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AGENDA ITEM

Action Item

Information Only

Date: March 31, 2020
Item Number: VI
Title: Contract Amendment Report – Express Scripts, Inc.

SUMMARY

This report requests the Board authorize staff to complete a contract amendment between PEBP and Express Scripts, Inc. to amend the negotiated points and pricing proposal through the contract term.

REPORT

EXPRESS SCRIPTS, INC.

PEBP contracted with Express Scripts Inc. (ESI) for Pharmacy Benefits Manager (PBM) Services which began July 1, 2016. Pursuant to the contract, PEBP may perform, or have performed on its behalf, a market check or an assessment of market conditions, pharmaceutical pricing, dispensing fees, and any other matters, services, or price drivers pertaining to this contract to determine if the terms of the contract are competitive with the then current market conditions.

AON Consulting performed a market check and based on the results, ESI has agreed to additional negotiated discounts that are anticipated to save the CDHP and EPO plans approximately \$4.5 million per year.

RECOMMENDATION

PEBP recommends the Board authorize staff to complete a contract amendment between PEBP and Express Scripts, Inc. for PBM services in contract # 17551 to amend the negotiated points and pricing proposal through the contract term.