



City of Broken Arrow

Request for Action

File #: 18-900, Version: 1

**Broken Arrow City Council
Meeting of: 08-07-2018**

Title:

Approval of and authorization to execute the First Amendment to the Pharmacy Benefit Management Services Agreement with Navitus Health Solutions, LLC to continue to provide pharmacy benefit manager services for the employee health plan

Background:

The City has provided employee health benefits through self-insurance since 1989. On October 7, 2014, the Council approved an agreement with Navitus Health Solutions, LLC (Navitus) to be the pharmacy benefit manager for the City's employee health plan. This direct contract with Navitus enables the City to negotiate the rebate and fee structures of the prescription plan and allows greater control of the plan design.

The First Amendment to Pharmacy Benefit Management Services Agreement will be effective November 1, 2018, and continue until October 31, 2019 (the "First Renewal Term"). After the First Renewal Term, the agreement provides for a year to year continuation if both parties mutually agree. Terms of the agreement remain the same.

Navitus has been excellent to work with and provides exceptional customer service. Staff recommends approving the First Amendment.

Cost: As estimated in the Group Health and Life Fund in the FY2019 Budget

Funding Source: Group Health and Life Fund

Requested By: Jannette McCormick, Human Resources Director

Approved By: Michael L. Spurgeon, City Manager

Attachments: Navitus Agreement, First Amendment

Recommendation:

Approve and authorize execution of the First Amendment to the Pharmacy Benefit Management Services Agreement with Navitus Health Solutions, LLC.