

36008
ADOPTED – BOARD
OF TRUSTEES
COMMUNITY
COLLEGE DISTRICT
NO. 508

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

**OCTOBER 1, 2026 MANAGEMENT OF THE PREFERRED PROVIDER ORGANIZATION (“PPO”)
PRESCRIPTION DRUG PLAN
CAREMARKPCS HEALTH 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 agreement, to execute a new agreement with CaremarkPCS Health, LLC, to manage the District’s prescription drug plan under the District PPO Medical Plan for the period from January 1, 2027, through December 31, 2027, at a total administrative fee cost not to exceed \$13,200,000 annually.

VENDOR: CaremarkPCS Health, LLC
3100 Sanders Road
Northbrook, IL 60062

USERS: All Eligible Employees, Retirees, and their dependents

ORIGINAL TERM:

In accordance with board report 34954, the original term of this agreement commenced January 1, 2024, and ends on December 31, 2026, with options for two (2) additional one-year extensions.

FIRST RENEWAL TERM:

The term of this agreement shall commence January 1, 2027, and continue through December 31, 2027, with an option to extend for one (1) additional one (1) year period.

BENEFIT TO CITY COLLEGES OF CHICAGO:

The CaremarkPCS Health contract will offer CCC savings of approximately \$2,350,000 related to drug pricing and \$1,000,000 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:

On April 12, 2023, Request for Proposals (the “RFP”) for Pharmacy Benefits Manager” (Specification No. CBO 2023-01) was advertised by the City of Chicago (the “City” or the “Lead Agency”) on behalf of itself and the Chicago Public Schools (“CPS”), Chicago Park District (“CPD”), Chicago Transit Authority (“CTA”), City Colleges of Chicago (“CCC”), and the Chicago Transit Authority Retiree Healthcare Trust (“CTA-RHT”), which are sometimes referred to individually as an Agency or Municipal Agency, and collectively as the Agencies or Municipal Agencies). A Pre-Submittal Meeting was held on April 17, 2023, and three (3) proposals were received on May 11, 2023, from three (3) vendors: 1) CaremarkPCS Health, LLC (“Caremark” or “CVS/Caremark”), 2)

Health Care Services Corporation dba Blue Cross Blue Shield of Illinois/Prime Therapeutics ("BCBS"), and 3) Optum RX, Inc. ("Optum").

The Evaluation Committee individually scored each submitted proposal. The two (2) highest rated vendors, Caremark and BCBS, were selected as finalists and invited for oral presentations. On June 21, 2023, and July 20, 2023, oral presentations were made to the Committee by the two finalists. Subsequently, the Committee discussed the presentations. The committee determined that a final set of questions would be sent along with a request for finalists to consider price and terms improvements (Best and Final Offer) with a deadline of July 31, 2023. The Agencies reviewed the responses and submitted final evaluation scores on August 4, 2023. An Evaluation Committee meeting was held on August 7, 2023, 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 Procurement Services has reviewed the proposed compliance plan and has determined the Vendor has complied with the Board Approved MBE/WBE Contract Participation Plan:

<u>Vendor</u>	<u>MBE or WBE</u>	<u>%</u>	<u>Participation</u>	<u>Certifying Agency</u>
Planned Packaging of Illinois 19558 S. Harlem Avenue, Suite 5 Frankfort, IL 60423	MBE	25	Indirect	NMSDC
Universal Printing Company 1205 O'Neill Highway Dunmore, PA 18512	WBE	7	Indirect	WBENC

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: \$13,200,000

Charge to: Office of Human Resource and Staff Development

Source of Funds: Education Fund

Budget Line: 520000-00003-0025006-80000

Respectfully submitted

Juan Salgado
Chancellor

October 1, 2026 – Office of Human Resources and Staff Development

