

**Meeting Location:**  
**Tulare County Employees' Retirement  
Association Board Chambers**  
**136 N Akers St**  
**Visalia, CA 93291**  
**August 28, 2015 9:00 AM**

**AGENDA DATE:** August 28, 2015

**ITEM NUMBER:** 8

**SUBJECT:** Approve US Script as the SJVIA Pharmacy Benefit Manager from December 7, 2015 – December 31, 2018 (A)

**REQUEST(S):** That the Board approve US Script as the Pharmacy Benefit Manager and authorize the Board Chair to execute the agreement pending approval by SJVIA Counsel and Staff

**DESCRIPTION:**

As reviewed at the July 17, 2015 Board Meeting staff reported on the results of the request for proposal process for Pharmacy Benefit Manager. Staff is recommending the SJVIA remain with US Script for an additional three year contract term at their proposed pricing offered through the RFP process. The new contract terms include more favorable pricing projected to save the SJVIA 5.5% of prescription costs over the next three years. These savings may be realized primarily through enhanced discounts and additional rebates.

Pending your Board's approval, staff and Gallagher will work with US Script to finalize the agreement for the three year period to commence December 7, 2015 through December 31, 2018.

**FISCAL IMPACT/FINANCING:**

The budget impact for the new contract terms with US Script is approximately a decrease in costs of \$3.5 million dollars over the next three years. This savings projection is based on current enrollment and with no changes to benefit plans. The impact of this contract is included as part of the renewal calculation/costs for the medical plan as a whole.

**AGENDA:** San Joaquin Valley Insurance Authority

**DATE:** August 28, 2015

**ADMINISTRATIVE SIGN-OFF:**



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Rhonda Sjostrom  
SJVIA Manager



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Paul Nerland  
SJVIA Assistant Manager