



MIDDLESEX COUNTY JOINT HEALTH INSURANCE FUND

RX DRUG CONSULTANT

REQUEST FOR PROPOSAL

October 2023

SCOPE OF SERVICES

The Middlesex County Joint Health Insurance Fund (MCJHIF) Prescription Drug Plan provides prescription drug benefits for seven (7) separate entities and covers approximately 8,000 members under the CVS/caremark commercial plan and an additional 1,754 under the Employee Group Waiver Plan (EGWP)

Approximate Commercial Members	7,630
Approximate EGWP Members	1,816
Total 2023 Budgeted Cost for Rx (Net of Rebates/Credits)	\$33,500,000

PLAN DESIGN & ADMINISTRATION

Plan Designs:

MCJHIF provides prescription drug coverage for its employees and retirees under a self-insured standalone plan as follows:

- Three tier copays: \$0 Generic, \$15 Preferred Brand, \$30 Non-Preferred
- Includes Preferred Formulary
- Includes Generic Step Therapy

All Active Members enrolled in RX are covered under the plan described above.

The non EGWP retiree population are also covered under a two-tier copay program with a standard formulary and no mandatory generic program.

Those retirees not eligible for EGWP are covered under CVS as well. Copays vary by date of retirement and entity but are two tiered with most members subject to \$0/\$3 copays. The exclusionary formulary and Step Therapy do not apply to retirees.

Retiree Benefits are considered vested and therefore not subject to change.

As of January 1, 2022, the retiree population age 65 and older and retirees eligible for Medicare due to Social Security Disability became covered under a Medicare Employer Group Waiver (EGWP) Plan currently covering 1816 members. SilverScript administers and insures the EGWP plan.

The current three-year CVS/caremark and SilverScript contract will expire December 31, 2024.

COST PROPOSAL

Indicate the cost for services provided for the three-year period beginning January 1, 2024

Your Cost Proposal should be based on a percentage of documented savings. Savings must be specifically defined in all responses. A calculation of how savings are derived and how compensation is calculated must be included in your response (see sample below). Include a cap on savings that you are willing to assign. Specifically define how and when charges are billed to the MCJHIF. Specifically define any additional costs beyond a percent of savings compensation.

Sample Savings Summary

1	Date of Report	April 30,2019
2	Period of Audit	January 1, 2019 - March 30,2019
3	Number current period Claims Processed under PBM prior Contract terms	\$25,000
4	Value of current period Claims Processed under PBM prior Contract terms	\$6,000,000
5	Number current period Claims Processed under PBM current Contract terms	\$25,000
6	Value of current period Claims Processed under PBM current Contract terms	\$5,000,000
7	Savings for current period (4-6)	\$1,000,000

Calculation of savings must not include value of plan design modifications.

Calculations must include verifiable back up of all claims processed.

SCOPE OF WORK

Proposers shall offer their own proprietary analytics and shall be able to accept standard electronic claims feeds from MCJHIF'S PBM directly on a monthly or quarterly basis. The analytics shall deliver actuarial verification on a quarterly basis proving that all the financial terms and definitions agreed to in the contract between the MCJHIF and the PBM reconcile to the MCJHIF's liability for claims during the period. Any recoveries shall be collected and returned to the MCJHIF.

Proposers' analytics system shall be able to data warehouse 100% of the claims in their system and be able to access historical data to retroactively confirm the claims and savings calculations at a summary and per claim level. The system shall be compliant with all HIPAA requirements and shall meet the highest industry standards of security and integrity, or such standards to which they may agree.

Proposers' system shall be an open architecture system, so that specific technological ideas and concepts can be incorporated and built into the system.

Proposers' prescription claims technology shall verify and apply the most current baseline unit average wholesale price (AWP) cost to all prescription claims, in accordance with the National Drug Code ("NDC"), most current date, and package size (e.g., factor repackaging).

Proposers must not have any Pharmacy Benefit Managers as a paying client.

PRIMARY REPONIBILITIES

1. Assist MCJHIF in developing projected Rx costs, credits, and rebates for use in creating the 2025, 2026 and 2027 Budgets,
2. Perform a 100% audit of all scripts filled each plan year to confirm that all contractual guarantees as detailed in the PBM agreement are fulfilled.
3. Assist MCJHIF in preparation of the RFP for EGWP and Commercial PBM services for the three-year period beginning January 1, 2025.
4. Assist MCJHIF in negotiating terms of the PBM Agreement to be effective January 1, 2025.

VENDOR QUALIFICATIONS

Please note that proposals must include the information requested here in the manner specified. If the information is not included in the manner specified, the proposal will be considered non-responsive and may be eliminated from consideration.

DESCRIPTION OF COMPANY

The Proposer shall describe its company with the following data to be included:

- Name of company; if a joint venture, name of joint venture with affiliates;
- Address of corporate headquarters and New Jersey area location, if differing;
- Telephone, Email, Website and fax number for New Jersey Service Location;
- Form of company; i.e., sole proprietor, partnership, corporation;
- Provide the Federal Employer Identification number (FEIN);
- Date company formed; date incorporated if a corporation;
- Company principals including President, Chairman, VPs, COO, CFO.

The Proposer will disclose any pending acquisitions or divestitures that could impact this contract.

Please provide information on any current, pending or past lawsuits which have taken place in the last five years.

EXPERIENCE/REFERENCES

The Proposer should list three current client government organizations with at least 8,000 member lives for which similar work has been performed for at least three years by the Proposer. Please provide

name of entity, address, phone number, email, contact person, and brief description of services. The Proposer will provide detail regarding experience performing services of comparable scope to the work as outlined in this Request for Proposal.

QUESTIONNAIRE

As part of its response to this Request for Proposal, Proposers shall answer and address the following questions:

1. What is the foundation upon which the analytics technology is built?
2. Are all claims' data warehoused and if so, what storage capabilities does the data warehouse possess?
3. The Proposer shall provide the detailed specifications and capabilities of the technology, process, and protocols as they relate to overall data integrity and security.
4. The Proposer shall provide detailed information regarding your HIPAA compliant protocol.
5. How is identified data managed?
6. How does the system apply the past historical PBM contract and claims against the new actual claims volume?
7. How many different attributes of a claim do the analytics technology breakdown for analysis purposes?
8. How many definitions, terms and financial PBM contractual problems are typically uncovered in the analysis?
9. In what ways does the analytics technology monitor the prescription claims to make sure that the PBM does not utilize contractual loopholes for their own benefit?
10. How many data fields is the analytics system capable of collecting?
11. The Proposer shall describe how the system can be modified and enhanced based on feedback and needs from current and future clients?
12. Is the Proposer's proprietary technology hosted by the Proposer or by a third-party hosting entity? If a third-party, provide the name of the entity and explain the hosting specifications.
13. The Bidder shall provide two references to speak about your analytics technology capabilities.
14. The Proposer shall describe the brand, generic and specialty classification methodology applied to all prescription claims, including level factors and external references leveraged.

15. Is the Proposer's system capable of applying different claims reimbursement rates based upon contract specified categories: Exclusive mail order pharmacies, preferred retail network, specific pharmacy chain, extended days' supply and extended supply pharmacy network?
16. The Proposer shall identify the PBMs and data file formats the system can process and interpret.
17. Does the system have the capabilities to process and analyze medical pharmacy claims?
18. The Proposer shall provide any external data sources that are leveraged to validate pharmacy claims, if applicable.
19. The Proposer shall describe the benchmarking database in terms of the number of member and clients that are in the system.
20. The Proposer shall describe their financial and clinical reporting that would be provided on an on-going basis.
21. Does your firm provide services for Employer Group Waiver Plan and Wrap contracts, with the associated capabilities including integrating CMS rules?
22. Is the Proposer's analytics system able to data warehouse 100% of the claims in the system and access the historical data to retroactively confirm the financials on a case-by-case basis?
23. Is the Proposer's system an open architecture system so that specific technological ideas and concepts can be incorporated and built into the system?
24. Will the prescription claim technology verify and apply the most current baseline unit AWP cost to all prescription claims, in accordance with the National Drug Code ("NDC"), most current date, and package size (e.g., factor repackaging)?
25. Does the Proposer have any Pharmacy Benefit Managers as a paying client?

TERM AND TERMINATION OF AGREEMENT

- a) The agreement shall be executed effective January 1, 2024.
- b) The term of service shall be for three (3) years from the effective date of coverage, to commence no later than January 1, 2024, and terminate on December 31, 2026, pursuant to a resolution of the MCJHIF authorizing award of the agreement.
- c) This agreement shall terminate immediately upon the disqualification of the Provider to required services, subject, however, to the provider's right to assign its rights and obligations under this agreement, any assignment is subject to the prior approval of the MCJHIF, as provided in Section d.

- d) In the event the Plan Provider desires to affect an assignment, it shall notify the MCJHIF in writing of the proposed date of assignment and the name and address of the assignee. The assignment may thereafter be affected, unless the MCJHIF notifies the provider of its objections in writing within thirty (30) days following receipt by it of such notice of assignment. Assignee must provide same information and format as required in this request for proposals.
- e) Notwithstanding anything to the contrary herein contained, this agreement may be terminated by the MCJHIF without cause at any time for any reason by the MCJHIF by providing thirty (30) days written notice given in writing to the provider. If additional funds for this agreement are not appropriated and made available in the MCJHIF's budget, or in subsequent fiscal year budgets, this agreement shall terminate upon the expenditure of the funds authorized by the original purchase order.

Submission of Quotes

All quotes for Rx Drug Consultant should be returned to:

**North American Insurance Management
MCJHIF Fund Administrator, c/o David Hissey
6 Dickinson Drive, Building 300, Suite 302
Chadds Ford, PA 19317**

All quotes should be returned on or before 12:00 noon, Thursday, October 5, 2023

Contact Person for questions on Rx Consultant

Dave Hissey and Lynn Collins

d.hissey@naimc.com and l.collins@naimc.com

North American Insurance Management Corporation
6 Dickinson Drive
Bldg. 300, Ste. 302
Chadds Ford, PA 19317
610-388-0600

All proposals must be submitted in accordance with the attached 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.