

33603

ADOPTED – BOARD OF TRUSTEES
COMMUNITY COLLEGE DISTRICT NO. 508
NOVEMBER 1, 2018

BOARD OF TRUSTEES OF COMMUNITY COLLEGE DISTRICT NO. 508 COUNTY OF COOK AND STATE OF ILLINOIS

MANAGEMENT OF THE PREFERRED PROVIDER ORGANIZATION (“PPO”) PRESCRIPTION DRUG PLAN FOR EMPLOYEES AND RETIREES CAREMARK LLC OFFICE OF HUMAN RESOURCES AND STAFF DEVELOPMENT DISTRICT WIDE

THE CHANCELLOR RECOMMENDS:

that the Board of Trustees authorizes the Chair, upon final approval of the General Counsel of the legal form of such agreements, to execute an agreement with Caremark LLC to continue to manage the District’s prescription drug plan under the District PPO Medical Plan for the period from January 1, 2019 through December 31, 2020, at a total cost not to exceed \$7,000,000.

VENDOR: Caremark LLC
2211 Sanders Road
Northbrook, Illinois 60062

USER: All Eligible Employees, Retirees and their dependents

TERM:
The term of this agreement will commence January 1, 2019 and end on December 31, 2020, with an option for two one (1) year extensions.

BENEFIT TO CITY COLLEGES OF CHICAGO:
The Caremark LLC contract will offer CCC savings of approximately \$1.4 million, \$263,000 related to drug pricing and \$1.2 million related to rebates.

SCOPE OF SERVICES:
City Colleges of Chicago (CCC) will retain Caremark to manage the prescription drug plan under the CCC PPO Medical Plan.

VENDOR SELECTION CRITERIA:
All Sister Agencies participated in the City Healthcare Coalition Request for Proposal (“RFP”) process. Members of the Coalition include: City of Chicago, Chicago Public Schools, Chicago Park District, Chicago Housing Authority, Chicago Transit Authority, and the City Colleges of Chicago, which are sometimes referred to individually as an Agency or Municipal Agency, and collectively as the Agencies. Specifications were prepared by the City of Chicago Procurement Staff and were publicly advertised on February 23, 2018 as Request for Proposal CBO 2018-001.

Background. On February 23, 2018, the above referenced request for proposal (the “RFP”) entitled “Request for Proposal for Pharmacy Benefits Manager” was advertised by the City of Chicago (the “City” or the “Lead Agency”) on behalf of itself and the Chicago Park District, Chicago Transit Authority, City Colleges of Chicago, Active Employees - Cook County, Illinois (“Cook County”), and the Officers’ Annuity and Benefit Fund of Cook County and Forest Preserve District Employees’ Annuity and Benefit Fund of Cook County (the “Cook County Pension Fund”), (which are sometimes referred to individually as an Agency or a Municipal Agency, and collectively as the Agencies).

Competitive bids were obtained from five (5) vendors. The Coalition Evaluation Committee individually scored each RFP submitted. Four vendors were selected as finalists and were invited for oral presentations: (1) Blue Cross Blue Shield of Illinois, (2) Envision, (3) Caremark and (4) Optum. On April 23, 2018, additional information was requested from the four finalists. Information was received and reviewed by the Agencies and none of the finalists were eliminated from further consideration prior to oral presentations. On May 10 and 14, 2018, oral presentations were made to the Committee by the four finalists. Subsequently, the Committee discussed the presentations. A request was made on May 31, 2018 for finalist price improvement with a deadline of June 4, 2018. Responses were received from all proposers by the deadline except Optum. The Agencies submitted final evaluation scores that included consideration of the improved pricing on June 6, 2018. An Evaluation Committee meeting was held on June 8, 2018 to review the composite final evaluation scores at which time the Committee unanimously determined that it would recommend Caremark as the selected vendor.

MBE/WBE COMPLIANCE:

The Office of Contract Compliance has reviewed the proposed renewal and has determined the Vendor has complied with the Board Approved Participation Plan:

Vendor	MBE or WBE	%	Direct or Indirect	Certifying Agency
Angel Flight Marketing 679 N. Milwaukee Chicago, IL 60622	MBE	5	Indirect	City of Chicago
The Global Resource Group 155 N. Michigan Ave., Suite 700 Chicago, IL 60601	MBE	5	Indirect	NMSDC
Planned Packaging of IL 8940 W. 192 nd Street, Suite #1 Mokena, IL 60445	MBE	5	Indirect	NMSDC
Risk Management Solutions 208 S. LaSalle, Suite 1410 Chicago, IL 60604	MBE	5	Indirect	NMSDC
Systems Unlimited 1350 W. Bryn Mawr Itasca, IL 60143	MBE	5	Indirect	NMSDC
Arem Container & Supply 6153 W. Mulford St. Niles, IL 60714	WBE	2.5	Indirect	NMSDC
Arrow Messenger Services 1322 W. Walton St. Chicago, IL 60622	WBE	2.5	Indirect	NMSDC

Consolidated Printing 5942 N. Northwest Highway Chicago, IL 60631	WBE	2.5	Indirect	Cook County
---	-----	-----	----------	-------------

GENERAL CONDITIONS:

Inspector General – It shall be the duty of each party to the agreement to cooperate with the Inspector General for City Colleges of Chicago in any investigation conducted pursuant to the Inspector General’s authority under Article 2, Section 2.7.4(b) of the Board Bylaws.

Ethics – It shall be the duty of each party to the agreement to comply with the applicable provisions of the Board’s Ethics Policy adopted January 7, 1993, and as amended by the Board.

Contingent Liability – Pursuant to Section 7-14 of the Illinois Public Community College Act, all agreements authorized herein shall contain a clause that any expenditure beyond the current fiscal year is subject to appropriation in the subsequent fiscal year.

FINANCIAL

Total: \$7,000,000

Charge to: Office of Human Resource and Staff Development

Source of Funds: Education Fund

FY19: 520000-00003-0025006-80000

Respectfully Submitted,

**Juan Salgado
Chancellor**

November 1, 2018 – Office of Human Resources and Staff Development