MIDDLESEX COUNTY JOINT HEALTH INSURANCE FUND

PHARMACY BENEFIT MANAGER

REQUEST FOR PROPOSAL

May 30, 2018

1 RFP Overview

1.1 The Middlesex County Joint Health Insurance Fund (MCJHIF) is soliciting proposals for the purpose of selecting a Pharmacy Benefits Manager for an effective date of January 1, 2019. Pharmacy Benefits are currently being administered by CVS Health. All data and information contained in this RFP shall be treated as confidential and shall not be disclosed to any third party.

2 MCJHIF Information

2.1 **Claim Detail File**

A detailed de-identified claim data file, account structure and other plan design information will be provided to bidders upon email request to (Dave Hissey) d.hissey@naimc.com.

2.2 **Utilization Statistics**

MCJHIF	**Total**
Component	**2017**
Gross Cost	$38.2m
Total Rxs	150,000
Generic % (GFR)	72%

Note: The claims detail file provided will only contain claim records for MCJHIF. **Utilization for Middlesex College is not included on this claim detail file.**

The information on Middlesex College overall utilization is listed below

Middlesex College	**Total**
Component	**2017**
Gross Cost	$1.9m
Total Rxs	13,300
Generic % (GFR)	80%

2.3 **Vendors for Integration - Current Vendors:**

- Eligibility vendor name: Unicorn

2.4 **Data Exchange Requirements: Confirm that you will provide these claim files at no charge to MCJHIF.**

Medical Carrier: weekly

Consultant: Monthly claim history files

Consultant: Annual claim file to be delivered by February 15th of each subsequent calendar year of the contract (2/15/20, 2/15/21, 2/15/21).

2.5 **Plan Design Grid**

Middlesex County Joint Health Insurance Fund Rx Copay Breakdown						
	Copay Retail	Copay Mail	Formulary	**GST***	Effective Date	EE Lives
College Active	0/15/30	0/15/30	Opt In	Yes	10/1/2018	449
MCIA Active	0/15/30	0/15/30	Opt In	Yes	10/1/2018	33
RCC Active	0/15/30	0/15/30	Opt In	Yes	10/1/2018	306
County Active	0/15/30	0/15/30	Opt In	Yes	1/1/2018	1533
MCUA Active	0/15/30	0/15/30	Opt In	Yes	1/1/2018	175
MCIA Retiree Option 1	5/10	0/0	Opt Out	No	1/1/2017	10
RCC Retiree Option 2	5/10	0/0	Opt Out	No	1/1/2017	0
RCC Retiree Option 1	3/5	0/0	Opt Out	No	1/1/2017	152
MCIA Retiree Option 2	5/5	0/0	Opt Out	No	1/1/2017	00
BSS Retiree	0/3	0/3	Opt Out	No	1/1/2016	340
County Retiree	0/3	0/3	Opt Out	No	1/1/2016	1104
MCUA Retiree	5/10	5/10	Opt Out	No	1/1/2016	84
BSS Active	5/10	5/10	Opt Out	No	1/1/2016	298

***GST = Generic Step Therapy**

College	Middlesex County College
MCIA	Middlesex County Improvement Authority
RCC	Roosevelt Care Center
County	Middlesex County Administration
MCUA	Middlesex County Utility Authority
BSS	Board of Social Services

3 PHARMACY RFP CERTIFICATION FORM

3.1 Confirm you have read and understood the RFP, and that all responses are complete and accurate.

3.2 Confirm you agree to be bound by the terms and conditions of your proposal.

3.3 Confirm that any exceptions to any RFP requirement has been provided in your responses.

3.4 Confirm all agreed upon requirements, definitions, criteria, and methodologies within the RFP and your proposal will be incorporated into the final contract with MCJHIF.

4 Vendor Business Information

4.1 General Information

4.1.1 Describe any legal action taken against your PBM (including subsidiaries, affiliates and subcontractors) within the past three years. Provide the nature and current status of each.

4.1.2 Confirm there are no legal obligations or conflicts of interest for you or for any individual within your organization that would prevent you from contracting with MCJHIF.

4.1.3 Confirm you operate in New Jersey and that you will adhere to all applicable New Jersey legislation regarding pharmacy benefit administration.

4.1.4 Provide the name and business address for your corporate headquarters and for all office locations, as well as the business names and locations of your subsidiaries and subcontractors.

4.1.5 For each subcontractor performing services to you and on behalf of your clients, list:

	Subcontractor	Subcontractor	Subcontractor	Subcontractor	Subcontractor
Organization Name					
Location(s)					
Service(s) performed					
Length of relationship					
Confirm you will accept accountability for any actions taken or not taken by the subcontractor.					
Are any of these services performed offshore? If yes, where?					
Confirm MCJHIF can choose not to have this service provided offshore.					

4.1.6 How long have you been providing PBM services?

4.1.7 What is the total number of PBM lives you manage?

4.1.8 What is the total gross PBM drug spend you manage?

4.1.9 What is the total number of PBM clients you manage?

4.1.10 Provide your estimated number of direct employees and percent turnover in each of the following categories:

Category	Number of Employees	2017 vs. 2016 Turnover Rate
Total Number of Employees		
Pharmacists		
Physicians		
Nurses		
Member Services Representatives		
Account Management		
Clinical Account Management		

4.1.11 Report your PBM book of business statistics by the market segments as listed below.

Market Segment	Total # of Entities	Total # of Lives	Total Gross Drug Spend
Clients less than 10,000 lives			
Government/Public Sector			
RDS clients			
EGWP clients			

4.2 Disaster Recovery Plans

4.2.1 Confirm you have a disaster recovery plan in place in the event of an emergency for the following (if you subcontract out any of the following services, provide responses for that entity as applicable):

	Response
Claims Processing	
Mail Service Pharmacies	
Specialty Pharmacies	
Operations and Systems Sites	
Offsite Storage of all claim history, eligibility, plan design	
Call Center Support for members, pharmacies, physicians	

5 Primary Services

5.1 Eligibility

5.1.1 Confirm you will not charge MCJHIF for use of your standard eligibility file layouts including the industry standard EDI834.

5.1.2 Confirm you will not charge for use of any non-standard eligibility file layouts.

5.1.3 Confirm you will accept eligibility feeds from multiple sources, in various formats, and varying schedules at no cost.

5.1.4 Confirm clean eligibility files received from MCJHIF or their vendor will be processed and eligibility updated into your system within 24 hours of receipt.

5.1.5 Confirm MCJHIF and/or their authorized designee will have access to an on-line, real-time eligibility system to add new members, update and change eligibility records, and apply termination dates.

5.1.6 Confirm if you currently receive eligibility file feeds from Unicorn.

5.1.7 Confirm there will be no charge to MCJHIF for eligibility files received from Unicorn.

5.2 Member Services

5.2.1 Call Center

5.2.1.1 Confirm you will assign a dedicated toll free number for MCJHIF's members at no additional cost.

5.2.1.2 Confirm that members will be using the same toll free number for issues related to retail, mail service, specialty pharmacy, prior authorization, plan design, appeals and claim reimbursement support.

5.2.1.3 Confirm if EGWP/RDS members will be using the same toll free number as the Active members of MCJHIF?

5.2.1.4 Provide the number of call centers operated and the locations and hours of operation of each.

5.2.1.5 Provide your service statistics in the following categories for calendar year 2017 for Mail and Retail:

Metric	Level Achieved	Measurement	IVR /Live Response
Average Speed to Answer			
Abandonment Rate			
First Call Resolution			

5.2.1.6 Provide your service statistics in the following categories for calendar year 2017 for Specialty:

Metric	Level Achieved	Measurement	IVR /Live Response
Average Speed to Answer			
Abandonment Rate			

First Call Resolution			

5.2.1.7 Do you record 100% of member calls? If not, what percent of calls are recorded?

5.2.2 Member Website

5.2.2.1 Confirm that members will have access to, view and/or download the following:

	(Yes/No)
Eligibility look up and verification	
Claims history	
EOB	
Formulary information and listings	
Plan Design/Copays/Ded/MOOP, including the ability to price a medication at retail, mail, specialty	
Pharmacy locator function and access to pharmacy directory	
Mail Service/Specialty refill ordering and order status checking	
Access to live customer service and pharmacists for questions and clinical support	
ID cards	
Mail service order forms	
Claim reimbursement forms	
Drug price lookup including lower cost and/or OTC options	
Prior authorization documentation	
Appeal documentation and request submissions	

5.2.2.2 Describe the capabilities and functionality of your mobile app.

5.2.3 Member Materials

5.2.3.1 Are the following materials included in the member welcome packet, accessible via website, or not included and/or not available?

	Included in member packet (Yes/No)	Available via website (Yes/No)	Available via Mobile App (Yes/No)
Welcome letter			

Benefit and plan design Information in ACA compliant format			
Mail service enrollment form			
HIPAA privacy notification			
List of preferred (formulary) drugs			
List of closest participating retail pharmacies			
ACA adherent information on reviews and appeals rights			

5.2.3.2 Confirm ID cards and member materials can be customized by MCJHIF at no cost.

5.2.3.3 Provide sample member communications for both Active and EGWP/RDS plans.

5.3 Appeals

5.3.1 Confirm you are compliant with the provisions and response times as required by the ACA.

5.3.2 List the Independent Review Organizations (IRO's) you work with.

5.4 Account Management

5.4.1 Confirm MCJHIF will have the right to change any member of the account team if requested.

5.4.2 Provide locations and biographies on the members of the proposed account management team.

5.4.3 How many clients and lives do the proposed Account Executive, Account Manager and Clinical Account Manager currently have?

5.4.4 What were the overall client satisfaction scores for proposed Account Executive, Account Manger and Clinical Account Manager last year?

5.4.5 Provide references (three active and three terminated clients) for the proposed account team.

5.4.6 Confirm that a member of the assigned account team will attend all monthly on-site MCJHIF meetings (currently held once a month on a Tuesday).

5.5 Benefit Fair and Open Enrollment Participation

5.5.1 Confirm you will provide at least one member of the account team and/or clinical attendee to participate in all MCJHIF's benefit fairs at no cost.

5.5.2 Confirm you will have a pre-implementation website available to MCJHIF at no charge that can be used to support open enrollment and that pre-implementation website will at a minimum have claim pricing/testing abilities for claim formulary status, network access, price a claim, determine benefits.

5.6 Claim Processing

5.6.1 Confirm you adhere to all NCPDP requirements for claim transmissions.

5.6.2 Confirm MCJHIF can utilize both standard and custom POS edits at no cost.

5.6.3 Describe the details and duration of any claim processing system downtime in the past 12 months.

5.7 Coordination of Benefits (COB)

5.7.1 Confirm your ability to administer COB electronically at the point of sale.

5.7.2 Describe the process you follow for subrogation claims. (e.g. Medicare, Medicaid, VA, etc.).

6 Network Information

6.1 Retail Network

6.1.1 Confirm your standard pharmacy network contains at least 60,000 participating pharmacies.

6.1.2 Confirm all chains are in the pharmacy network being proposed for MCJHIF.

6.1.3 Confirm your agreements with network pharmacies require the submission of the low cost generic price (i.e. $4 generic program) in the U&C field.

6.1.4 Confirm the network accessibility standards that will be maintained throughout the contract term. List standards separately for Active and EGWP plans.

6.1.5 Define your credentialing criteria for network pharmacy participation. How do you verify minimum requirements are met?

6.1.6 Do you directly contract, or is it a separate legal entity that contracts with retail pharmacies for network participation? If subcontracted, do you have the ability to add and remove a pharmacy from the network?

6.1.7 How many pharmacies were removed from your network within the past 12 months?

6.1.8 Provide the numbers and reasons for removal from network.

6.1.9 Provide the number of participating pharmacies in your 90 day retail network.

6.1.10 Confirm MCJHIF is able to customize the network.

6.1.11 Confirm that you are compliant with all state laws regarding MAC reimbursements and pricing transparency.

6.2 Mail Service Program

6.2.1 Confirm that your mail service pharmacies and all clinical staff meet all federal and state licensing requirements.

6.2.2 How many dispensing pharmacies do you own and operate and what is the location of each?

6.2.3 How many mail service pharmacies do you contract with that you do not own? Provide a list of the pharmacies.

6.2.4 What is the dispensing capacity for each mail pharmacy?

6.2.5 At what percent dispensing capacity is each of your pharmacies?

6.2.6 Describe any current or prospective state laws impacting mail service dispensing where MCJHIF's members reside.

6.2.7 What is your average turnaround rate? (i.e. time between your receipt of member's prescription and the medication being shipped out).

	Turnaround Rates (Number of Days)
For prescriptions requiring no intervention?	
For prescriptions that require Prior Authorization?	

6.2.8 Confirm you will notify members of any delays in the shipping and delivery of their medications that exceeds a 2 day delay.

6.2.9 Confirm you will authorize a short term retail supply at no cost to member or to the plan for any urgent prescriptions needed as a result of a mail service error or delay in shipping on your part.

6.2.10 Describe your protocol and processes to hold mail service refill requests which are sent before the eligible refill date and whether they process and ship at the eligible refill date. Will these prescriptions be automatically released and processed when at the eligible refill date?

6.2.11 Provide your dispensing accuracy rate for 2016, and 2017.

	Accuracy Rate
2016	
2017	

6.2.12 Provide your intervention rate for 2016, and 2017.

	Intervention Rate
2016	
2017	

6.2.13 Do you extend credit limits to members who do not send copays and/or send incorrect amounts? If yes, provide credit limit allowed.

6.2.14 Confirm you will not invoice and charge MCJHIF for any uncollected or incorrectly submitted mail or specialty member copays.

6.2.15 How do you handle prescriptions submitted for less than a 90-day supply? Do you prorate the member copay?

6.2.16 Confirm you split orders that include both standard maintenance medications and Specialty medications and maintenance medications are filled through the mail service pharmacy and the specialty medications are filled through the specialty pharmacy.

6.2.17 Do you have an auto refill program at Mail? Can MCJHIF choose not to implement this? Can a member choose not to implement this?

6.3 Specialty Fulfillment

6.3.1 Do you own and operate your own Specialty pharmacies? List number and locations of each along with dispensing capacity and current dispensing volume.

6.3.2 Confirm that your Specialty pharmacy and all clinical staff meets all federal and state licensing requirements.

6.3.3 How many specialty pharmacies do you contract with that you do not own? Provide a list of the pharmacies. What percent of specialty Rx's are filled at pharmacies you do not own?

6.3.4 Confirm only new FDA-approved Specialty medications not on the market as of effective date in existing Specialty drug classes, or new Specialty medications in a new Specialty therapeutic class, will be added to the Specialty drug list after effective date (i.e. you will not reclassify existing drugs or classes from non-specialty to Specialty).

6.3.5 Confirm you will only update the Specialty drug list and pricing upon providing a minimum of 90-days prior written notice to MCJHIF. Confirm you will provide a full updated Specialty drug list at an NDC level in excel format upon each modification, deletion, or addition.

6.3.6 Confirm that all claims for Specialty medications will be limited to 30-day supplies or less.

6.3.7 What Specialty medications are not available through your Specialty pharmacies (e.g. limited distribution)? How are prescriptions for these medications handled?

6.3.8 Ancillary Supplies:

	Response (Yes/No)
Do you provide ancillary supplies (i.e. syringes, swabs, etc.)?	
Are these ancillary supplies provided at not cost to group and member?	

6.3.9 Confirm the member is contacted and provides approval prior to you dispensing for every Specialty medication refill.

7 Clinical Programs

Note any differences in program offerings between Active and EGWP plans in your responses below.

7.1 Formulary

7.1.1 How many voting members are on your Pharmacy and Therapeutics (P&T) Committee? How many non-voting members are on your P&T Committee? What are their areas of specialty?

7.1.2 How many members of the P&T Committee are your employees? How many voting members of the P&T Committee are your employees?

7.1.3 Confirm if your P&T committee receives any funding or support from pharmaceutical manufacturers.

7.1.4 Do you maintain multiple formularies? If yes provide a brief description of each formulary you offer.

	Name of Formulary	Description
a.		
b.		
c.		
d.		
e.		

7.1.5 How many products and classes are excluded from any of your formularies listed above?

	Response
Products	
Classes	

7.1.6 Are any generics placed on a tier other than the Tier 1 (i.e. Tier 2 or Tier 3 or excluded on your formulary)? List the drugs.

7.1.7 Confirm that you can offer preferred and non-preferred generic tiering on your formularies.

7.1.8 Confirm MCJHIF's ability to customize the formulary.

7.1.9 Describe your policy regarding coverage and formulary status of single source generics as they first become available to the market.

7.1.10 Using the claim detail provided, conduct a disruption analysis of the current formulary compared to your proposed open (no exclusions) formulary. Include the number of Rx's and number of unique members that would have copay changes.

7.1.11 Confirm that you will not enter into any agreement with a pharmaceutical manufacturer for Pharma revenue (e.g. purchase discounts, acquisition costs, miscellaneous fees, etc.) with the intent to reduce Rebates or reduce the possibility of additional Rebates.

7.1.12 Provide the percent of brand spend that has price protection.

	Response
Percent of overall brand spend	
Percent of traditional brand spend	
Percent of Specialty spend	

7.1.13 Confirm (and describe) if you have clinical outcomes based incentives within your pharmaceutical rebate contracts.

7.2 Patient Assistance Programs:

7.2.1 List the various patient assistance programs copay coupon programs you coordinate with on behalf of members at retail, mail and specialty.

7.2.2 Do you accept manufacturer coupons at any of the following channels:

	Response (Yes/No)
Retail	
Mail	
Specialty	

7.2.3 If you accept manufacturer coupons, how do you integrate the value of the coupon into MCJHIF plan design (e.g. MOOP, deductible, etc.)?

7.2.4 Do you coordinate with patient assistance programs at any of the following channels? If yes, please describe.

	Response (Yes/No)	Comments
Retail		
Mail		
Specialty		

7.3 Drug Utilization Management

7.3.1 Provide a list of all of your standard UM programs for both Active and EGWP plans along with a brief description of each program. Include all prior authorization, quantity/day supply limit, step therapy, DUR edits available for both traditional and Specialty products.

7.3.2 For each program you describe above, list what fee (if any) is associated with each UM program and include if fees are on an a la carte or bundled basis.

7.3.3 Confirm that guarantees will not be impacted if grandfathering occurs on any new clinical edits implemented.

7.3.4 Provide a description of your MTM program including the processes for enrollment, targeting, intervention, and outcomes reporting.

7.4 Safety and Quality Initiatives

7.4.1 Describe programs available to promote safety and quality (e.g. Fraud, Waste, and Abuse). Provide your criteria for identifying Fraud, Waste and Abuse. Specifically address your opioid management initiatives and your physician, patient, and pharmacy outreach.

7.4.2 Which safety and quality Programs are routinely included in your offer at no additional charge, and which ones are at additional cost. Note if program is included in a UM bundle or package.

7.6 E-prescribing and Electronic Medical Record (EMR) Integration

7.6.1 Do you have the capability to receive electronic records / information from providers? Describe your process for accepting EMR records.

7.6.2 Confirm that you can interface with an EMR companies, (e.g. EPIC or Cerner) to provide prescription drug information, such as formulary information, drug pricing, lower cost alternatives, etc. to the Prescribers.

7.6.3 Please list all EMR companies that you interface with today.

7.6.4 Please describe process of how physicians (and other providers) receive and use information you pass to them.

7.7 Compounds

7.7.1 Provide a list of all edits and clinical programs available for compound medications. Describe in detail your overall strategy to address compound use and ensure appropriate utilization of compounded medications.

7.7.2 Describe your pricing methodology for compound drug adjudication.

7.7.3 How do you ensure clinical appropriateness prior to authorizing adjudication of a compound?

7.7.4 Describe in detail your overall strategy to address utilization of the kits and therapy packs and describe how these products are identified in your system.

8 Data Management

8.1 Data Ownership and Access

8.1.1 Confirm MCJHIF has complete ownership of their pharmacy claim data and all claim data elements you process.

8.1.2 Confirm you will provide MCJHIF and/or MCJHIF's authorized designee with both on-line access and claim file detail feeds for all pharmacy claim data at no cost.

8.2 Data Security and HIPAA Compliance

8.2.1 Confirm compliance with all HIPAA requirements and regulations for eligibility transmissions, claim processing, data transfers, data storage and member service.

8.2.2 Confirm all subcontractors are compliant with all HIPAA requirements and regulations and confirm you will be responsible for executing BAA's with subcontractors. Confirm you be responsible for any subcontractor breaches in data security.

8.2.3 Confirm you conduct independent audits to confirm HIPAA compliance.

8.2.4 What system breaches in data security have you experienced in the past 5 years?

8.2.5 List any external subcontractors with access to PHI.

8.2.6 Confirm all employees who have access to client data go through HIPAA training and certification.

8.2.7 Describe the data encryption in place for data storage and transmission to protect data and PHI.

8.3 File Management

8.3.1 Confirm that paid, reversed, and rejected claims are provided to MCJHIF and/or their authorized designee on claim detail files.

8.3.2 Confirm that MCJHIF and/or MCJHIF's authorized designees will receive up to 10 claim files and at a frequency determined by MCJHIF at no additional cost.

8.4 Analytics and Reporting

8.4.1 Confirm that access to your on-line reporting tool will be provided at no cost and with no restrictions to MCJHIF and/or their authorized designee.

8.4.2 Confirm hardcopy or electronic reports can be provided to MCJHIF and/or MCJHIF's authorized designee at a frequency determined by MCJHIF at no cost.

8.4.3 Provide a sample of your executive summary report package (e.g. quarterly reviews, annual presentations). Provide samples of any other available utilization reports.

8.4.4 Describe on-line reporting tool that you would offer to MCJHIF and/or their authorized designee including standard reports and ad hoc capabilities.

8.4.5 Confirm you will provide any analysis and cost projections needed to support MCJHIF with collective bargaining.

8.4.6 Confirm you will provide any analysis and cost projections to support MCJHIF with any legislative requests.

8.5 Vendor Change Management

8.5.1 Confirm no upfront, initial deposit will be required from MCJHIF if they choose you as their PBM vendor.

8.5.2 Confirm you will provide MCJHIF with the outcomes of every testing scenario and full documentation related to your internal implementation testing and onboarding.

8.5.3 Confirm in the event of a termination, you will provide all files necessary for MCJHIF to complete a transition to a new PBM vendor at no cost to MCJHIF. Transition files provided at no cost would include but not be limited to Eligibility files, Open Refill Files for Mail and Specialty, Claim history files, PA/Override files, Accumulator files (If Applicable: Ded/Cap/OOP).

8.5.4 How do you provide members and MCJHIF assistance with the following elements when transitioning PBM services to you?

	Response
Mail service prescriptions	
Specialty prescriptions	
Retail network disruption	
EGWP / RDS	
Copay changes due to differences in:	
Formulary	
Clinical programs	
Plan design (e.g. installation of percentages or deductibles, etc.)	

8.5.5 Confirm you have a separate installation department and will assign a designated installation manager to handle the transition if you are chosen as MCJHIF's PBM vendor?

8.5.6 Confirm that the account team assigned to MCJHIF will participate in all implementation calls and discussions.

8.5.7 Quality assurance process to ensure installation accuracy of all plan design elements:

	Response
Confirm every unique benefit design is specifically tested.	
Confirm you will share the fully detailed test results with MCJHIF.	
Confirm you provide MCJHIF or their authorized designee(s) online access to conduct their own testing.	
Confirm you will allow MCJHIF to provide their own custom test scenarios at no cost.	

8.6 Class Action Litigation and Drug Recall Support

8.6.1 Confirm that upon request, you will provide claim detail at no cost to support MCJHIF involvement in drug class action lawsuits.

8.6.2 Confirm that you provide proactive outreach and communications to MCJHIF in regard to the status of drug recall activity for claims filled at your owned Mail and Specialty pharmacies?

9 Integration

9.1 Integration

9.1.1 Confirm your ability to integrate and exchange data with MCJHIF's current vendors listed in Sections 2.3 and 2.5 on-line and in real time.

9.1.2 Maximum Out of Pocket (MOOP):

Confirm your ability to administer both embedded and non-embedded deductibles and out of pocket maximums.
Confirm your ability to administer a non-embedded deductible and an embedded out of pocket in a CDHP.

9.2 Health Care Reform

9.2.1 Confirm you will support MCJHIF to comply with HHS's requirements relating to ACA and other HHS related recommendations (e.g. non-discrimination act).

9.2.2 Provide of the coverage requirements for your standard ACA preventative drug list along with a complete NDC list**.**

10 Medicare Part D

10.1 Retiree Drug Subsidy (RDS)

10.1.1 Confirm you can fully support a RDS program for clients.

10.1.5 Confirm you are able to provide the RDS services listed below.

Requirement	Response
Provide MCJHIF with support with the initial and ongoing annual RDS application filing and submission process	

Provide the actuarial equivalence attestation and creditable coverage determination for MCJHIF	
Act as a CMS designee for MCJHIF	
Submit the original retiree list in CMS required format	
Submit the ongoing monthly retiree list updates to CMS in their required format	
Receive and manage all eligibility response files from CMS	
Submit all files and data necessary for interim and final cost reporting and reconciliations	
Retain all data and detail records according to CMS timeframe requirements for any CMS audit	
Create and mail the NOCC letters to eligible members within the required CMS deadlines	
Notify MCJHIF of key event due dates (ex- annual online submission/re-submission deadlines, year end reconciliations, NOCC letters, etc.)	

10.2 Employee Group Waiver Program (EGWP)

Note: MCJHIF currently has a RDS program for retirees, however they may consider moving to an EGWP in the future. For that reason, MCJHIF requests you provide information on your administration of an EGWP and optional EGWP pricing in the Pricing Section should MCJHIF implement this in the future.

10.2.1 Describe your EGWP capabilities and experience.

10.2.2 Provide your book-of-business prescription drug event (PDE) error rate for 2016 and 2017.

10.2.3 Explain options available for handling drugs that are either Part B or D (e.g. overlap drugs).

10.2.4 Confirm that your EGWP program and EGWP member communications meet all CMS requirements.

10.2.5 Describe your claim process in place for retirees when going from phase to phase (deductible, initial coverage, coverage gap, and catastrophic).

10.2.6 Confirm you are currently in good standing with CMS and have been for the past 3 years. Confirm you are able to enroll new plans.

10.2.7 Confirm you will process LIS premium and LICS refunds and reimbursements, CGDP, and direct subsidies, and reinsurance to members and clients, according to CMS requirements at no cost.

10.2.8 Confirm that you will provide all CMS required filings according to CMS required timelines on behalf of MCJHIF.

10.2.9 Provide an overview of your EGWP MTM program.

10.2.10 Confirm the star rating your EGWP currently holds with CMS.

10.2.11 Confirm you are able to provide all EGWP services for MCJHIF.

10.2.12 Describe your Fraud, Waste and Abuse programs for EGWPs.

10.2.13 Provide a copy of your EGWP formulary proposed for MCJHIF

10.2.14 Describe your member appeals process.

10.2.15 Describe the medication transition fill notification and override process for new EGWP members who are currently using non-formulary medications and drugs subject to clinical edits. How are members notified? Include the transition supply allowed for each situation and each type of facility (i.e. long term care vs. retail).

10.2.16 Provide and overview of the enrollment and disenrollment process and timing.

10.2.17 Describe the audits available for an EGWP. Confirm your audits will include at a minimum PDE reconciliation, subsidy review, admin fee reconciliation, eligibility, and financial guarantee audits.

10.2.18 Provide an overview of your process to remain compliant with upcoming changes within the CMS regulations. How do you notify MCJHIF of such changes? How much lead time is provided to MCJHIF?

10.2.19 Describe the process to ensure that you will only pay claims on CMS authorized prescribers. What is the process for providing a one time exception fill for retirees? Include process for notifying retirees and pharmacies that the prescriber is not registered with CMS.

10.2.20 Confirm you will provide all CMS required communications and letters (Ex- enrollment/disenrollment notification, LIS Riders, LEP attestations, EOBs, EOCs, ANOC, Welcome packets, Transition fill letters, HIPAA notices, Transition letters, Formulary information, MTM, coverage determination/redeterminations, Grievances, appeals, and mail service order forms).

10.2.21 Confirm you will provide the following clinical services (FWA, MTM, CDUR, RDUR, Formulary Management, Transition fills, PDE, clinical reviews, coverage determinations, appeals, grievances) according to CMS requirements.

10.2.22 Confirm you will provide MCJHIF with an analysis to determine the cost/benefit and feasibility of moving Retirees from RDS to an EGWP.

11 Audits and Contract Terms

11.1 Client Audit Rights

11.1.1 Confirm you agree to provide unrestrictive audit rights to MCJHIF or their authorized designee of all aspects of the service agreement executed between you and MCJHIF.

	Unrestrictive audit rights (Yes/No)
a. Claim invoices and billing	
b. Plan design including any copay assistance management programs	
c. Clinical programs	
d. Eligibility	
e. Operational and service performance guarantees	
f. Contract financial discount and dispensing fee guarantees (100% of all claims will be audited)	
g. Rebates and manufacturer agreements including any inflation and/or price protection programs irrespective if a rebate aggregator is utilized	
h. Retail pharmacy network agreements and reimbursements	
i. Mail service acquisition costs and operations	
j. Specialty acquisition costs and operations	
k. Data security	

11.1.2 Provide details on any audits performed internally on your systems, operations, infrastructure, etc. (e.g. SSAE/SOC/ISO). Attach your most recent report.

11.2 Client's PBM Agreement Pricing Performance

11.2.1 Confirm MCJHIF and/or their authorized designee will have the right to audit all aspects of the PBM contract performance and your adherence to contractual terms.

11.2.2 At what frequency do you perform and report to MCJHIF your independent calculations to determine whether pricing guarantees have been met?

11.3 PBM Network Audit

11.3.1 Confirm you audit your mail service pharmacies and that your audit criteria are at least as stringent as your retail network pharmacy audit protocol.

11.3.2 Confirm you audit your Specialty pharmacies and that your audit criteria are at least as stringent as your retail network pharmacy audit protocol.

11.3.3 How frequently and what percent of Retail network, Mail, and Specialty pharmacies are audited each year? How many and what percentage are done onsite? How many and what percentage are done via desktop audits?

11.3.4 In relation to previous question, what specific audit parameters focus on Fraud, Waste and Abuse (FWA)?

11.3.5 Confirm that 100% of all pharmacy audit recoveries will be provided back to MCJHIF.

11.3.6 Provide your most recent network pharmacy audit results for Retail, Mail and Specialty.

11.3.7 Pertaining to your most recent audit results noted in the previous question, what was the total FWA identified and what percent was recouped? How is recoupment provided back to MCJHIF?

11.4 Client Invoicing

11.4.1 Complete the following chart:

Component	Invoice Frequency	Payment Terms
Claims		
Administrative Fees		
EGWP/RDS Fees		
Misc. & Ancillary Fees		
Clinical Program Fees		

11.4.2 Provide samples of MCJHIF invoices along with any back up detail provided.

11.5 Termination Triggers

11.5.1 Confirm that MCJHIF may terminate the agreement without cause and without penalty upon 90 days prior notice.

12 Pricing and Performance Guarantees

12.1 Pricing Proposal:

12.1.1 Confirm all proposed discounts and fees are guaranteed for the term of contract.

12.1.2 Confirm you will provide MCJHIF with a copy of the MAC list and prices in an excel format at a frequency requested at no cost.

12.1.3 Confirm that all mail prescriptions, regardless of days supply dispensed, will be adjudicated at the guaranteed mail pricing.

12.1.4 Confirm MCJHIF and/or MCJHIF's authorized designee will have full access to all network pharmacy agreements, payments and reconciliations under a Traditional price model.

12.1.5 Confirm that you will provide an annual market check through the contract term conducted by MCJHIF or their authorized designee.

12.1.6 Confirm the MCJHIF and members will always be charged the lower of the discounted cost (AWP discount or MAC), U&C price, or member copayment for all claims at all pharmacies.

12.2 Discount and Fee Guarantee Criteria and Methodology

12.2.1 Confirm that the Dispensing Fee Guarantees will be calculated, reported, and reconciled separately (no offsets) for retail brand, retail generic, retail 90 brand, retail 90 generic, mail brand, mail generic, and specialty retail and specialty mail drugs.

12.2.2 Confirm that any Administrative Service and/or Administrative Fee Guarantees will be calculated and reconciled separately (no offsets).

12.2.3 Confirm that the Rebate Guarantees will be calculated, reported, and reconciled separately (no offsets) for all brands for retail, retail 90, mail, specialty retail, and specialty mail.

12.2.4 Confirm that Rebates will be paid to MCJHIF within 180 days of the close of each calendar quarter.

12.2.5 Confirm you agree to provide a GDR guarantee at retail, mail, and Specialty with a dollar for dollar guarantee on any guarantee shortfall. GDR guarantees will be calculated and reconciled separately (no offsets) for retail, mail, and Specialty.

12.2.6 Provide a GDR guarantee at retail, mail, and Specialty for each year of the contract term.

GDR Guarantees	Year 1 of Contract	Year 2 of Contract
Retail		
Mail		
Specialty		

12.2.7 Provide the annual penalty at risk for the retail, mail, and Specialty GDR guarantees.

GDR Guarantees	Annual Penalty
Retail	
Mail	
Specialty	

12.3 Pricing Charts

12.3.1 Confirm that all pricing components listed in charts below will be guaranteed, reviewed, audited and reconciled separately with no offset between any of the individual price components.

12.3.2 Confirm guarantees will be calculated and reconciled annually individually within 90 days of the end of the year.

12.3.3 Confirm pricing is based on current plan design and assumes all current clinical edits and programs remain in place.

12.3.4 Confirm pricing is based on current plan designs.

12.3.5 Confirm Rebate Guarantees based on current plan design and current clinical programs in place.

12.3.6 Confirm which formulary was used as the basis for the price quote below and confirm this formulary will not be switched to an alternate formulary over the term of the PBM Agreement without the approval of MCJHIF.

12.3.7 Confirm your price offer is for a Traditional or Pass Through price model.

12.3.8 Confirm that generic discount guarantee will include all generic drugs.

12.3.9 Confirm that any Administrative fee will only be assessed on paid claims (will not be applied to rejects or reversals).

12.3.10 Complete the pricing chart below for MCJHIF. Pricing must be based on the current plan design, formulary type, broad network, and utilization. Provide separate chart for a Traditional price offer and separate charts for both the Active/RDS and EGWP plans.

Pricing Component	Broadest Retail Network	Retail90 Network	Mail Service	Specialty Retail	Specialty Mail Service
Number of pharmacies in network					
Number of chain pharmacies not participating					
Administrative fee (paid claims only)					
Direct Member Reimbursement(DMR)/Paper Claim administrative fee					
COB claim administrative Fee					
Consumer-driven/high deductible program administrative fee					
Subrogation processing administrative fee					
Brand AWP Discount (include ZBD)					

Brand AWP Discount (exclude ZBD)					
Brand Dispensing Fee					
Generic AWP Discount (include ZBD)					
Generic AWP Discount (exclude ZBD)					
Generic Dispensing Fee					
Biosimilar AWP Discount (include ZBD)					
Biosimilar AWP Discount (exclude ZBD)					
Biosimilar Dispensing Fee					
Rebate per Brand claim					
Rebate percentage share					

12.3.11 Provide in detail all definitions, methodologies, caveats, assumptions and conditions for your financial proposal for Discounts, Dispensing Fees, Rebates and Administrative Fees.

12.3.12 Confirm that Rebate guarantees will include the greater of the minimum per Brand claim regardless of the day supply, or Rebate percentage share as noted above.

12.3.13 Complete the pricing chart below for MCJHIF.

Description	Proposed Fee
On-line claims processing	
Member submitted claim processing and reimbursement	
Member welcome packages	
Member satisfaction surveys	
Eligibility processing and management (electronic)	
Manual eligibility processing	
Initial ID card production and delivery to members	
Replacement ID card production and delivery to members	
Participating pharmacy listing	
Formulary member guides	
Member customer service/provider customer service /pharmacy customer service	
Standard report package (mailed or emailed to client)	
Access to on-line reporting	
Access to on-line system for eligibility updates, PA entry, overrides, etc.	
Explanation of Benefits (EOB's) mailed to members	
COB	

Part B coordination fees	
Subrogation fees (Medicare, Medicaid, VA)	
Vaccine program fees	
RDS fees	
MTM fees	
FWA fees	
Other member communications	
Creditable coverage attestation and support	
Administrative overrides (vacation fills, etc.)	
First level member appeals	
Second level member appeals	
External (IRO) member appeals	
Communications language translation services	
Fees for Electronic Prescribing or Electronic Medical Record (EMR) Transmissions	
Clinical Program Fees (list each program fee separately)	
Data feeds to vendors for integration	

Confirm all fees for all services are listed in the charts above.

12.3.14 EGWP. Complete the pricing chart below for MCJHIF.

EMPLOYER GROUP WAIVER PLAN	**Proposed Fee**
Provide the total fee for EGWP administration (Fee must be inclusive of all EGWP programs and services)	
Confirm that your proposed fee will include all of the following:	**(Yes/No)**
Provide member communications to notify of plan change to an EGWP	
Collection and validation of MBIs	
Pre-enrollment support and notification of any required Welcome Kits and new member communications	
Installation support of transition to a new EGWP program	
Enrollment management, submissions, and error resolution support of denials and rejects	
Medication Therapy Management (MTM) Program administration, filings and member communications	
Provide enrollment, disenrollment and late enrollment letters	
Manage all clinical reviews, denials, appeals and grievances, and coverage determination/re-determinations	
Low income eligibility/enrollment modification management	
Conduct and verify Actuarial Equivalence	

Fraud, Waste and Abuse (FWA) Program administration and member communications	
Pharmacy contracting for CMS compliant network (including infusion & LTC pharmacies networks)	
Submission of all required reporting to CMS (ex-, clinical programs, formulary, RDUR, TrOOP, etc.)	
Evidence of Coverage (EOC) for any new members or renewing members	
Annual Notices of Changes (ANOC) for renewing members	
PDE file creation, maintenance, management, reporting, submission and resolution for any errors/rejects	
Transition letter mailing	
Explanation of Benefits (monthly for any members with prescriptions)	
Manage TrOOP accumulation, reporting and communication	
Processing, reconciliation, payment and reporting of all payments for direct subsidies, LIPS, LICS, CGDP, and catastrophic Payments	
LIS rider and LEP attestation communications	
Handle transition supplies	
Administer COB at the point of sale	
Provide all CMS required member communications for ongoing, and renewing enrollees	
Submit all CMS required submissions and filings (ex. Eligibility, Formulary, MTM, FWA, etc.)	
Administration of all CMS approved clinical programs- UM, DUR, FWA, and MTM	
Handling Part D vs Part B medications (overlap drugs)	
Any other CMS required communications or services not listed above	

12.3.15 List any fees for any additional EGWP services or programs not listed in the chart above.

12.4 Specialty Pricing

12.4.1 Provide your proposed Specialty Drug list by NDC and include individual product pricing for these medications.

12.4.2 Confirm agreement that the Specialty Drug List in the PBM Agreement with MCJHIF will designate which Specialty products are not available through a Specialty pharmacy you own.

12.4.3 Confirm Specialty Rebate Guarantees apply to Specialty drugs dispensed at both Retail and Specialty pharmacies.

12.4.4 Confirm ALL specialty medications filled at a Specialty pharmacy will be included in the Overall Effective Discount ("OED") Guarantees for Specialty.

12.4.5 Confirm ALL specialty medications filled at a Specialty pharmacy will be included in the mail Specialty Rebate Guarantee for Specialty.

12.5 Limited Distribution Drugs

12.5.1 Provide a list of all medications on your Limited Distribution Specialty List.

12.5.2 Provide a list of any Limited Distribution Specialty medications that the Specialty pharmacy you own does not have access to and cannot dispense.

12.5.3 Confirm Specialty Drug list will identify Limited Distribution medications.

12.6 Biosimilars

12.6.1 Are Brand or Generic copays assigned to Biosimilar Drugs?

12.6.2 Confirm if Biosimilar Drugs are given preferred formulary status.

12.7 Allowances

12.7.1 Provide the amount of the ongoing allowance you are offering to MCJHIF and list in detail the services and items that MCJHIF can allocate to this allowance.

12.7.2 Provide the amount of the implementation allowance you are offering to MCJHIF and list in detail the services and items that MCJHIF can allocate to this allowance.

12.7.3 Confirm the amount of the allowance that you will provide to MCJHIF to fund a pre-implementation audit.

12.8 Performance Guarantees

12.8.1 List each Pharmacy Performance Guarantee you are willing to offer MCJHIF and provide a detailed description of the performance standard, guarantee threshold which is the amount you are willing to put at risk.

12.8.2 What implementation performance guarantees are you willing to provide to MCJHIF surrounding a transition? Please note the amount you are willing to put at risk.

12.8.3 Confirm that all performance on all guarantees will be reported to MCJHIF on a quarterly basis and reconciled annually for each contract year. Confirm that any amounts due to MCJHIF for missed Performance Guarantees will be paid to MCJHIF within 90 days after the close of each contract year.

12.8.4 Confirm that all performance guarantees will be based only on MCJHIF's data and not based on your book of business averages.

QUESTIONS

Please direct questions to:

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All proposals must be submitted in accordance with the Standardized Submission Requirements and Selection Criteria established by the Middlesex County Joint Health Insurance Fund as its Fair and Open Public Solicitation Process for Professional Services.