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**CITY OF TEMPE  
REQUEST FOR COUNCIL ACTION****Council Meeting Date: 4/4/2013  
Agenda Item: 5B1**

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**ACTION:** Approve the renewal of a one-year contract with Express Scripts, formerly known as Medco Health Solutions, to provide a pharmacy network for eligible City employees and dependents overseen by the Human Resources Department.

**FISCAL IMPACT:** Total cost of this contract will not exceed \$3,000,000 during the one-year renewal period. Sufficient funds will be appropriated in the Health Fund – cost centers 4167 and 4169 - for the anticipated expenditures in the upcoming fiscal year.

**RECOMMENDATION:** Approve the renewal of the contract.

**BACKGROUND INFORMATION:** (T08-124-01) City Council originally approved the award of a contract to Medco Health Solutions (now known as Express Scripts) on May 15, 2008 to provide a pharmacy network which provides prescription services for over the counter and mail-order prescriptions. The contract was issued for an initial two-year period with four one-year renewal options. This renewal request is for the final available renewal option.

Since no further renewals are available under this contract, a solicitation will be issued during the fourth quarter of 2013 to begin the selection process for a Pharmacy Benefits Manager. The successful candidate will begin providing services to the City on July 1, 2014.

**Contractor Performance**

The performance of Express Scripts was rated by the Human Resources Department on the following criteria:

Criteria	Score
Personnel are responsive, cooperative and available	A
Overall quality of products or services delivered	A
Timeliness of performance	A
Quality of follow-up in resolving complaints or problems	A
Firm's promptness in submitting accurate invoices	A

A = Exceeds Standards; B = Meets Standards; C = Below Standards

**Renewal Cost**

There is no change in the discount structure associated with this renewal request.

**ATTACHMENTS:** None

**STAFF CONTACT(S):** Renie Broderick, Human Resources Director, (480) 350-8407

Department Director: Ken Jones, Finance & Technology Department Director  
Legal review by: David Park, Assistant City Attorney  
Prepared by: Tony Allen, CPPB, Procurement Officer