

**OFFICE OF THE CITY MANAGER
LITTLE ROCK, ARKANSAS**

**BOARD OF DIRECTORS COMMUNICATION
OCTOBER 19, 2021 AGENDA**

<p>Subject:</p> <p>Approval of a resolution to authorize a contract with RX Benefits for Pharmacy Benefit Management Services.</p> <p>Submitted By:</p> <p>Human Resources Department</p>	<p>Action Required:</p> <p style="text-align: center;">Ordinance √ Resolution</p>	<p>Approved By:</p> <p style="text-align: right;">Bruce T. Moore City Manager</p>
<p>SYNOPSIS</p> <p>FISCAL IMPACT</p> <p>RECOMMENDATION</p> <p>BACKGROUND</p>	<p>A resolution to authorize the City Manager to execute an agreement with RX Benefits for Pharmacy Benefit Management for the period of January 1, 2022, to December 31, 2022, in conjunction with the proposed Self-Insured Group Health Plan.</p> <p>There will be no amount not to exceed because any payments made to RX Benefits will be for incurred claims by Plan Members. Funds required for this contract will be available from a line item for Group Health Care Insurance in the 2022 Budget.</p> <p>Approval of the resolution.</p> <p>The City currently offers fully-insured Group Health Plan for City employees and their dependents. After studying the financial impact of a fully-insured program versus a self-funded program, it has been recommend that the City convert to a Self-Funded Group Health Plan. By doing so, the City will be able to maintain Group Health Coverage almost identical to what it has now, and expect to receive a significant costs savings in premium. Doing this will require the utilization of a Pharmacy Benefit Management. This is year one (1) of a seven (7)-year contract.</p>	