

**INDIAN RIVER COUNTY
MEMORANDUM**

TO: Michael Zito
Interim County Administrator

FROM: Suzanne Boyll 
Human Resources Director

DATE: January 26, 2023

SUBJECT: April 1, 2022 Addendum to RX Benefits Administrative Services Agreement dated October 1, 2021 – Removing Per Claim Fee of \$0.40 for Out of Pocket Protection + SaveOnSP Program

BACKGROUND:

Effective May 1, 2018, Indian River County Board of County Commissioners approved a recommendation to carve-out the pharmacy benefit under the County's group health insurance program from Florida Blue and select Express Scripts as the pharmacy benefit manager. Administrative services for the pharmacy benefit are provided by RX Benefits. Pricing and rebates are updated annually (usually in January of each year) and approved by the BOCC. The initial term of our agreement with RX Benefits was May 1, 2018 through April 30, 2019. The agreement has renewed annually thereafter.

In April 2022, we aligned the agreement with RX Benefits to coincide with our benefit plan year beginning October 1st of each year and ending on September 30th, and subsequent 12 month renewal periods would begin on October 1st and end on September 30th (2023 ASA addendum effective April 30, 2022). Following the last addendum, an additional cost reduction was implemented which removed the \$0.40 per claim fee under the Manufacturer Copay Assistance Program Section of Table 2.1 of Exhibit A effective as of April 1, 2022. This results in an annual savings of approximately \$17,600 per year. All pricing and rebate guarantees remain consistent with the in force pricing agreements. The attached 2023 administrative service agreement addendum reflects this change.

FUNDING:

Funding for the pharmacy benefit is included in the Health Insurance Fund. This addendum results in a savings of approximately \$17,600 per year.

RECOMMENDATION:

Staff respectfully requests the Board of County Commissioners approve and authorize the Board Chairman to sign the 2023 administrative services agreement addendum with RX Benefits after review and approval by the County Attorney.

Attachments:

2023 ASA Addendum effective April 1, 2022

2022 ASA Addendum effective April 30, 2022

2021 ASA Addendum Exhibit A – Pricing effective October 1, 2021

2018 ASA Original Agreement effective May 1, 2018