

MANATEE COUNTY GOVERNMENT INTENT TO NEGOTIATE

SUBJECT	Pharmacy Benefit Management Services	DATE POSTED	MC _____ DS _____ CC _____
PURCHASING REPRESENTATIVE	Frank Lambertson, 3042	DATE CONTRACT SHALL BE AWARDED	October 3, 2013 or later
DEPARTMENT	Employee Health Benefits	CONSEQUENCES IF DEFERRED	None
SOLICITATION	RFP #13-1406FL	AUTHORIZED BY DATE	Melissa M. Wendel, CPPO September 26, 2013

NOTICE OF INTENT TO NEGOTIATE

Notice of Intent to Negotiate with Optum Rx, Plano TX to provide Pharmacy Benefit Management Services for the Manatee County Employee Health Benefits Division.

ENABLING/REGULATING AUTHORITY

Federal/State law(s), administrative ruling(s), Manatee County Comp Plan/Land Development Code, ordinances, resolutions, policy.

Manatee County Code of Laws

BACKGROUND/DISCUSSION

PROJECT BACKGROUND:

The intent of this Request for Proposal and resulting contract is to provide Manatee County Employee Health Benefits Department, professional pharmacy benefit management services. The selected Proposer will provide a comprehensive pharmacy network and support the Manatee Preferred Pharmacy network via claims adjudication, pharmacy payment, etc.

County has approximately 9,000 prescriptions being filled monthly for its 6,600 members with 3,100 members using the prescription benefit monthly. County pays approximately \$5.1 million annually on the pharmacy benefit. Generic utilization exceeds 80% of all prescriptions dispensed. All services will conform to and be in compliance with applicable codes, laws, ordinances, regulations and restrictions.

SOLICITATIONS:

The RFP was advertised on the Manatee County website, DemandStar, in the Bradenton Herald and the Tempo News and was also provided to the Manatee County Chamber of Commerce for release to its members. Seven (7) proposals were received.

Manatee County Firms that were directly solicited:

None

Manatee County Firms that submitted proposals:

None

Local firms that submitted proposals include:

None

ATTACHMENTS (List in order of attached)	• Ed Hunzeker Email dated 9/24/2013	FUNDING SOURCE (Acct Number & Name)	506 0004100 531000 EHB <input checked="" type="checkbox"/> Funds Verified <input type="checkbox"/> Insufficient Funds
COST	\$200,000	AMT/FREQ OF RECURRING COSTS (Attach Fiscal Impact Statement)	N/A

Other (non-local) firms that submitted proposals include:

Aetna, Hartford, CT
Benecard PBF, Orlando, FL
Magellan Pharmacy Solutions, Avon, CT
Meridian Health Plan, Detroit, MI
Optum Rx, Plano, TX
Procure Rx, Miramar, FL
WellDyne Rx, Lakeland, FL

EVALUATION COMMITTEE (VOTING) MEMBERS:

Kim Stroud, County Administrator's Office
Julie Bassett, Human Resources Department
Frank Lambertson, Financial Management Department (Chairman)

Non-Voting Staff Attending:

Kathy Cremaschi, Clerk of the Court
Glen Pennington, Property Appraiser
Tom Salisbury, Manatee County Sheriff's Office
Don Dietz, EHB Consultant

EVALUATION RESULTS:

The Evaluation Committee convened on August 1, 2013 for the distribution of proposals and a review of evaluation committee requirements. Discussions also included member's availability for future meetings and the Sunshine Laws as applicable to public meetings.

The Evaluation Committee convened on August 15, 2013 and determined that all proposers should provide an oral interview. Those firms, in alphabetical order, were:

Aetna, Hartford, CT
Benecard PBF, Orlando, FL
Magellan Pharmacy Solutions, Avon, CT
Meridian Health Plan, Detroit, MI
Optum Rx, Plano, TX
Procure Rx, Miramar, FL
WellDyne Rx, Lakeland, FL

The Evaluation Committee convened on September 4 and 5, 2013 to provide for the Oral Interview from each firm.

The Evaluation Committee convened on September 5, 2013 to discuss the offers based on the stated requirements in the RFP and short listed the following firms for final consideration:

Benecard PBF, Orlando, FL
Optum Rx, Plano, TX
Procure Rx, Miramar, FL

The Evaluation Committee convened on September 13, 2013 to discuss the offers based on the stated requirements in the RFP, continuing the acquisition process and determining a recommendation to the County Administrator.

Optum Rx, Plano, TX – The firm presented its professional capabilities in a clear and concise manner via their proposal. Of particular importance was the firm's pricing structure which when applied to the last year of EHB's pharmaceutical claims provided the lowest cost to the County and while the Committee discussed some account service issues EHB has recently

encountered Optum Rx was evaluated higher than the other shortlisted firms. Additionally, Optum proposed a network that would be easier to manage for the County, and create less disruption in these areas; eligibility, pharmacy locations, formulary issues, and clinical history as they have successfully performed these services for Manatee County in the past.

Procure Rx, Miramar, FL – The firm submitted an informative proposal detailing their qualifications and its oral presentation created an informative exchange of ideas as to where the PBM industry may be headed especially in the area of specialty drugs. Other favorable points were the firm owned it own claim system, employs innovative strategies regarding specialty medications, and corporate flexibility. While impressed with the firm’s qualifications Procure Rx was evaluated second by the Evaluation Committee.

Benecard PBF, Orlando, FL – Benecard PBF submitted a satisfactory proposal and made a good presentation with their team detailing its knowledge of the PBM industry. Other favorable points were their innovative approach to transparency with specialty and mail order medications, as well as their high volume of public sector clients. While currently successfully providing services for Sarasota County Government and proposed a narrow network that excluded Walgreens and Walmart, the firm was evaluated third.

REMAINING RESPONDENTS:

These remaining respondents, although well qualified, were not selected based on a comparison of capabilities of the selected firms.

- Aetna, Hartford, CT
- Magellan Pharmacy Solutions, Avon, CT
- Meridian Health Plan, Detroit, MI
- WellDyne Rx, Lakeland, FL

ESTIMATED COST OF SERVICES: The estimated annual expenditure is \$200,000.

FUNDING: EHB 506 0004100 531000

The above justifications are a generalized summary of major observations intended only to provide the County Administrator a sufficiently detailed overview of the main observations of a majority of Committee Members. Each Committee Member may have considered one or more facts or factors more or less important than the other Committee Members when voting, and this summary of the Evaluation Committee’s decision is not an attempt to exhaustively describe each of the relevant factors which motivated each of the Committee Members to select the rankings described.

The Evaluation Committee voted 3-0 to proceed with Optum, Plano, TX.

The resulting agreements will be managed by the County Administrator’s Office, Employee Health Benefits Office.



Re: Fw: Approval to Negotiate - Pharmacy Benefit Management Services RFP #13-1406FL

Ed Hunzeker to: Melissa Wendel
Cc: Dennis Wallace, Frank Lambertson

09/24/2013 05:41 PM

Please proceed!

Ed Hunzeker
County Administrator
Manatee County Government
(941) 745-3798

Melissa Wendel Mr. Hunzeker, We are communicating the recom... 09/23/2013 10:12:01 AM

From: Melissa Wendel/MCG
To: Ed Hunzeker/MCG@MCG
Cc: Frank Lambertson/MCG@MCG, Dennis Wallace/MCG@MCG
Date: 09/23/2013 10:12 AM
Subject: Fw: Approval to Negotiate - Pharmacy Benefit Management Services RFP #13-1406FL

Mr. Hunzeker,
We are communicating the recommended selection of **Optum Rx of Plano, TX.** to provide **Pharmacy Benefit Management Services** pursuant to **Request For Proposal 13-1406.**

Upon your approval of the recommendation of the Evaluation Committee, the Purchasing Division will proceed with the posting of the selection and begin negotiations. If you choose, you may direct staff to present this recommendation to the Board of County Commissioners for consideration.

Thank you,
Melissa
Melissa M. Wendel, CPPO
Purchasing Official
Manatee County Purchasing Division
941-749-3054

----- Forwarded by Melissa Wendel/MCG on 09/23/2013 10:08 AM -----

From: Frank Lambertson/MCG
To: Melissa Wendel/MCG@MCG
Date: 09/23/2013 10:06 AM
Subject: Approval to Negotiate - Pharmacy Benefit Management Services RFP #13-1406FL

APPROVAL TO NEGOTIATE

Email to: Dennis Wallace, Contracts/Buyer Manager
Subject: Recommendation for Negotiation, RFP #13-1406FL Pharmacy Benefit Management Services

Pursuant to Request for Proposal #13-1406FL for Professional Services for Pharmacy Benefit Management Services, authorization from the County Administrator is requested to commence negotiations with Optum Rx, Plano, TX.

PROJECT BACKGROUND:

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FUNDING: Name and number of account

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Frank G. Lambertson, Contracts Negotiator
Manatee County Government, Purchasing Division
1112 Manatee Avenue West, Suite 803
Bradenton, FL 34205
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Phone: 941-749-3042
Fax: 941-749-3034