



# 2018 Pharmacy Benefit Manager Invitation for Proposal

## Introduction and Instructions

Georgia Department of Community Health

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## Introduction

The Georgia Department of Community Health (DCH) is releasing an Invitation for Proposal (IFP) to facilitate the evaluation of the Pharmacy Benefit Manager (PBM) for the State Health Benefit Plan (SHBP) for 2018 with options to potentially renew annually for set terms. DCH seeks a partner with proven experience in administering and customizing value-based pharmacy and clinical initiatives. Additionally, the Pharmacy Benefit Manager shall provide full financial transparency, strategically coordinate with SHBP and its other vendors and deliver the best value to members and their eligible dependents while achieving the lowest net cost to SHBP. The selected PBM will provide Statewide pharmacy services to SHBP's members who are covered by one or more Third Party Administrators (TPAs) that administer plan options that could include: a Statewide Health Maintenance Organization (HMO) plan option, a Statewide Health Reimbursement Arrangement (HRA) plan option, and a Statewide High Deductible Health Plan (HDHP) with Health Savings Account (HSA) option available, or other options as desired by SHBP.

Selection of health insurance vendors by DCH is exempt from the DOAS State Purchasing Act pursuant to O.C.G.A Secs. 50-5-57 and 58, 1987 O. Att'y Gen. No. 87-32, and Chapter 1: Section 1.2.1.2 of the Georgia Procurement Manual, as amended. This IFP outlines the requirements that must be met and solicits data that will be used to complete this evaluation. In order for your organization's proposal to be fully considered, it is important that you follow the instructions outlined below and respond to this IFP no later than May 22, 2017 at 5:00 p.m. ET.

## About SHBP

SHBP currently provides benefits to approximately 650,000 active employees, pre-Medicare retirees, Medicare Advantage retirees and their eligible dependents. Active and pre-Medicare retiree medical benefits are currently provided by BlueCross BlueShield of Georgia (BCBSGa), UnitedHealthcare and Kaiser Permanente (on a Metro Atlanta regional-only basis). PBM services for BCBSGa and UnitedHealthcare non-Medicare Advantage members are administered by Express Scripts. Healthways manages wellness services for this population also. Kaiser Permanente administers both wellness and pharmacy management for its members.

## Evaluation Process

An evaluation team will review each Offeror's proposal to determine compliance with the requirements of the IFP. An Offeror's technical submission will be evaluated and scored independently of the Offeror's cost proposal. The Offeror's technical score will then be combined with Offeror's cost score to determine Offeror's overall score. The evaluation is comprised of the following:

<b>Category</b>	<b>Points Available</b>
Invitation for Proposal Response	600
Pharmacy Program Cost Proposal Exhibit	400
<b>Total Points</b>	<b>1,000</b>

## Addenda

DCH may issue an addendum to the IFP to make changes in the IFP; correct defects or ambiguities; or provide additional information or instructions. Any addenda will be distributed to bidders by Aon Hewitt.

## Site Visits and Presentations

DCH reserves the right to conduct site visits or to invite Offerors to present their technical solutions to the Evaluation team.

## State's Right to Request Additional Information

Prior to vendor selection, DCH must be assured that the selected Offeror has all of the resources to perform under the contract. DCH reserves the option of requesting from the Offeror any information deemed necessary to assure the Offeror can perform under the contract. If such information is required, the Offeror will be notified and provided a deadline for submission of the information requested.

## Negotiations

DCH reserves the right to engage in negotiations of the proposed pricing if deemed necessary.

## Current Environment and Direction for 2018

SHBP is seeking a vendor that can provide best-in-class Pharmacy Benefit Management services to the pre-Medicare, non-Kaiser Permanente membership. The successful vendor will provide retail, mail order, and specialty services that comply with all requirements of the IFP and associated State Contract. These services include but are not limited to:

- Highly efficient retail, mail order and specialty pharmacy claims processing system to support a comprehensive national network;
- Highly competitive:
  - Administrative fees;
  - Network, mail and specialty discounts and pricing;
  - And rebates.
- Prescription drug cost and utilization in a clinically sound, evidenced-based manner, while recognizing impact to total health care costs through vehicles such as a preferred drug list and drug utilization review (DUR) programs;
- Ability to support the current Preferred Drug List (PDL) where all drugs are covered within a drug class, but at different tiers. SHBP currently follows Express Scripts' National Preferred Drug List, with excluded drugs being covered at Tier 3 with medical necessity rules;
- Education of both members and prescribers as to cost-effective drug utilization;
- Prevention and reduction of fraud, waste and abuse – by members, prescribers and pharmacies;
- Partner with the Plan's other vendors for TPA, Wellness and Decision Support Services (DSS) to share data and communicate wellness programs and activities in order to meet SHBP strategic goals without duplicating services or causing delays in services among vendors;
- Coordination with the Medical TPAs to ensure that benefit accumulators (for deductibles, maximum out-of-pockets, etc.), HRA and other incentive account balances are current and reflect pharmacy benefit activity (as well as medical benefit activity) on a real time basis;
- Support of pharmacy-specific SHBP strategic initiatives, such as:
  - Increasing Generic drug utilization;

- Administering copay/co-insurance waivers or special copay schedules as determined by SHBP for members participating in various wellness programs;
- Increasing overall medication possession/adherence and compliance through treatment regimens and member education programs
- Collaboration with SHBP and its other vendors to promote SHBP health initiatives such as:
  - Diabetes Awareness and Action Program; and
  - Medication Safety Program

## Objectives

SHBP requires the PBM to provide efficient and effective PBM functions and services, while working collaboratively with SHBP and its other vendors to support current strategic initiatives and proactively assist in the development of new strategic considerations.

## Mandatory Requirements

By responding to this IFP, you are confirming your organization's current minimum capability to provide the services listed above in the "Current Environment and Direction for 2018" section as well as each of the following:

- Offeror must provide true transparent pricing for all drugs
- Offeror must provide a fully transparent financial arrangement that consists of 100% pass through, including but not limited to all: rebates; discounts; credits; fees; chargebacks and other payments or financial benefits provided by retail, mail order and specialty pharmacy
- Offeror must confirm that mail order and specialty services will not be subcontracted out to a third party vendor
- Offeror must provide a Preferred Drug List (PDL), 90-day at retail and mail order
- Offeror must administer a mail order program
- Offeror must provide specialty pharmacy services including dedicated support programs and management
- Offeror must provide established clinical programs, including medication safety programs, prior authorizations and quantity limits
- Offeror must provide established DUR and RetroDUR programs
- Offeror must have the ability to administer member cost-sharing (i.e., co-pay/co-insurance waiver) in a customized fashion
- Offeror must have experience in and ability to interface with one or more TPA to provide real-time HRA and other incentive account administration – "real-time balance exchange"
- Offeror must have the ability to interface with SHBP, TPA, Wellness and Decision Support System (DSS) vendors for data and file sharing as needed
- Offeror must provide three (3) dedicated toll free lines established for SHBP: member services, prior authorization and specialty
- Offeror must have the ability to record 100% of all dedicated call lines for member and provider calls and provide SHBP staff with remote access to review 100% of recorded calls
- Offeror must provide 24-hour live customer service

- Offeror must provide a robust fraud, waste and abuse program
- Offeror must provide a flexible and customizable web portal
- Offeror must provide two (2) internal clinical appeal process levels and one (1) external clinical appeals process
- Offeror must provide a language line
- Offeror must agree to not provide any offshore services related to the SHBP account
- Offeror must have provided all services previously listed on a self-funded basis to at least one (1) client that has a minimum of 400,000 members and a total book of business of at least 1.2 million covered lives for at least three (3) of the last five (5) years
- Agree to one (1) year contract with four (4) options to renew the Contract

## Bidding Instructions

These specifications include the information necessary for your organization to prepare a complete proposal.

## Non-Disclosure Agreement

Each Offeror must execute and return a Non-Disclosure Agreement prior to the release of any confidential information.

## Vendor Content Inquiries

Vendor inquiries on the content of the IFP are due by Tuesday, May 2, 2017 at 5:00 p.m. ET. Questions should be submitted in writing to Aon Hewitt at [hhrsc@aonhewitt.com](mailto:hhrsc@aonhewitt.com). Vendors are permitted no more than 10 questions (without subparts) on the content of the IFP. All vendor questions and responses will be assembled into a single document and released to all participating vendors by Friday, May 5, 2017. Questions should be specific and detailed in order to provide complete responses to all IFP sections. All questions will remain anonymous so that no organization will be identified as asking a particular question.

## Open Records Act

Documents received by DCH are normally subject to the Georgia Open Records Act (O.C.G.A. § 50-18-70 et seq.) and open for public inspection. DCH will comply with the requirements of the Georgia Open Records Act, including with regard to the availability of records described in O.C.G.A. § 50-18-72(a)(10).

If a responsive Offeror claims that any portion of its proposal submitted to DCH is a proprietary trade secret or otherwise exempt from disclosure from the Georgia Open Records Act, the Offeror must clearly identify at the time of submission those portions of the proposal that it asserts are exempted from disclosure. DCH requires Offerors to submit redacted versions of their proposals or other submissions in addition to unredacted versions at the time of submission of the response. Offerors are required to submit with their proposals an affidavit meeting the requirements of O.C.G.A. § 50-18-72 (a) (34), as amended, setting forth any and all assertions of trade secret protections. Any material submitted to DCH by a responsive Offeror which has not been clearly designated as a trade secret(s) and expressly referenced as such in the affidavit is subject to disclosure under the Georgia Open Records Act.

PLEASE NOTE: Even though information submitted may be marked as “confidential”, “proprietary”, or “trade secret,” and may be expressly referenced as such in an affidavit, pursuant to the Georgia Open Records Act DCH will make its own determination as to whether the information is a trade secret that may be withheld in response to an open records request. Accordingly, DCH will comply with the requirements described in O.C.G.A. § 50-18-72(a)(34).

## Intent to Bid

Please submit your organization’s initial intent to bid in writing to Aon Hewitt at [hrsc@aonhewitt.com](mailto:hrsc@aonhewitt.com) by Thursday, April 27, 2017 at 5:00 p.m. ET.

## Proposal Submission

To be considered a qualified candidate, your response to this IFP must:

- Respond clearly and concisely to all sections of the IFP;
- Comply with all specifications;
- Respond clearly and concisely to all questions in the questionnaire section without referring us to preprinted materials (unless the IFP specifically requests you to do so) as your response;
- Be received electronically by Aon Hewitt at [hrsc@aonhewitt.com](mailto:hrsc@aonhewitt.com) no later than 5:00 PM ET on May 22, 2017; and
- Provide six (6) hard copies, bound and tabbed, with one (1) marked “Original” with original signatures; and ten (10) electronic copies on a CD, with one (1) designated as the original copy. Hard copies should be mailed to:

Aon Hewitt  
Attn: SHBP Contractor  
One Piedmont Center, 3565 Piedmont Road  
Suite 600  
Atlanta, Georgia 30305

- If the Proposal contains information considered to be trade secret, you must provide a trade secret affidavit and a redacted version of the Proposal as follows: two (2) hard copies, bound and tabbed and two (2) electronic copies on a CD.

## Other Bidding Instructions

- Eligible dependents include spouses and children up to the end of the month in which the dependent (child) turns age 26.
- Quotations should assume no commissions.
- Respond clearly and concisely to all questions in the spaces provided.

## Timetable of Activities

It is critical to DCH that the following timetable be met. Your ability to meet these deadlines will be considered in DCH's analysis of your capabilities. However, DCH reserves the right to modify these deadlines as it deems necessary.

<b>Activity</b>	<b>Date</b>
Release IFP to Bidders	April 25, 2017
Intent to Bid Letter Due to Aon Hewitt	April 27, 2017
Questions From Bidders Due to Aon Hewitt	May 2, 2017
Aon Hewitt Responds to Bidder Questions	May 5, 2017
Proposals Due From Bidders	May 22, 2017
Vendor Selection and Notification	June 30, 2017
Implementation Begins	July 2017
Pre-implementation Audit	Fall 2017
Effective Date	January 1, 2018



## Contact Information

Address all inquiries regarding this IFP to [hrsc@aonhewitt.com](mailto:hrsc@aonhewitt.com). From the date of the IFP until the final selection is announced, Offerors are not allowed to communicate for any reason with any DCH staff or other parties except as provided by working agreement(s). Prohibited communication includes all contact or interaction, including but not limited to, telephonic communications, emails, faxes, letters, or personal meetings, such as lunch, entertainment, or otherwise. DCH reserves the right to reject the response of any Offeror violating this provision.

## Appendix

We are providing you with the following material to support your proposal. If you did not receive these files, please contact us.

- Contract between the Georgia Department of Community Health and Offeror for Administrative Services for Pharmacy Benefit Manager Services
- Census/Eligibility File for Geographic Match (If Offeror satisfies Mandatory Requirements and submits executed NDA)
- Prescription Drug Claims File with Layout
- SHBP Pharmacy Program Account, Plan Design and Utilization Summary
- Excluded Drug Utilization Summary
- SPDs—Available via <https://dch.georgia.gov/documents/summary-plan-description>
- Current Rates and Contributions—Available via <https://dch.georgia.gov/rates>
- Department of Community Health State Health Benefit Plan IFP Policy
- Attestation Form
- Tax Compliance Form