



District School Board of Pasco County

20430 Gator Lane • Land O' Lakes, Florida 34638 • 813/794-2221

Heather Fiorentino, Superintendent


www.pasco.k12.fl.us

Department of Purchasing
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October 4, 2011

MEMORANDUM

TO: Honorable School Board Members

FROM: Kendra Goodman, CPPO, CPPB, Purchasing Agent 

SUBJECT: Permission to Negotiate with Envision Rx Options for Pharmacy Services

As you are aware the District's current provider for Pharmacy Benefits Management (PBM) Services is Medco Health Solutions; the District is in the third year of a five- year agreement with this provider. Our contract allows for annual renewal based on mutual consent. Research and analysis provided to the District by MedVision and Crowne Consulting indicate pharmacy costs are excessive under our current agreement. Also provided in our agreement with Medco is the provision to terminate our contract upon proper notice. This notice has been issued to Medco.

As outlined in the attached letter from Mary Tillman, Director of Employee Benefits, a "pass through" style contract would offer a plan with substantial savings for the District. The District Insurance Committee and Mary Tillman are recommending the District move to this type of plan.

At this time, we are requesting the Board's permission to negotiate with Envision Rx Options for the District's Pharmacy Benefits Management service. The District is permitted to negotiate for services of this nature under Florida Administrative Code 61.012 (15). Once a best and final contract has been negotiated we will forward it for your approval. If you have any questions please contact Mary Tillman or me.

KDG/mw



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Employee Benefits, Assistance & Risk Management

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DATE: October 4, 2011

TO: Kendra Goodman, Purchasing Agent

FROM: Mary Tillman, Director of Employee Benefits *Mary H. Tillman*

RE: Direct Negotiation for Pharmacy Services

The Employee Benefits Department has been researching the costs related to the pharmacy program provided to employees. Based on analysis made by consultants from MedVision and Crowne Consulting, it appears that pharmacy costs are excessive under the current provider, Medco.

Further research made by these consultants which has been reviewed by the Finance subcommittee to the District's Insurance Committee indicates that Envision Rx Options, a pharmacy benefit manager that provides a "pass-through" style contract, would offer the best pricing for the District's plan.

At this time, I am requesting your assistance in obtaining the Board's approval to begin negotiations with this company. If we receive approval, we will provide a recommendation to the Board based upon the negotiations and approval of the "best and final" contract for the Board's ultimate approval. We will also work with the purchasing department and the full insurance committee to provide the "best and final" contract for the Board's consideration and approval.

As always I appreciate your assistance and that of your staff during this process.