty drugs, infusion therapy, and injectables. PBM will also provide a First Fill program that allows claimants to obtain medications upon initial injury and prior to the City determining compensability at no risk or cost to the City. Without a PBM, the City will pay significantly higher costs for workers' compensation prescriptions.

The City solicited Request for Proposals and received three responses which all met the minimum qualifications. The evaluation committee evaluated the responses relative to the scoring criteria in the solicitation and completed scoring the responses in accordance with the City's established policies and procedures. Based on the evaluation results (Final Scoring), award is being recommended to the highest-scored and lowest priced respondent.

Purchase Information

Action: Award
Procurement Type: Request for Proposals
Contract Number: 2023236
Local Consideration: Policy did not apply to this procurement method

Protests Received: None

Initial Contract Term: Two Years

Possible Renewals: Up to a maximum of three years subject to Administrative review and approval

Funding Source: Human Resources Department – Employee Benefits operating budget through Workers’ Compensation Fund

Proposal Responses and Final Scoring

Respondent	Total Points Possible / 500
RxBridge LLC - Dublin, OH (Recommended)	<u>492.50</u>
Michell International, Inc. - San Diego, CA	477.81
Matrix Healthcare Services, Inc. dba myMatrixx - Tampa, FL	443.46