



**DEPARTMENT OF GENERAL SERVICES  
OFFICE OF STATE PROCUREMENT  
ACTION AGENDA  
June 3, 2020**



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**13-S-OPT. SERVICES OPTION**

***Department of Budget and Management DBM , Office of Personnel Services  
and Benefits, Employee Benefits Division***

**Contract ID:** Pharmacy Benefits Plan Management Services and Purchasing Pool Management;  
ADPICS No.: F10B640005

**Contract Approved:** DBM 2-S, 04/26/2017

**Contractors:** CaremarkPCS Health, LLC; Northbrook, IL

**Contract Description:** Provide pharmacy benefits management and prescription drug coverage for State of Maryland employees, retirees, satellite organization employees, direct pay enrollees, and their respective eligible dependents. The plan is self-funded by the State and is a group health plan administered as part of the State Employee and Retiree Health and Benefits Program. The Contract includes management of the Maryland Rx Program, a purchasing pool for pharmacy benefits for State Employee and Retiree Health and Welfare Benefits Program, eligible local government entities, and qualifying not-for-profit organizations in Maryland.

**Option Description:** Exercise first 2-year renewal option.

**Original Contract Term:** 01/01/2018 - 12/31/2020

**Option Term:** 01/01/2021 - 12/31/2022

**Original Contract Amount:** \$1,102,686,976 3-years

**Option Amount:** \$ 506,705,991 2-years

**Revised Contract Amount:** \$1,819,168,443

**Percent +/- This Item :** 28%

**Total Percent Change:** 39%

**Prior Mods/Options:** \$ 0: Mod #1: Administrative update for payment processing; DBM approval - 02/13/2018  
\$ 0: Mod #2: Revised reporting requirement response time and added MBE subcontractor; DBM approval - 06/25/2018  
\$204,619,773: Mod #3: Added one year to Functional Area 2, the Employer Group Waiver Plan; DBM 9-S-MOD, 09/04/2019



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*Prior Mods/Options cont'd :*

\$4,185,000 Mod #4: Added diabetes care program; DBM 29-S-MOD, 01/08/2020

\$ 971,000 Mod #5: Improved pricing in response to annual market check contract provision: BPW approval 01/02/2020 Item 29-S-Mod

**Original Procurement Method:** Competitive Sealed Proposals

**MBE/VSBE Participation:** 5% / 0.5%

**MBE/VSBE Compliance:** 5% / 0.3%

**Requesting Agency Remarks:** Request for approval to exercise the first of two 2-year renewal options as contained in the original contracts to provide pharmacy benefits management and prescription drug coverage for the State of Maryland employees, retirees, satellite organization employees, direct pay enrollees, and their respective eligible dependents.

**Fund Source:** 100% Reimbursable Employee Premiums

**Approp. Code:** F10A0245

**Resident Business:** No

**MD Tax Clearances:** 20-1216-1000

**BOARD OF PUBLIC WORKS ACTION**

**THIS ITEM WAS:**

**APPROVED**

**DISAPPROVED**

**DEFERRED**

**WITHDRAWN**

**WITH DISCUSSION**

**WITHOUT DISCUSSION**