

Meeting Location:
County of Tulare
Board of Supervisors Chambers
2800 W. Burrel Avenue
Visalia, CA 93291

BOARD OF DIRECTORS

STEVE BRANDAU
KUYLER CROCKER
NATHAN MAGSIG
BUDDY MENDES
BRIAN PACHECO
AMY SHUKLIAN
PETE VANDER POEL

AGENDA DATE: September 4, 2020

ITEM NUMBER: Item 13

SUBJECT: Receive and Accept EmpiRx 2-year contract

effective December 14, 2020 for County of Fresno, and January 1, 2021 for County of

Tulare, with enhanced discounts and

performance standards which will apply from July 1, 2020 through December 31, 2022. (A)

REQUEST(S): That the Board accept EmpiRx Two-Year

contract (with third year option) and authorize

President to execute agreement subject to

approval of SJVIA counsel and staff.

DESCRIPTION:

The 3-year EmpiRx PBM contract with SJVIA expires December 31, 2020. SJVIA Staff has worked with EmpiRx to offer a new two-year contract that will provide PBM services through December 31, 2022. As you know, the current agreement included the ability to extend the agreement under the same terms and conditions. The new contract includes deeper discount savings and better pharmacy rebates designed which will be applied on a retro basis to July 1, 2020. Total plan savings is estimated at \$2.8 million for the two and a half years of the contract. The acceptance of the EmpiRx contract also renews the Keenan Pharmacy Services (KPS) contract which is required alongside the EmpiRx contract. The KPS contract will renew with the same pricing and services as are currently included for the SJVIA. Staff recommends that the SJVIA take the Pharmacy Benefit Manager services out to bid before the conclusion of the new agreement for Plan Year 2023.

FISCAL IMPACT/FINANCING:

\$2.8 million in savings over two and a half years (July 1, 2020 through December 31, 2022).

AGENDA: San Joaquin Valley Insurance Authority

DATE: September 4, 2020

ADMINISTRATIVE SIGN-OFF:

Paul Nerland SJVIA Manager Lupe Garza

SJVIA Assistant Manager