

# CITY OF TOLEDO



## DEPARTMENT OF HUMAN RESOURCES

November 15, 2019

To: Legislation Review Committee

From: Tyrome Alexander, Director, Department of Human Resources [TA](#)

Subject: Pharmacy Benefit Management Services Ordinance Support Memo

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The Department of Human Resources sought competitive proposals for Pharmacy Benefit Management services in 2016. At that time, the department reviewed and analyzed the thirteen (13) proposals received related to the pharmacy benefit services and it was determined that OptumRx presented the lowest and best proposal. The contract with OptumRX became effective March 1, 2017. The current contract expires on February 29, 2020. We are requesting an extension of the current contract for one (1) year, ending on February 28, 2021. Prior to February 28, 2021, the Department will again seek competitive proposals and determine the lowest and best response at that time.

At the time, OptumRX provided a lower per prescription dispensing fee and has been able to *reduce* those fees each year. OptumRX has also significantly increased prescription drug rebates on brand name medications, as compared to the prior vendor.

We believe OptumRX, as our current provider, will continue to responsibly and cost-effectively deliver our pharmacy benefit management services. Based on the above, the Department of Human Resources recommends that the contract with OptumRX be extended one (1) year, expiring February 28, 2021.