



**Resolution Request Executive Summary**  
**A Resolution to amend the City's existing contract with Integrated Prescriptions Solutions, Inc. by adding 24 months and \$800,000 to the term.**

The proposed Resolution extends the term of the current agreement by 24 months for a new contract expiration of 12/31/17. Additional costs of \$400,000 per year are added bringing the contract total to \$1,275,000. Integrated Prescription Solutions, Inc. provides Pharmacy Benefit Management services related to the City's workers' compensation program. Their primary responsibility is for managing the purchasing, dispensing and reimbursing of prescription drugs. The injured workers' prescriptions are filled at an Integrated Prescription Solutions, Inc. network pharmacy of the injured workers' choice. The pharmacies are paid by Integrated Prescription Solutions, Inc. who then bill the City every two weeks. The amount billed is the Average Wholesale Price (AWP) less a set percentage based upon whether the medication is filled locally or by mail order and if the medication is generic or brand.

MyMatrixx: Previous PBM Contract

|                  | Jan-March 2014 | April-June 2014 | July-Sept 2014 | Oct-Dec 2014 |
|------------------|----------------|-----------------|----------------|--------------|
| Total Billed     | 148,802.11     | 148,307.22      | 151,552.98     | 155,063.28   |
| Total Paid       | 130,316.21     | 127,582.04      | 126,629.29     | 128,464.79   |
| Total Savings    | 18,485.90      | 20,725.18       | 24,923.70      | 26,598.49    |
| Percentage Saved | 12.42%         | 13.97%          | 16.45%         | 17.15%       |

IPS: Current PBM Contract

|                  | Jan-March 2015 | April-June 2015 | July-Sept 2014 | Oct-Dec 2015 |
|------------------|----------------|-----------------|----------------|--------------|
| Total Billed     | 109,209.10     | 117,630.51      | 121,977.90     |              |
| Total Paid       | 54,361.07      | 55,880.29       | 58,098.26      |              |
| Total Savings    | 54,848.03      | 61,750.22       | 63,879.64      |              |
| Percentage Saved | 50.22%         | 52.50%          | 52.37%         |              |

In 2014, the City initiated a competitive process, and the contract was awarded to Integrated Prescription Solutions, Inc.