Missouri Consolidated Health Care Plan
832 Weathered Rock Court
PO Box 104355
Jefferson City, MO 65110
Phone: 800-701-8881
www.mchcp.org

Judith Muck, *Executive Director*

my health. my choice. myMCHCP

January 22, 2021

TO: Invited Vendors

FROM: Judith Muck, Executive Director

RE: Pharmacy Benefit Manager (PBM) Request for Proposal (RFP)

Missouri Consolidated Health Care Plan (MCHCP) will be working with DirectPath, an online request for proposal (RFP) system, in the marketing of the MCHCP PBM RFP for a January 1, 2022 effective date. The contract will be for one year with up to four (4) additional one-year renewals available at the sole option of the MCHCP Board of Trustees. You are invited to submit a proposal for these services. We believe that you will find this RFP a great potential opportunity for your organization.

MCHCP provides the health benefit program for most State of Missouri employees, retirees and their dependents. It provides the same services for public entities that have elected to join MCHCP. January 2021 total membership exceeds 91,000 total lives.

MCHCP's current five-year contract with Express Scripts will expire on December 31, 2021, necessitating the need for the RFP.

Minimum Bidder Requirements

Only bidders that meet the following minimum requirements will be considered. Bids from companies not meeting all the minimum requirements will not be considered by MCHCP for this contract.

- Licensing – The bidder must be licensed as necessary to do business in the State of Missouri to perform the duties described in this RFP and be in good standing with the office of the Missouri Secretary of State. MCHCP requires the contractor to comply with all state and federal laws, rules and regulations affecting their conduct of business.

- Size and Experience – The bidder must have been in the PBM business for a minimum of five years.

  The bidder must currently administer commercial prescription drug benefits to at least 3 million covered lives and administer prescription drug benefits for at least five large employer groups with 100,000 covered lives or more. The bidder must be willing to disclose the names of the large employer clients if requested.

  The bidder must currently administer Medicare Employer Group Waiver Plan (EGWP) prescription drug benefits to at least 500,000 covered lives and administer EGWP prescription drug benefits for at least five large employer groups with 25,000 covered lives or more.

- Impact of Award – The bidder must certify that, if awarded a contract, the bidder would not increase its total annual claim payment volume by more than 25 percent with the addition of this business. MCHCP actual pharmacy expenses were $176 million through October 2020 and are estimated to exceed $200 million for the 2020 calendar year (commercial and EGWP). Pharmacy trend is estimated to be 13 percent for 2021. The bidder must only use their book of business as of the proposal submission date and MCHCP's pharmacy expenses when calculating the percentage increase. Business not yet awarded may not be used in the calculation.

- Employee Group Waiver Program (EGWP) – The bidder must have a 2020 contract in place with CMS and is approved to provide Employee Group Waiver Plan (EGWP) services similar in scope and size that is currently in place for MCHCP today. The bidder must be able to administer a commercial wrap for the EGWP program.

- Mail Order – The bidder must have an established, successful partnership with a company providing mail order pharmacy services, either through ownership or subcontractor relationship and provide services similar in scope and size that is currently in place for MCHCP.

- Specialty Pharmacy – The bidder must have an established, successful partnership with a specialty pharmacy company either through ownership or subcontractor relationship and provide services similar in scope and size that is currently in place for MCHCP.

Intent to Bid

Once the RFP is released, bidders who are interested in submitting a proposal should complete the Intent to Bid (available as a response document within the DirectPath system). The Intent to Bid is due at 4 p.m. CT, Thursday, February 18, 2021.

Use of DirectPath

During this RFP process you will find DirectPath's internet-based application offers an opportunity to streamline information exchange. DirectPath will be contacting you within the next two to three days to establish a contact person from your organization and to set up a training session, if necessary. To assist you in preparing for the online proposal process, we have outlined below some important information about this event.

General Instructions

Your proposal will be submitted over the Internet, through an online bidding process. DirectPath will assign a unique user name, which will allow you to view the information pertinent to the bidding process, submit response documents, communicate directly with MCHCP through the application's messaging component, and respond to our online questionnaires. In addition, DirectPath will provide a user guide with instructions for setting up your account.

You may wish to have other people in your organization access this online event to assist in the completion of the RFP. Each member of your response team must secure a unique username and password from DirectPath by way of a provider contact spreadsheet, e-mailed directly to you by DirectPath. There is no cost to use the DirectPath system.

System Training

DirectPath offers all participants of a DirectPath-hosted event access to their downloadable *User Guides* and *Pre-Recorded Training Sessions*. These guides are located on the homepage of the *vendor-user* view and provide an overview of the application's functionality. We recommend that you and your response team take advantage of this opportunity to realize the full benefit of the application. In addition to this self-help option, DirectPath's experienced support personnel will offer an application overview via a web-cast session.

DirectPath support is also available Monday through Friday from 8 a.m. to 6 p.m. ET to help with any technical or navigation issues that may arise. The toll-free number for DirectPath is 800-979-9351. Support can also be reached by e-mail at support@directpathhealth.com.

Key Event Information

Online RFP Released	Thursday, February 11, 2021 8 a.m. CT (9 a.m. ET)
Intent to Bid Document Due	Thursday, February 18, 2021 4 p.m. CT (5 p.m. ET)
Question Submission Deadline	Thursday, February 18, 2021 4 p.m. CT (5 p.m. ET)
MCHCP Responses to Submitted Questions	Monday, March 1, 2021 4 p.m. CT (5 p.m. ET)
All Questionnaires and Pricing Due	Monday, March 15, 2021 4 p.m. CT (5 p.m. ET)
Financial Spreadsheets due to Willis Towers Watson	Monday, March 15, 2021 4 p.m. CT (5 p.m. ET)
Finalist Presentations/Site Visits	April-May, 2021
Final Vendor Selection/Contract Award	Late June, 2021
Program Effective Date	January 1, 2022

If this notice should have been sent to a different individual within your organization, please contact Tammy Flaugher by phone at 573-526-4922 or by e-mail at tammy.flaugher@mchcp.org.

We look forward to working with you throughout this process.

MCHCP PBM Plan Design and Pricing Model

Plan Summary: Benefits: See current plan descriptions available at http://www.mchcp.org/stateMembers/prescription/benefitChart.asp and http://www.mchcp.org/stateMembers/medicare/benefitChart.asp

worksheet: Instructions

	Description
Administrative Fees	The bidder must use Administrative Fees to list the administrative fee on a per script basis for retail, mail and specialty scripts for the commercial population.
Implementation and Audit Credits	The bidder must use Implementation and Audit Credits to list any credits offered by the bidder to cover start-up costs and an implementation audit for the commercial plan.
Discretionary Fund	The bidder must use Discretionary Fund to list any funds offered by the bidder for MCHCP's use to reimburse MCHCP for actual expenses related to managing the pharmacy benefit for the commercial plan.
Supplemental Pricing	The bidder must use Supplemental Pricing to itemize all other administrative fees for the commercial plan that are not included in the base administrative fees.
Additional Services	The bidder must use Additional Services to itemize any additional services offered by the bidder for the commercial plan.
Pricing	In addition to completing this pricing model, the bidder must also submit Exhibit A-9 directly to Willis Towers Watson.
Due Date	This pricing model and Exhibit A-9 are due by 4 p.m. CT, Monday, March 15, 2021.

worksheet: Administrative Fees

	2022	2023	2024	2025	2026
Retail					
Generic Drug					
Brand Drug					
Mail Order					
Generic Drug					
Brand Drug					
Specialty					
Generic Drug					
Brand Drug					

worksheet: Implementation and Audit Credits

	2022
Implementation Allowance	
Pre-Implementation Audit Fund	

worksheet: Discretionary Fund

	2022	2023	2024	2025	2026
Discretionary Fund					

worksheet: Supplemental Pricing

	Description	Cost	Basis for Payment (PEPM, per case, etc.)
2022			
Service 1			
Service 2			
Service 3			
Service 4			
Service 5			
Service 6			
Service 7			
Service 8			
Service 9			
Service 10			
2023			
Service 1			
Service 2			
Service 3			
Service 4			
Service 5			
Service 6			
Service 7			
Service 8			
Service 9			
Service 10			
2024			
Service 1			
Service 2			
Service 3			
Service 4			
Service 5			
Service 6			
Service 7			
Service 8			
Service 9			
Service 10			
2025			
Service 1			
Service 2			
Service 3			
Service 4			
Service 5			
Service 6			
Service 7			
Service 8			
Service 9			
Service 10			

2026

- Service 1
- Service 2
- Service 3
- Service 4
- Service 5
- Service 6
- Service 7
- Service 8
- Service 9
- Service 10

worksheet: Additional Services

	Description	Cost	Basis for Payment (PEPM, per case, etc.)

2022

- Service 1
- Service 2
- Service 3
- Service 4
- Service 5
- Service 6
- Service 7
- Service 8
- Service 9
- Service 10

2023

- Service 1
- Service 2
- Service 3
- Service 4
- Service 5
- Service 6
- Service 7
- Service 8
- Service 9
- Service 10

2024

- Service 1
- Service 2
- Service 3
- Service 4
- Service 5
- Service 6
- Service 7
- Service 8
- Service 9
- Service 10

2025

- Service 1
- Service 2
- Service 3
- Service 4
- Service 5
- Service 6
- Service 7
- Service 8
- Service 9
- Service 10

2026

- Service 1
- Service 2
- Service 3
- Service 4
- Service 5
- Service 6
- Service 7
- Service 8
- Service 9
- Service 10

MCHCP PBM Plan Design and Pricing Model

Plan Summary: Benefits: See current plan descriptions available at http://www.mchcp.org/stateMembers/prescription/benefitChart.asp and http://www.mchcp.org/stateMembers/medicare/benefitChart.asp

worksheet: Instructions

	Description
Administrative Fees	The bidder must use Administrative Fees to list the administrative fee on a per script basis for retail, mail and specialty scripts for the EGWP population.
Implementation and Audit Credits	The bidder must use Implementation and Audit Credits to list any credits offered by the bidder to cover start-up costs and an implementation audit for the EGWP plan.
Discretionary Fund	The bidder must use Discretionary Fund to list any funds offered by the bidder for MCHCP's use to reimburse MCHCP for actual expenses related to managing the pharmacy benefit for the EGWP plan.
Supplemental Pricing	The bidder must use Supplemental Pricing to itemize all other administrative fees for the EGWP plan that are not included in the base administrative fees.
Additional Services	The bidder must use Additional Services to itemize any additional services offered by the bidder for the EGWP plan.
Pricing	In addition to completing this pricing model, the bidder must also submit Exhibit A-9 directly to Willis Towers Watson.
Due Date	This pricing model and Exhibit A-9 are due by 4 p.m. CT, Monday, March 15, 2021.

worksheet: Administrative Fees

	2022	2023	2024	2025	2026
Retail					
Generic Drug					
Brand Drug					
Mail Order					
Generic Drug					
Brand Drug					
Specialty					
Generic Drug					
Brand Drug					

worksheet: Implementation and Audit Credits

	2022
Implementation Allowance	
Pre-Implementation Audit Fund	

worksheet: Discretionary Fund

	2022	2023	2024	2025	2026

Discretionary Fund

worksheet: Supplemental Pricing

	Description	Cost	Basis for Payment (PEPM, per case, etc.)
2022			
Service 1			
Service 2			
Service 3			
Service 4			
Service 5			
Service 6			
Service 7			
Service 8			
Service 9			
Service 10			
2023			
Service 1			
Service 2			
Service 3			
Service 4			
Service 5			
Service 6			
Service 7			
Service 8			
Service 9			
Service 10			
2024			
Service 1			
Service 2			
Service 3			
Service 4			
Service 5			
Service 6			
Service 7			
Service 8			
Service 9			
Service 10			
2025			
Service 1			
Service 2			
Service 3			
Service 4			
Service 5			
Service 6			
Service 7			
Service 8			
Service 9			
Service 10			

2026

- Service 1
- Service 2
- Service 3
- Service 4
- Service 5
- Service 6
- Service 7
- Service 8
- Service 9
- Service 10

worksheet: Additional Services

	Description	Cost	Basis for Payment (PEPM, per case, etc.)

2022

- Service 1
- Service 2
- Service 3
- Service 4
- Service 5
- Service 6
- Service 7
- Service 8
- Service 9
- Service 10

2023

- Service 1
- Service 2
- Service 3
- Service 4
- Service 5
- Service 6
- Service 7
- Service 8
- Service 9
- Service 10

2024

- Service 1
- Service 2
- Service 3
- Service 4
- Service 5
- Service 6
- Service 7
- Service 8
- Service 9
- Service 10

2025

- Service 1
- Service 2
- Service 3
- Service 4
- Service 5
- Service 6
- Service 7
- Service 8
- Service 9
- Service 10

2026

- Service 1
- Service 2
- Service 3
- Service 4
- Service 5
- Service 6
- Service 7
- Service 8
- Service 9
- Service 10

Exhibit A-1

Intent to Bid – 2022 MCHCP PBM RFP

(Signing this form does not mandate that a vendor must bid)

Please complete this form following the steps listed below:

1) Fill this form out electronically and sign it with your electronic signature.

2) Upload the completed document to the Response Documents area of the RFP no later than Thursday, February 18, 2021, at 4 p.m. CT (5 p.m. ET).

Minimum Bidder Requirements

Only bidders that meet the following minimum requirements will be considered. Bids from companies not meeting all the minimum requirements will not be considered by MCHCP for this contract.

- Licensing – The bidder must be licensed as necessary to do business in the State of Missouri to perform the duties described in this RFP and be in good standing with the office of the Missouri Secretary of State. MCHCP requires the contractor comply with all state and federal laws, rules and regulations affecting their conduct of business.

- Size and Experience – The bidder must have been in the PBM business for a minimum of five years.

  The bidder must currently administer commercial prescription drug benefits to at least 3 million covered lives and administer prescription drug benefits for at least five large employer groups with 100,000 covered lives or more. The bidder must be willing to disclose the names of the large employer clients if requested.

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- Employee Group Waiver Program (EGWP) – The bidder must have a 2020 contract in place with CMS and is approved to provide Employee Group Waiver Plan (EGWP) services similar in scope and size that is currently in place for MCHCP today. The bidder must be able to administer a commercial wrap for the EGWP program.

- Mail Order – The bidder must have an established, successful partnership with a company providing mail order pharmacy services, either through ownership or subcontractor relationship and provide services similar in scope and size that is currently in place for MCHCP.

- Specialty Pharmacy – The bidder must have an established, successful partnership with a specialty pharmacy company either through ownership or subcontractor relationship and provide services similar in scope and size that is currently in place for MCHCP.

This form will serve as confirmation that our organization has received the 2022 MCHCP Pharmacy Benefit Manager RFP.

☐ We intend to submit a complete proposal.

☐ We decline to submit a proposal for the following reason(s):

Name of Organization

Signature of Plan Representative

Title of Plan Representative

Date

Please provide the name, title, phone number and email address of the individual that should receive Exhibit A-9 Pricing Submission Worksheet. This document will be emailed by Tyler Hoefinghoff at Willis Towers Watson ***(tyler.hoefinghoff@willistowerswatson.com*** to the party identified below. The completed Exhibit A-9 must be emailed directly to Tyler Hoefinghoff no later than 4 p.m. CT, Tuesday, March 15, 2021.

Name

Title

Phone

Email address

EXHIBIT A-2
LIMITED DATA USE AGREEMENT

In order to secure data that resides with Missouri Consolidated Health Care Plan (MCHCP) and in order to ensure the integrity, security, and confidentiality of information maintained by MCHCP, and to permit appropriate disclosure and use of such data as permitted by law, MCHCP and _____ enter into this Agreement to comply with the following specific paragraphs.

1. This Agreement is by and between MCHCP, a covered entity under the Health Insurance Portability and Accountability Act of 1996, as amended ("HIPAA"), and_____, hereinafter referred to as "User".

2. This Agreement addresses the conditions under which MCHCP will disclose and the User will obtain and use MCHCP's file(s) specified in this agreement. This Agreement supersedes any and all agreements between the parties with respect to the use of MCHCP's file(s), and preempts and overrides any instructions, directions, agreements, or other understanding in or pertaining to any prior communication from MCHCP with respect to the data specified herein. Further, the terms of this Agreement can be changed only by a written modification to this Agreement, or by the parties adopting a new agreement. The parties agree further that instructions or interpretations issued to the User concerning this Agreement or the data specified herein, shall not be valid unless issued in writing by MCHCP's Executive Director.

3. Unless otherwise expressly stated in this Agreement, all words, terms, specifications, and requirements used or referenced in this Agreement which are defined in the HIPAA Rules shall have the same meanings as described in the HIPAA Rules. Any reference in this Agreement to a section in the HIPAA Rules means the section as in effect or amended. Any ambiguity in this Agreement shall be interpreted to permit compliance with the HIPAA Rules.

4. The parties mutually agree that MCHCP retains all ownership rights to the demographic file referred to in this Agreement, and that the User does not obtain any right, title, or interest in any of the data furnished by MCHCP.

5. The parties mutually agree that the following named individual is designated as "Custodian" of the file on behalf of the User, and will be personally responsible for the observance of all conditions of use and for establishment and maintenance of security arrangements as specified in this Agreement to prevent unauthorized use. The User agrees to notify MCHCP within five (5) days of any change of custodianship. The parties mutually agree that MCHCP may disapprove the appointment of a custodian, or may require the appointment of a new custodian at any time.

   Name of Custodian:
   Name of Company:
   Street Address:
   City, State and Zip Code:
   Phone Number w/ Area Code:
   E-mail Address:

6. The User represents and warrants, and in furnishing the claims file(s), MCHCP relies upon such representation and warranty, that these files will be used solely for the purposes outlined

below. The User agrees not to use or further disclose the data covered by this Agreement other than as provided for by this Agreement. The parties agree that no provision of this Agreement permits the User to use or disclose protected health information (PHI) in a manner that would violate HIPAA if used or disclosed in like manner by MCHCP. MCHCP's claims files are used solely for the following:

- Network analysis related to bidding on a contract for pharmacy benefit administration; and
- Utilization analysis and pricing related to bidding on a contract with MCHCP for pharmacy benefit administration.

The User represents and warrants further that the User shall not disclose, release, reveal, show, sell, rent, lease, loan, or otherwise grant access to the data covered by this Agreement to any person(s) other than as allowed by this Agreement. The User agrees that, within the User organization, access to the data covered by this Agreement shall be limited to the minimum number of individuals necessary to achieve the purpose stated in this section and to those individuals on a need-to-know basis only. The User agrees to ensure that any individual(s) or agent(s) the User discloses or allows to access the data covered by this Agreement will be bound to the same restrictions and conditions that apply to the User. Disclosure of this data is made pursuant to 45 CFR §§ 164.514(e)(1) and (g).

7. MCHCP will provide the User with the files, which is a subset of MCHCP's master records. MCHCP warrants that the file is accurate to the extent possible.

8. The parties mutually agree that the aforesaid file (and/or any derivative file(s) [includes any file that maintains or continues identification of individuals]) may be retained by the User only for the period of time required for any processing related to the purposes outlined in section 5 above. After the bidding process is complete, the User agrees to promptly destroy such data. The User agrees that no data from MCHCP records, or any parts thereof, shall be retained when the aforementioned file(s) are destroyed unless authorization in writing for the retention of such file(s) has been received from MCHCP's Executive Director. The User acknowledges that stringent adherence to the aforementioned information outlined in this paragraph is required. The User further acknowledges that MCHCP's demographic file received for any previous periods, and all copies thereof, must be destroyed upon receipt of an updated version. The User agrees that for any data covered by this Agreement, in any form, that the User maintains after the bidding process is complete, the User agrees to: (i) refrain from any further use or disclosure of the PHI; (ii) continue to safeguard the PHI thereafter in accordance with the terms of this Agreement; and (iii) not attempt to de-identify the PHI.

9. The User agrees to establish appropriate administrative, technical, and physical safeguards to protect the privacy and security of the data, and to prevent any unauthorized use or disclosure. The safeguards shall provide a level and scope of security that is not less than the level and scope of security established by HIPAA. The User acknowledges that the use of unsecured telecommunications, including the Internet, to transmit individually identifiable, including protected health information, or deducible information derived from the file(s) specified above in section 6 is strictly prohibited. Further, the User agrees that the data must not be physically moved or transmitted in any way from the site indicated above in section 4, without written approval from MCHCP.

10. The User agrees that the authorized representatives of MCHCP and the Department of Health and Human Services ("HHS") will be granted access to the premises where the aforesaid file(s)

are kept for the purpose of inspecting security arrangements and confirming whether the User is in compliance with the privacy and security requirements specified in this Agreement.

11. The User agrees that no findings, listing, or information derived from the file(s) specified in section 6, with or without identifiers, may be released if such findings, listing, or information contain any combination of data elements that might allow the deduction of a MCHCP member's identification (Examples of such data elements include, but are not limited to, address, zip code, sex, age, , etc.) The User agrees further that MCHCP shall be the sole judge as to whether any finding, listing, or information, or any combination of data extracted or derived from MCHCP's files identifies or reasonably could identify an individual or to deduce the identity of an individual.

12. The User agrees that the User shall make no attempt to link records included in the file(s) specified in section 6 to any other identifiable source of information or attempt to identify the information or individual(s) contained in the data. This includes attempts to link to other MCHCP data files. In addition, the User agrees not to contact the individual(s) who are the subject of the data covered by this Agreement.

13. The User understands and agrees that it may not reuse original or derivative data file(s) without prior written approval from MCHCP's Executive Director.

14. The User agrees to immediately report to MCHCP any use or disclosure of PHI not authorized or provided for by this Agreement in accordance with the notice provisions prescribed in this Section 14.

    14.1 The notice shall be delivered to, and confirmed received by, MCHCP without unreasonable delay, but in any event no later than three (3) business days of the User's first discovery, meaning the first day on which such unauthorized use or disclosure is known to the User, or by exercising reasonable diligence, would have been known to the User, of the unauthorized use or disclosure.

    14.2 The notice shall be in writing and shall include a complete description of the unauthorized use or disclosure, and if applicable, a list of affected individuals and a copy of the template breach notification letter to be sent to affected individuals.

15. The User agrees that in the event MCHCP determines or has a reasonable belief that the User has made or may have used or disclosed the aforesaid file(s) that is not authorized by this Agreement, or other written authorization from MCHCP's Executive Director, MCHCP in its sole discretion may require the User to: (a) promptly investigate and report to MCHCP the User's determinations regarding any alleged or actual unauthorized use or disclosure, (b) promptly resolve any problems identified by the investigation; (c) if requested by MCHCP, submit a formal written response to an allegation of unauthorized use or disclosure; (d) if requested by MCHCP, submit a corrective action plan with steps designed to prevent any future unauthorized uses or disclosures; and (e) if requested by MCHCP, destroy or return data files to MCHCP immediately. The User understands that as a result of MCHCP's determination or reasonable belief that unauthorized uses or disclosures have taken place, MCHCP may refuse to release further MCHCP data to the User for a period of time to be determined by MCHCP. Further, the User agrees that MCHCP may report the problem to the Secretary of HHS.

16. The User agrees to assume all costs and responsibilities associated with any breach, as defined in the HIPAA breach notification provisions, of any protected health information obtained from MCHCP's demographic file caused by the User organization. Such costs and responsibilities include: determining if and when a breach has occurred, however, all final decisions involving questions of a breach shall be made by MCHCP; investigating the circumstances surrounding any possible incident of breach; providing on behalf of MCHCP all notifications legally required of a covered entity in accordance with HIPAA breach notification laws and regulations; paying for the reasonable and actual costs associated with such notifications; The User further agrees to indemnify and hold MCHCP harmless from any and all penalties or damages associated with any breach caused by the User organization.

17. The User hereby acknowledges the criminal and civil penalties for violations under HIPAA. If User is a covered entity under HIPAA, its receipt of MCHCP's limited data set and violation of this data use agreement may cause the User to be in noncompliance with the standards, implementation specifications, and requirements of 45 CFR § 164.514 (e).

18. By signing this Agreement, the User agrees to abide by all provisions set out in this Agreement for protection of the data file specified in section 6, and acknowledges having received notice of potential criminal and civil penalties for violation of the terms of the Agreement.

19. On behalf of the User, the undersigned individual hereby attests that he or she is authorized to enter into this Agreement and agrees to all the terms specified herein. This Agreement shall be effective upon signature by both parties. The duration of this Agreement is one year from the effective date. The User also acknowledges that this Agreement may be terminated at any time with the consent of both parties involved. Either party may independently terminate the Agreement upon written request to the other party, in which case the termination shall be effective 60 days after the date of the notice, or at a later date specified in the notice.

_____
(Name/Title of Individual)

_____
(State Agency/Organization)

_____
(Street Address)

_____
(City/State/ZIP Code)

_____
(Phone Number Including Area Code)

_____
(E-mail Address)

Signature _____ Date

20. On behalf of MCHCP, the undersigned individual hereby attests that he or she is authorized to enter into this Agreement and agrees to all the terms specified herein.

_____ _____

Judith Muck, Executive Director
Missouri Consolidated Health Care Plan

Date

EXHIBIT A-3
BIDDER'S PROPOSED MODIFICATIONS TO THE RFP
2022 MCHCP PHARMACY BENEFIT MANAGER RFP

The bidder must utilize this document to clearly identify by subsection number any exceptions to the provisions of the Request for Proposal (RFP) and include an explanation as to why the bidder cannot comply with the specific provision. Any desired modifications should be kept as succinct and brief as possible. **Failure to confirm acceptance of the mandatory contract provisions will result in the bidder being eliminated from further consideration as its proposal will be considered non-compliant.**

Any modification proposed shall be deemed accepted as a modification of the RFP if and only if this proposed modification exhibit is countersigned by an authorized MCHCP representative on or before the effective date of the contract awarded under this RFP.

_____
Name/Title of Individual

_____
Organization

_____
Signature

_____
Date

On behalf of MCHCP, the undersigned individual hereby attests that he or she is authorized to enter into this Agreement and agrees to all the terms specified herein.

_____
Executive Director Date
Missouri Consolidated Health Care Plan

Exhibit A-4

Confirmation Document

Please complete this form following the steps listed below:

1) Confirm that you have read and understand all of MCHCP's instructions included in the DirectPath application.

   ☐ Yes

   ☐ No

2) Bidders are required to submit a firm, fixed pricing arrangement for CY2022 and not-to-exceed prices for CY2023, CY2024, CY2025 and CY2026. Pricing arrangements will be subject to best and final offer which may result from subsequent negotiation. You are advised to review all proposal submission requirements stated in the original Request for Proposal (RFP) and in any amendments, thereto. Confirm that you hereby agree to provide the services and/or items at the prices quoted, pursuant to the requirements of the RFP, including any and all RFP amendments.

   ☐ Yes

   ☐ No

3) Completion of the signature block below constitutes your company's acceptance of all terms and conditions of the original RFP plus any and all RFP amendments and confirmation that all information included in the response is truthful and accurate to the best of your knowledge. You also hereby expressly affirm that you have the requisite authority to execute this Agreement on behalf of the Bidder and to bind such respective party to the terms and conditions set forth herein.

Name/Title of Individual

Organization

Signature

Date

Exhibit A-6

Documentation of Intent to Participate
2022 MCHCP PHARMACY BENEFIT MANAGER RFP

If the bidder is proposing to include the participation of a Minority Business Enterprise/Women Business Enterprise (MBE/WBE) in the provision of the products/services required in the RFP, the bidder must either provide a recently dated letter of intent, signed and dated no earlier than the RFP issuance date, from each organization documenting the following information, or complete and provide this Exhibit with the bidder's proposal.

~ Copy This Form For Each Organization Proposed ~

Bidder Name: _____

This Section To Be Completed by Participating Organization:

By completing and signing this form, the undersigned hereby confirms the intent of the named participating organization to provide the products/services identified herein for the bidder identified above.

Name of Organization: _____
(Name of MBE, WBE)

Contact Name:		Email:	
Address:		Phone #:	
City:		Fax #:	
State/Zip:		Certification #	
Type of Organization (MBE or WBE):		Certification Expiration Date:	(or attach copy of certification)

PRODUCTS/SERVICES PARTICIPATING ORGANIZATION AGREED TO PROVIDE

Describe the products/services you *(as the participating organization)* have agreed to provide:

_____
_____
_____
_____

Authorized Signature:

_____ _____
Authorized Signature of Participating Organization (MBE, WBE) | *Date (Dated no earlier than the RFP issuance date)*

EXHIBIT A-5

CONTRACTOR CERTIFICATION
OF COMPLIANCE WITH FEDERAL EMPLOYMENT LAWS
2022 MCHCP PHARMACY BENEFIT MANAGER RFP

_____(hereafter referred to as "Contractor") hereby certifies that all of Contractor's employees and its subcontractors' employees assigned to perform services for Missouri Consolidated Health Care Plan ("MCHCP") and/or its members are eligible to work in the United States in accordance with federal law.

Contractor acknowledges that MCHCP is entitled to receive all requested information, records, books, forms, and any other documentation ("requested data") in order to determine if Contractor is in compliance with federal law concerning eligibility to work in the United States and to verify the accuracy of such requested data. Contractor further agrees to fully cooperate with MCHCP in its audit of such subject matter.

Contractor also hereby acknowledges that MCHCP may declare Contractor has breached its Contract if MCHCP has reasonable cause to believe that Contractor or its subcontractors knowingly employed individuals not eligible to work in the United States. MCHCP may then lawfully and immediately terminate its Contract with Contractor without any penalty to MCHCP and may suspend or debar Contractor from doing any further business with MCHCP.

THE UNDERSIGNED PERSON REPRESENTS AND WARRANTS THAT HE/SHE IS DULY AUTHORIZED TO SIGN THIS DOCUMENT AND BIND THE CONTRACTOR TO SUCH CERTIFICATION.

_____

Name/Title of Individual

_____

Organization

_____

Signature

_____

Date

This contract is a sample contract for review during the RFP process only. Additional clauses and obligations may be added that are consistent with the RFP and bidder's submission which is awarded by the Board of Trustees. If there is a conflict with this sample contract and the RFP materials, the RFP materials will take precedence during the bidding process.

CONTRACT # 2022-PBM BETWEEN
MISSOURI CONSOLIDATED HEALTH CARE PLAN
AND PBM

This Contract is entered into by and between Missouri Consolidated Health Care Plan ("MCHCP") and _____ (hereinafter "PBM" or "Contractor") for the express purpose of providing pharmacy benefit management administrative services for a self-insured prescription drug program for all members enrolled in MCHCP pursuant to MCHCP's Pharmacy Benefit Management Services Request for Proposal released February 11, 2021 (hereinafter "RFP").

1. GENERAL TERMS AND CONDITIONS

1.1 Term of Contract and Costs of Services: The term of this Contract is for a period of one (1) year from January 1, 2022 through December 31, 2022. This Contract may be renewed for four (4) additional one-year periods at the sole option of the MCHCP Board of Trustees. The submitted pricing arrangement for the first year (January 1 - December 31, 2022) is a firm, fixed price. The submitted prices for the subsequent (2nd - 5th) years of the contract period (January 1 - December 31, 2023, January 1 - December 31, 2024, January 1 - December 31, 2025, and January 1 - December 31, 2026 respectively) are guaranteed not-to-exceed maximum prices and are subject to negotiation. Pricing for the one-year renewal periods are due to MCHCP by May 15 for the following year's renewal. All prices are subject to best and final offer which may result from subsequent negotiation.

1.1.1 On an annual basis, MCHCP may review the financial terms of this Contract against comparable financial offerings available in the marketplace. Such review may be conducted by MCHCP's actuary and would consider the total value of the pricing terms (discounts, dispensing fees, administrative fees, rebates) to create an aggregate benchmark. PBM will have ten (10) business days to offer a comparable or better financial arrangement following such request from MCHCP or its actuary. Upon agreement of the market check pricing by the parties, within ten (10) business days, PBM will prepare and submit revised renewal pricing to be effective January 1 of the next succeeding contract year, beginning January 1, 2018, if applicable. PBM understands and agrees that MCHCP will not have access to the details of other PBM financial arrangement utilized by its actuary to conduct this market check and, therefore, will not be able or required to provide PBM such details at any time.

1.2 Contract Documents: This Contract and following documents, attached hereto and herby incorporated herein by reference as if fully set forth herein, constitute the full and complete Contract and, in the event of conflict in terms of language among the documents, shall be given precedence in the following order:

SAMPLE

a. Any future written and duly executed renewal proposals or amendments to this Contract;

b. This written Contract signed by the parties;

c. The following Exhibits listed in this subsection below and attached hereto, the substance of which are based on final completed exhibits or attachments required and submitted by PBM in response to the RFP, finalist negotiations, and implementation meetings:

   i. Exhibit 1: Pricing Pages
   ii. Exhibit 2: Business Associate Agreement
   iii. Exhibit 3: Confirmation Document
   iv. Exhibit 4: Performance Guarantees
   v. Exhibit 5: Certification of Compliance with State and Federal Employment Laws

d. The original RFP, including any amendments, the mandatory terms of which are deemed accepted and confirmed by PBM as evidenced by PBM affirmative confirmations and representations required by and in accordance with the bidder response requirements described throughout the RFP.

Any exhibits or attachments voluntarily offered, proposed, or produced as evidence of PBM's ability and willingness to provide more or different services not required by the RFP that are not specifically described in this Section or otherwise not included elsewhere in the Contract documents are excluded from the terms of this Contract unless subsequently added by the parties in the form of a written and executed amendment to this Contract.

1.3 Integration: This Contract, in its final composite form, shall represent the entire agreement between the parties and shall supersede all prior negotiations, representations or agreements, either written or oral, between the parties relating to the subject matter hereof. This Contract between the parties shall be independent of and have no effect on any other contracts of either party.

1.4 Amendments to this Contract: This Contract shall be modified only by the written agreement of the parties. No alteration or variation in terms and conditions of the Contract shall be valid unless made in writing and signed by the parties. Every amendment shall specify the date on which its provisions shall be effective.

No agent, representative, employee or officer of either MCHCP or PBM has authority to make, or has made, any statement, agreement or representation, oral or written, in connection with this Contract, which in any way can be deemed to modify, add to or detract from, or otherwise change or alter its terms and conditions. No negotiations between the parties, nor any custom or usage, shall be permitted to modify or contradict any of the terms and conditions of this Contract.

1.5 Drafting Conventions and Definitions: Whenever the following words and expressions appear in this Contract, any amendment thereto, or the RFP document, the definition or meaning described below shall apply:

- *(Definitions that are used in the RFP will be added as needed for the contract.)*
- **"Amendment"** means a written, official modification to the RFP or to this Contract.

SAMPLE

- **"May"** means permissible but not required.
- **"Must"** means that a certain feature, component, or action is a mandatory condition. Failure to provide or comply may result in a breach.
- **"Request for Proposal" or "RFP"** means the solicitation document issued by MCHCP to potential bidders for the purchase of services as described in the document. The definition includes Exhibits, Attachments, and Amendments thereto.
- **"Shall"** has the same meaning as the word must.
- **"Should"** means desirable but not mandatory.
- The terms **"include," "includes,"** and **"including"** are terms of inclusion, and where used in this Contract, are deemed to be followed by the words "without limitation".

1.6 Notices: Unless otherwise expressly provided otherwise, all notices, demands, requests, approvals, instructions, consents or other communications (collectively "notices") which may be required or desired to be given by either party to the other during the course of this contract shall be in writing and shall be made by personal delivery, by prepaid overnight delivery, by United States mail postage prepaid, or transmitted by email to an authorized employee of the other party or to any other persons as may be designated by written notice from one party to the other. Notices to MCHCP shall be addressed as follows: Missouri Consolidated Health Care Plan, ATTN: Executive Director, P.O. Box 104355, Jefferson City, MO 65110-4355. Notices to PBM shall be addressed as follows: PBM ATTN: _____, _____.

1.7 Headings: The article, section, paragraph, or exhibit headings or captions in this Contract are for reference and convenience only and may not be considered in the interpretation of this Contract. Such headings or captions do not define, describe, extend, or limit the scope or intent of this Contract.

1.8 Severability: If any provision of this Contract is determined by a court of competent jurisdiction to be invalid, unenforceable, or contrary to law, such determination shall not affect the legality or validity of any other provisions. The illegal or invalid provision will be deemed stricken and deleted to the same extent and effect as if it were never incorporated into this Contract, but all other provisions will remain in full force and effect.

1.9 Inducements: In making the award of this Contract, MCHCP relies on PBM's assurances of the following:

- PBM, including its subcontractors, has the skills, qualifications, expertise, financial resources and experience necessary to perform the services described in the RFP, PBM's proposal, and this Contract, in an efficient, cost-effective manner, with a high degree of quality and responsiveness, and has performed similar services for other public or private entities.
- PBM has thoroughly reviewed, analyzed, and understood the RFP, has timely raised all questions or objections to the RFP, and has had the opportunity to review and fully understand MCHCP's current offerings and operating environment for the activities that are the subject of this Contract and the needs and requirements of MCHCP during the contract term.

SAMPLE

- PBM has had the opportunity to review and fully understand MCHCP's stated objectives in entering into this Contract and, based upon such review and understanding, PBM currently has the capability to perform in accordance with the terms and conditions of this Contract.
- PBM has also reviewed and understands the risks associated with administering services as described in the RFP.

Accordingly, on the basis of the terms and conditions of this Contract, MCHCP desires to engage PBM to perform the services described in this Contract under the terms and conditions set forth in this Contract.

1.10 Industry Standards: If not otherwise provided, materials or work called for in this Contract shall be furnished and performed in accordance with best established practice and standards recognized by the contracted industry and comply with all codes and regulations which shall apply.

1.11 Force Majeure: Neither party will incur any liability to the other if its performance of any obligation under this Contract is prevented or delayed by causes beyond its control and without the fault or negligence of either party. Causes beyond a party's control may include, but aren't limited to, acts of God or war, changes in controlling law, regulations, orders or the requirements of any governmental entity, severe weather conditions, civil disorders, natural disasters, fire, epidemics and quarantines, and strikes other than by PBM's or its subcontractors' employees.

1.12 Breach and Waiver: Waiver or any breach of any Contract term or condition shall not be deemed a waiver of any prior or subsequent breach. No Contract term or condition shall be held to be waived, modified, or deleted except by a written instrument signed by the parties. If any Contract term or condition or application thereof to any person(s) or circumstances is held invalid, such invalidity shall not affect other terms, condition or application. To this end, the Contract terms and conditions are severable.

1.13 Independent Contractor: PBM represents itself to be an independent contractor offering such services to the general public and shall not represent itself or its employees to be an employee of MCHCP. Therefore, PBM hereby assumes all legal and financial responsibility for taxes, FICA, employee fringe benefits, worker's compensation, employee insurance, minimum wage requirements, overtime, etc. and agrees to indemnify, save, and hold MCHCP, its officers, agents, and employees, harmless from and against, any and all loss; cost (including attorney fees); and damage of any kind related to such matters. PBM assumes sole and full responsibility for its acts and the acts of its personnel.

1.14 Relationship of the Parties: This Contract does not create a partnership, franchise, joint venture, agency, or employment relationship between the parties.

1.15 No Implied Authority: The authority delegated to PBM by MCHCP is limited to the terms of this Contract. MCHCP is a statutorily created body corporate multi-employer group health plan and trust fund designated by the Missouri Legislature to administer health care services to eligible State of Missouri and public entity employees, and no other agency or entity may grant PBM any authority related to this Contract except as authorized in writing by MCHCP.

SAMPLE

PBM may not rely upon implied authority, and specifically is not delegated authority under this Contract to:

- Make public policy;
- Promulgate, amend, or disregard administrative regulations or program policy decisions made by MCHCP; and/or
- Unilaterally communicate or negotiate with any federal or state agency, the Missouri Legislature, or any MCHCP vendor on behalf of MCHCP regarding the services included within this Contract.

1.16 Third Party Beneficiaries: This Contract shall not be construed as providing an enforceable right to any third party.

1.17 Injunction: Should MCHCP be prevented or enjoined from proceeding with this Contract before or after contract execution by reason of any litigation or other reason beyond the control of MCHCP, PBM shall not be entitled to make or assess claim for damage by reason of said delay.

1.18 Statutes: Each and every provision of law and clause required by law to be inserted or applicable to the services provided in this Contract shall be deemed to be inserted herein and this Contract shall be read and enforced as though it were included herein. If through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then on the application of either party the Contract shall be amended to make such insertion or correction.

1.19 Governing Law: This Contract shall be governed by the laws of the State of Missouri and shall be deemed executed at Jefferson City, Cole County, Missouri. All contractual agreements shall be subject to, governed by, and construed according to the laws of the State of Missouri.

1.20 Jurisdiction: All legal proceedings arising hereunder shall be brought in the Circuit Court of Cole County in the State of Missouri.

1.21 Acceptance: No contract provision or use of items by MCHCP shall constitute acceptance or relieve PBM of liability in respect to any expressed or implied warranties.

1.22 Survival of Terms: Termination or expiration of this Contract for any reason will not release either party from any liabilities or obligations set forth in this Contract that: (i) the parties expressly agree will survive any such termination or expiration; or (ii) remain to be performed or by their nature would be intended to apply following any such termination or expiration.

2 PBM's Obligations

2.1 Security Deposit: PBM must furnish an original performance security deposit in the form of check, cash, bank draft, or irrevocable letter of credit, issued by a bank or financial institution authorized to do business in Missouri, to MCHCP within ten (10) days after award of the contract and prior to performance of service under the contract. The performance security deposit must be made payable to MCHCP in the amount of $1,250,000. The contract number and contract period must be specified on the performance security deposit. In the event MCHCP exercises an option to renew the contract for an additional period, PBM shall

SAMPLE

maintain the validity and enforcement of the security deposit for the renewal period, pursuant to the provisions of this paragraph, in an amount stipulated at the time of contract renewal, not to exceed $1,250,000.

2.2 Eligible Members: PBM shall agree that eligible members are those employees, retirees and their dependents who are eligible as defined by applicable state and federal laws, rules and regulations, including revision(s) to such. MCHCP is the sole source in determining eligibility. PBM shall not regard a member as terminated until PBM receives an official termination notice from MCHCP.

2.3 Confidentiality: PBM will have access to private and/or confidential data maintained by MCHCP to the extent necessary to carry out its responsibilities under this Contract. No private or confidential data received, collected, maintained, transmitted, or used in the course of performance of this Contract shall be disseminated by PBM except as authorized by MCHCP, either during the period of this Contract or thereafter. PBM must agree to return any or all data furnished by MCHCP promptly at the request of MCHCP in whatever form it is maintained by PBM. On the termination or expiration of this Contract, PBM will not use any of such data or any material derived from the data for any purpose and, where so instructed by MCHCP, will destroy or render it unreadable.

2.4 Subcontracting: Subject to the terms and conditions of this section, this Contract shall be binding upon the parties and their respective successors and assigns. PBM shall not subcontract with any person or entity to perform all or any part of the work to be performed under this Contract without the prior written consent of MCHCP. PBM may not assign, in whole or in part, this Contract or its rights, duties, obligations, or responsibilities hereunder without the prior written consent of MCHCP. PBM agrees that any and all subcontracts entered into by PBM for the purpose of meeting the requirements of this Contract are the responsibility of PBM. MCHCP will hold PBM responsible for assuring that subcontractors meet all the requirements of this Contract and all amendments thereto. PBM must provide complete information regarding each subcontractor used by PBM to meet the requirements of this Contract.

2.5 Disclosure of Material Events: PBM agrees to immediately disclose any of the following to MCHCP to the extent allowed by law for publicly traded companies:

- Any material adverse change to the financial status or condition of PBM;
- Any merger, sale or other material change of ownership of PBM;
- Any conflict of interest or potential conflict of interest between PBM's engagement with MCHCP and the work, services or products that PBM is providing or proposes to provide to any current or prospective customer; and
- (1) Any material investigation of PBM by a federal or state agency or self-regulatory organization; (2) Any material complaint against PBM filed with a federal or state agency or self-regulatory organization; (3) Any material proceeding naming PBM before any federal or state agency or self-regulatory organization; (4) Any material criminal or civil action in state or federal court naming PBM as a defendant; (5) Any material fine, penalty, censure or other disciplinary action taken against PBM by any federal or state agency or self-regulatory organization; (6) Any material judgment or award of damages imposed on or against PBM as a result of any material criminal or

SAMPLE

civil action in which PBM was a party; or (7) Any other matter material to the services rendered by PBM pursuant to this Contract.

For the purposes of this paragraph, "material" means of a nature or of sufficient monetary value, or concerning a subject which a reasonable party in the position of and comparable to MCHCP would consider relevant and important in assessing the relationship and services contemplated by this Contract. It is further understood in that in fulfilling its ongoing responsibilities under this paragraph, PBM is obligated to make its best faith efforts to disclose only those relevant matters which to the attention of or should have been known by PBM's personnel involved in the engagement covered by this Contract and/or which come to the attention of or should have been known by any individual or office of PBM designated by PBM to monitor and report such matters.

Upon learning of any such actions, MCHCP reserves the right, at its sole discretion, to terminate this Contract.

2.6 Off-shore Services: All services under this Contract shall be performed within the United States. PBM shall not perform, or permit subcontracting of services under this Contract, to any off-shore companies or locations outside of the United States. Any such actions shall result in PBM being in breach of this Contract.

2.7 Change in Laws: PBM agrees that any state and/or federal laws and applicable rules and regulations enacted during the terms of the contract which are deemed by MCHCP to necessitate a change in the contract shall be incorporated into the contract automatically. MCHCP will review any request for additional fees resulting from such changes and retains final authority to make any changes. A consultant may be utilized to determine the cost impact.

2.8 Compliance with Laws: PBM shall comply with all applicable federal and state laws and regulations and local ordinances in the performance of this Contract, including but not limited to the provisions listed below.

2.8.1 Non-discrimination, Sexual Harassment and Workplace Safety: PBM agrees to abide by all applicable federal, state and local laws, rules and regulations prohibiting discrimination in employment and controlling workplace safety. PBM shall establish and maintain a written sexual harassment policy and shall inform its employees of the policy. PBM shall include the provisions of this Nondiscrimination/Sexual Harassment Clause in every subcontract so that such provisions will be binding upon each subcontractor. Any violations of applicable laws, rules and regulations may result in termination of the Contract.

2.8.2 Americans with Disabilities Act (ADA) and Americans with Disabilities Act Amendments Act of 2008 (ADAAA): Pursuant to federal regulations promulgated under the authority of The Americans with Disabilities Act (ADA) and **Americans with Disabilities Act Amendments Act of 2008 (ADAAA)**, PBM understands and agrees that it shall not cause any individual with a disability to be excluded from participation in this Contract or from activities provided for under this Contract on

SAMPLE

the basis of such disability. As a condition of accepting this Contract, PBM agrees to comply with all regulations promulgated under ADA or ADAAA which are applicable to all benefits, services, programs, and activities provided by MCHCP through contracts with outside contractors.

2.8.3 Patient Protection and Affordable Care Act (PPACA): If applicable, PBM shall comply with the Patient Protection and Affordable Care Act (PPACA) and all regulations promulgated under the authority of PPACA, including any future regulations promulgated under PPACA, which are applicable to all benefits, services, programs, and activities provided by MCHCP through contracts with outside contractors.

2.8.4 Health Insurance Portability and Accountability Act of 1996 (HIPAA): PBM shall comply with the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and implementing regulations, as amended, including compliance with the Privacy, Security and Breach Notification regulations and the execution of a Business Associate Agreement with MCHCP.

2.8.5 Genetic Information Nondiscrimination Act of 2008: PBM shall comply with the Genetic Information Nondiscrimination Act of 2008 (GINA) and implementing regulations, as amended.

2.9 Indemnification: PBM shall be responsible for and agrees to indemnify and hold harmless MCHCP from all losses, damages, expenses, claims, demands, suits, and actions brought by any party against MCHCP as a result of PBM's, PBM's employees, or PBM's associate or any associate's or subcontractor's failure to comply with section 2.8 of this contract.

2.10 Prohibition of Gratuities: Neither PBM nor any person, firm or corporation employed by PBM in the performance of this Contract shall offer or give any gift, money or anything of value or any promise for future reward or compensation to any employee of MCHCP at any time.

2.11 Solicitation of Members: PBM shall not use the names, home addresses or any other information contained about members of MCHCP for the purpose of offering for sale any property or services which are not directly related to services negotiated in this RFP without the express written consent of MCHCP's Executive Director.

2.12 Insurance and Liability: PBM must maintain sufficient liability insurance, including but not limited to general liability, professional liability, and errors and omissions coverage, to protect MCHCP against any reasonably foreseeable recoverable loss, damage or expense under this engagement. PBM shall provide proof of such insurance coverage upon request from MCHCP. MCHCP shall not be required to purchase any insurance against loss or damage to any personal property to which this Contract relates. PBM shall bear the risk of any loss or damage to any personal property in which PBM holds title.

2.13 Hold Harmless: PBM shall hold MCHCP harmless from an indemnify against any and all claims for injury to or death of any persons; for loss or damage to any property; and for infringement of any copyright or patent to the extent caused by PBM or PBM's employees or its subcontractors. MCHCP shall not be precluded from receiving the benefits of any insurance PBM may carry which provides for indemnification for any loss or damage of property in PBM's custody and control, where such loss or destruction is to MCHCP's property. PBM shall

SAMPLE

do nothing to prejudice MCHCP's right to recover against third parties for any loss, destruction, or damage to MCHCP's property.

2.14 Assignment: PBM shall not assign, convey, encumber, or otherwise transfer its rights or duties under this Contract without prior written consent of MCHCP. This Contract may terminate in the event of any assignment, conveyance, encumbrance or other transfer by PBM made without prior written consent of MCHCP. Notwithstanding the foregoing, PBM may, without the consent of MCHCP, assign its rights to payment to be received under this Contract, provided that PBM provides written notice of such assignment to MCHCP together with a written acknowledgment from the assignee that any such payments are subject to all of the terms and conditions of this Contract. For the purposes of this Contract, the term "assign" shall include, but shall not be limited to, the sale, gift, assignment, pledge, or other transfer of any ownership interest in PBM provided, however, that the term shall not apply to the sale or other transfer of stock of a publicly traded company. Any assignment consented to by MCHCP shall be evidenced by a written assignment agreement executed by PBM and its assignee in which the assignee agrees to be legally bound by all of the terms and conditions of this Contract and to assume the duties, obligations, and responsibilities being assigned. A change of name by PBM, following which PBM's federal identification number remains unchanged, shall not be considered to be an assignment hereunder. PBM shall give MCHCP written notice of any such change of name.

2.15 Patent, Copyright, and Trademark Indemnity: PBM warrants that it is the sole owner or author of, or has entered into a suitable legal agreement concerning either: a) the design of any product or process provided or used in the performance of this Contract which is covered by a patent, copyright, or trademark registration or other right duly authorized by state or federal law or b) any copyrighted matter in any report document or other material provided to MCHCP under this Contract. PBM shall defend any suit or proceeding brought against MCHCP on account of any alleged patent, copyright or trademark infringement in the United States of any of the products provided or used in the performance of this Contract. This is upon condition that MCHCP shall provide prompt notification in writing of such suit or proceeding; full right, authorization and opportunity to conduct the defense thereof; and full information and all reasonable cooperation for the defense of same. As principles of governmental or public law are involved, MCHCP may participate in or choose to conduct, in its sole discretion, the defense of any such action. If information and assistance are furnished by MCHCP at PBM's written request, it shall be at PBM's expense, but the responsibility for such expense shall be only that within PBM's written authorization. PBM shall indemnify and hold MCHCP harmless from all damages, costs, and expenses, including attorney's fees that PBM or MCHCP may pay or incur by reason of any infringement or violation of the rights occurring to any holder of copyright, trademark, or patent interests and rights in any products provided or used in the performance of this Contract. If any of the products provided by PBM in such suit or proceeding are held to constitute infringement and the use is enjoined, PBM shall, at its own expense and at its option, either procure the right to continue use of such infringement products, replace them with non-infringement equal performance products or modify them so that they are no longer infringing. If PBM is unable to do any of the preceding, PBM agrees to remove all the equipment or software which are obtained contemporaneously with the infringing product, or, at the option of MCHCP, only those items of equipment or software which are held to be infringing, and to pay MCHCP: 1) any amounts

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paid by MCHCP towards the purchase of the product, less straight line depreciation; 2) any license fee paid by MCHCP for the use of any software, less an amount for the period of usage; and 3) the pro rata portion of any maintenance fee presenting the time remaining in any period of maintenance paid for. The obligations of PBM under this paragraph continue without time limit. No costs or expenses shall be incurred for the account of PBM without its written consent.

2.16 Compensation/Expenses: PBM shall be required to perform the specified services at the price(s) quoted in this Contract. All services shall be performed within the time period(s) specified in this Contract. PBM shall be compensated only for work performed to the satisfaction of MCHCP. PBM shall not be allowed or paid travel or per diem expenses except as specifically set forth in this Contract.

2.17 Contractor Expenses: PBM will pay and will be solely responsible for PBM's travel expenses and out-of-pocket expenses incurred in connection with providing the services. PBM will be responsible for payment of all expenses related to salaries, benefits, employment taxes, and insurance for its staff.

2.18 Tax Payments: PBM shall pay all taxes lawfully imposed on it with respect to any product or service delivered in accordance with this Contract. MCHCP is exempt from Missouri state sales or use taxes and federal excise taxes for direct purchases. MCHCP makes no representation as to the exemption from liability of any tax imposed by any governmental entity on PBM.

2.19 Conflicts of Interest: PBM shall not knowingly employ, during the period of this Contract or any extensions to it, any professional personnel who are also in the employ of the State of Missouri or MCHCP and who are providing services involving this Contract or services similar in nature to the scope of this Contract to the State of Missouri. Furthermore, PBM shall not knowingly employ, during the period of this Contract or any extensions to it, any employee of MCHCP who has participated in the making of this Contract until at least two years after his/her termination of employment with MCHCP.

3 MCHCP'S OBLIGATIONS

3.1 Administrative Services: MCHCP shall provide the following administrative services to assist PBM

- Certification of eligibility;
- Enrollments (new, change and terminations) in an electronic format;
- Maintenance of individual eligibility and membership data;
- Payment of monies due PBM;

3.2 Eligibility: All determinations for coverage eligibility will be made by MCHCP. Effective and termination dates of plan participants will be determined by MCHCP. PBM will be notified of enrollment changes through the carrier enrollment eligibility file, by telephone or by written notification from MCHCP. PBM shall refer any and all questions received from members regarding eligibility or premiums to MCHCP.

SAMPLE

3.3 Payment: PBM shall not bill more frequently than once every two weeks from a centralized billing system for all network pharmacies and mail order pharmacies. The invoice shall be submitted electronically in an Excel-compatible format. The invoice shall clearly designate and describe all components of the billing and shall separate the billed activity between claims and administration. Furthermore, the invoice should clearly delineate the activity between MCHCP's commercial and EGWP pharmacy claims and the administration fees associated with each program separately and individually. Commercial activity should further be separately designated between active and retiree transactions. MCHCP will initiate payment to PBM within two business days of receipt of the invoice. Payment will be made via Automated Clearing House (ACH) to the financial institution designated by PBM. PBM agrees that MCHCP is not responsible for any amounts owed by member to PBM. Collecting such amounts must be the sole responsibility of PBM.

4 RECORDS RETENTION, ACCESS, AUDIT, AND FINANCIAL COMPLIANCE

4.1 Retention of Records: Unless MCHCP specifies in writing a shorter period of time, PBM agrees to preserve and make available all of its books, documents, papers, records and other evidence involving transactions related to this contract for a period of ten (10) years from the date of the expiration or termination of this contract. Matters involving litigation shall be kept for one (1) year following the termination of litigation, including all appeals, if the litigation exceeds ten (10) years. PBM agrees that authorized federal representatives, MCHCP personnel, and independent auditors acting on behalf of MCHCP and/or federal agencies shall have access to and the right to examine records during the contract period and during the ten (10) year post contract period. Delivery of and access to the records shall be at no cost to MCHCP.

4.2 Audit Rights: PBM must allow MCHCP the right to audit all aspects of the pharmacy program managed by PBM including financial terms, the specialty program, service agreements, administration, guarantees and all transparent and pass through components at no cost to MCHCP. The review of all aspects of the pharmacy program May include but must not be limited to: paid claims, the claim processing system, Rebate agreements, rebate aggregators, performance guarantees, pricing guarantees, retail network, Medicare Part D reconciliations, transparency, pricing benchmarks (e.g., AWP source), onsite assessments, operational assessments, clinical assessments and customer service call monitoring for both the commercial plan and EGWP plan, if applicable. Audits must be conducted by a firm selected by MCHCP.

4.3 Ownership: All data developed or accumulated by PBM under this Contract shall be owned by MCHCP. PBM may not release any data without the written approval of MCHCP. MCHCP shall be entitled at no cost and in a timely manner to all data and written or recorded material pertaining to this Contract in a format acceptable to MCHCP. MCHCP shall have unrestricted authority to reproduce, distribute, and use any submitted report or data and any associated documentation that is designed or developed and delivered to MCHCP as part of the performance of this Contract.

4.4 Access to Records: Upon reasonable notice, PBM must provide, and cause its subcontractors to provide, the officials and entities identified in this Section with prompt, reasonable, and adequate access to any records, books, documents, and papers that are directly pertinent to

SAMPLE

the performance of the services. Such access must be provided to MCHCP and, upon execution of a confidentiality agreement, to any independent auditor or consultant acting on behalf of MCHCP; and any other entity designated by MCHCP. PBM agrees to provide the access described wherever PBM maintains such books, records, and supporting documentation. Further, PBM agrees to provide such access in reasonable comfort and to provide any furnishings, equipment, or other conveniences deemed reasonably necessary to fulfill the purposes described in this section. PBM shall require its subcontractors to provide comparable access and accommodations. MCHCP shall have the right, at reasonable times and at a site designated by MCHCP, to audit the books, documents and records of PBM to the extent that the books, documents and records relate to costs or pricing data for this Contract. PBM agrees to maintain records which will support the prices charged and costs incurred for performance of services performed under this Contract. Also, PBM must furnish all information necessary for MCHCP to comply with all state and/or federal regulations. To the extent described herein, PBM shall give full and free access to all records to MCHCP and/or their authorized representatives.

4.5 Financial Record Audit and Retention: PBM agrees to maintain, and require its subcontractors to maintain, supporting financial information and documents that are adequate to ensure the accuracy and validity of PBM's invoices. Such documents will be maintained and retained by PBM or its subcontractors for a period of ten (10) years after the date of submission of the final billing or until the resolution of all audit questions, whichever is longer. PBM agrees to timely repay any undisputed audit exceptions taken by MCHCP in any audit of this Contract.

4.6 Response/Compliance with Audit or Inspection Findings: PBM must take action to ensure its or its subcontractors' compliance with or correction of any finding of noncompliance with any law, regulation, audit requirement, or generally accepted accounting principle relating to the services or any other deficiency contained in any audit, review, or inspection. This action will include PBM's delivery to MCHCP, for MCHCP's approval, a corrective action plan that addresses deficiencies identified in any audit(s), review(s), or inspection(s) within thirty (30) calendar days of the close of the audit(s), review(s), or inspection(s).

4.7 Inspections: Upon notice from MCHCP, PBM will provide, and will cause its subcontractors to provide, such auditors and/or inspectors as MCHCP may from time to time designate, with access to PBM service locations, facilities, or installations. The access described in this section shall be for the purpose of performing audits or inspections of the Services and the business of MCHCP. PBM must provide as part of the services any assistance that such auditors and inspectors reasonably may require to complete such audits or inspections.

5 Scope of Work

5.1 Administrative Services: PBM shall provide pharmacy benefit manager services for a self-insured prescription health plan for the members of MCHCP in accordance with the provisions and requirements of this Contract on behalf of MCHCP. PBM must administer benefits as determined by MCHCP. MCHCP benefits and services are promulgated by rule in Title 22 of the Missouri Code of State Regulations. PBM is obligated to follow the performance standards as outlined in this contract, including but not limited to Exhibit 4.

5.2 Coordination with Business Associates: PBM shall coordinate, cooperate, and electronically exchange information with MCHCP's business associates as identified by MCHCP necessary to

implement benefit design. Necessary information can include, but is not limited to, the deductible and out-of-pocket accumulators, participation in care management, or referral for disease management. Frequency of electronically exchanged information can be daily.

5.2.1 PBM shall work with MCHCP's contracted high deductible health plan (HDHP) administrator(s) (currently Anthem Blue Cross Blue Shield) to coordinate deductible and out-of-pocket accumulations. This requires PBM to send a daily file to MCHCP's contracted HDHP administrator(s), and to accept a daily file from the contracted HDHP administrator(s), for the purpose of adjudicating and applying claims to a member's deductible and out-of-pocket maximum in real time.

5.3 Account Management: PBM shall establish and maintain throughout the term of the contract an account management team that will work directly with MCHCP staff. This team must include but is not limited to a dedicated account executive, a customer service manager, a registered pharmacist, and a management information system representative. MCHCP prefers that the account team be officed within the State of Missouri. Approval of the account management team rests with MCHCP. The account executive and service representative(s) will deal directly with MCHCP's benefit administration staff. The account management team must:

5.3.1 Be able to devote the time needed to the account, including being available for frequent telephone and semi-annual consultation with MCHCP. Dedicated account team members may service other accounts but must consistently be available to MCHCP.

5.3.2 Be extremely responsive.

5.3.3 Be comprised of individuals with specialized knowledge of PBM's networks, claims and eligibility systems, system reporting capabilities, claims adjudication policies and procedures, administrative services, and relations with third parties.

5.3.4 Be thoroughly familiar with virtually all of PBM's functions that relate directly or indirectly to the MCHCP account.

5.3.5 Be able to effectively advance the interest of MCHCP through PBM's corporate structure.

5.4 Meetings: MCHCP requires PBM to meet with MCHCP staff and/or Board of Trustees at least quarterly to discuss the status of the MCHCP account in terms of utilization patterns and costs, as well as to propose new ideas that may benefit MCHCP and its members. These meetings will take place at the MCHCP office or virtually if in-person meetings are not possible.

5.4.1 PBM is expected to present actual MCHCP claims experience and offer suggestions as to ways the benefit could be modified in order to reduce costs and/or improve the health of MCHCP members. Suggestions must be modeled against actual MCHCP membership and claims experience to determine the financial impact as well as the number of members affected.

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5.4.2 PBM must also present benchmark data by using the PBM's entire book of business, a large subset of comparable clients to MCHCP, or some other industry norm.

5.4.3 The data must be separated between Commercial and EGWP populations. The Commercial population must be separated between active employees and retirees.

5.5 Customer Service: PBM must provide a high quality customer service unit. PBM staff members must be fully trained in the MCHCP benefit design, and PBM must have the ability to track and report performance in terms of telephone response time, call abandonment rate, and the number of inquiries made by type. MCHCP may request copies of this performance report.

5.6 Customer Satisfaction: PBM must conduct a member satisfaction survey annually using a statistical random sample of MCHCP members representative of the population. The timeframe for conducting and reporting the survey shall be mutually agreed upon by PBM and MCHCP. A separate survey must be conducted for the Commercial and EGWP populations.

5.7 Implementation: A final implementation schedule must be agreed to by MCHCP and PBM within thirty (30) days of the contract award.

5.7.1 At a minimum, the timeline must include the required dates for the following activities:

5.7.1.1 Training key staff;

5.7.1.2 Detailed benefit setup;

5.7.1.3 Testing of eligibility file transfer;

5.7.1.4 Acceptable date for final eligibility file;

5.7.1.5 ID card production and distribution;

5.7.1.6 Testing file transmission to MCHCP's data warehouse vendor;

5.7.1.7 Enrollment kit printing;

5.7.1.8 Finalization of formulary, prior authorization list, step therapy, quantity level limits, and other clinical programs; and

5.7.1.9 Plan for transitioning mail order and specialty refills from incumbent.

5.7.2 PBM must have a customer service unit in place to answer member inquiries during open enrollment. Note: Open enrollment is anticipated to be October 1-31, with coverage effective January 1, the following calendar year. At a minimum, the customer service unit must timely and accurately address network and benefit issues, including formulary content.

5.7.3 PBM must accept and load all open mail order and specialty pharmacy refills, prior authorization histories and up to twelve months of historical claims data at no additional cost to MCHCP.

SAMPLE

5.7.4 PBM must work with MCHCP to develop a schedule for testing of the electronic eligibility file. The expectation is that testing is completed 60 days prior to the effective date of the contract. PBM must accept a final eligibility file no later than 30 days prior to the contract effective date.

5.8 Toll-Free Telephone Line: PBM shall maintain a toll-free telephone line to provide prompt access for members and providers to qualified customer service personnel, including at least one registered pharmacist. Live customer service personnel must be available 24 hours a day, seven days a week.

5.9 ID Cards: By December 20, 2021, PBM must provide identification cards to all members that will be effective on January 1, 2022 unless the member already has been issued a valid identification card. For members effective after January 1, 2022, PBM must provide membership identification cards prior to the effective date of coverage, or within 15 working days of receipt by PBM of the enrollment or status change notice from MCHCP, whichever date is latest. Upon a member's request, PBM shall issue and mail a membership identification card within two business days of the request. PBM shall re-card the entire population should a benefit change or other change in operation result in the identification card in the member's possession becoming obsolete.

5.10 Communications: MCHCP reserves the right to review and approve all written communications and marketing materials developed and used by PBM to communicate specifically with MCHCP members at any time during the contract period. This does not refer to items such as provider directories and plan-wide newsletters as long as they do not contain information on eligibility, enrollment, benefits, rates, etc., which MCHCP must review. Notwithstanding the foregoing, nothing herein prohibits PBM from communicating directly with members in the regular course of providing services under the Contract (e.g., responding to member inquiries, etc.).

5.10.1 PBM must provide an EGWP communication timeline that aligns with CMS requirements. Member communications must be customized and that customization must meet CMS requirements for EGWP.

5.11 Quality Assurance Program: PBM must provide a quality assurance program. The program must contain, at a minimum, the following attributes:

5.11.1 Each prescription reviewed by a licensed pharmacist;

5.11.2 Tracking abusive providers and members;

5.11.3 Using methods that meet or exceed industry standards, auditing the internal dispensing and utilization procedures of participating pharmacies; and

5.11.4 Employ a system that meets or exceeds industry standards (for a large governmental sector) for preventing, detecting, and reporting both actual and patterns of fraud and abuse. In addition, PBM must report its results to MCHCP at least quarterly.

5.12 Pharmacy Network: PBM must provide and maintain a broad Missouri and national retail pharmacy network(s) for MCHCP members. The network(s) must be available to members

SAMPLE

throughout the United States. PBM shall notify MCHCP within five business days if the network geographic access changes from what was proposed by PBM during the RFP process. PBM shall maintain a network(s) that is sufficient in number and types of providers to assure that all services will be accessible without unreasonable delay.

5.12.1 PBM shall have a process for monitoring and ensuring on an ongoing basis the sufficiency of the network(s) to meet the needs of the enrolled members. In addition to looking at the needs from an overall member population standpoint, PBM shall ensure the network(s) is able to address the needs of those with special needs including but not limited to, visually or hearing impaired, limited English proficiency and low health literacy.

5.12.2 PBM must credential participating pharmacies to ensure the quality of the network(s).

5.12.3 PBM must contract with participating pharmacies, including negotiating pricing arrangements to optimize ingredient cost discounts while at the same time assuring adequate access to participating pharmacies.

5.12.4 PBM shall agree to provide written notice to MCHCP and then to affected members when a provider who fills a substantial number of scripts in PBM's book of business within the previous 180 days leaves the network. The notice must be sent at least 31 days prior to the termination or non-renewal or as soon as possible after non-renewal or termination.

5.12.5 PBM must offer retail pharmacies an opportunity to provide mail order benefits at retail provided the pharmacy agrees to accept pricing equivalent to mail order rates.

5.12.6 PBM must provide, for the management of patients with targeted specialty disease states (e.g. Hemophilia, Rheumatoid Arthritis).

Mail Order Pharmacy: PBM must provide a mail order pharmacy program that is fully integrated with the retail network(s) in terms of on-line real-time adjudication and Drug Utilization Review (DUR).

5.12.7 For mail order service, PBM shall at a minimum track the dates the prescription or refill request was received, filled, and mailed. MCHCP requires that prescriptions requiring no intervention be shipped within two (2) business days of receipt. Prescriptions requiring intervention must be shipped within five (5) business days of receipt. For purposes of this provision, the mail service will be assumed to have a seven day work week, excluding legal holidays.

5.12.8 All mail order claims will be priced based on the original package size, defined as the quantity as originally purchased for the mail order facility before re-packaging in smaller quantities.

5.12.9 PBM 's mail order pharmacies shall not accept manufacturer-sponsored coupons.

SAMPLE

Specialty Pharmacy: PBM must provide a specialty pharmacy program.

5.13 Benefit Administration: PBM must administer benefits as determined by MCHCP, in terms of covered drugs and member responsibility, in accordance with all applicable federal and state laws and regulations. MCHCP benefits and services are promulgated by rule in Title 22 of the Missouri Code of State Regulations. PBM must administer a plan to commercial members and a separate CMS Part D Medicare Prescription Drug plan as an employer group waiver plan (EGWP) with wrap-around coverage to those enrolled in MCHCP's Medicare Advantage Plan.

5.13.1 PBM must be able to administer a multi-tiered co-payment structure, deductible/coinsurance structure, or any other benefit structure developed by MCHCP. MCHCP will consult with PBM regarding the final benefit structure, but maintains authority on the final design.

5.13.2 PBM must provide a formulary consisting of the most cost effective drugs within various therapeutic or pharmacological classes of drugs. MCHCP reserves the right to approve the final list of drugs included on the formulary and any changes throughout the contract period.

5.13.3 PBM must be able to implement changes to the program within 60 days of notification. This may include, but is not limited to, copayment changes, formulary changes, and/or changes in the prior authorization list. These changes are expected to be infrequent and many would likely be implemented at the beginning of a new plan year.

5.13.4 PBM must conduct internal appeals in accordance with requirements provided in the Patient Protection and Affordability Care Act and implementing regulations as well as requirements provided in State law and regulations.

5.13.5 PBM must notify MCHCP by June 1st of any anticipated drug exclusions planned for the following calendar year and that MCHCP may reject the annual formulary suggested change with no changes to the stated financials during the lifetime of the contract. Any proposed changes may only improve the rebate guarantees. The contractor must provide the names of the medications and the impact to MCHCP of the drug exclusions by August 1st.

5.13.6 PBM must agree that PBM's organization must never switch for a medication with a lower ingredient cost to a higher ingredient cost regardless of rebate impact without MCHCP's approval.

5.13.7 PBM must administer the EGWP on a self-insured basis, with pass-back to MCHCP of all third party funding sources including CMS direct subsidies, pharmaceutical coverage gap discounts, CMS catastrophic reinsurance, and CMS low income subsidies.

5.13.8 There must be no limitations on data that is required by MCHCP for the purposes of analyzing pharmacy costs and utilization (retail, mail or specialty).

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5.13.9 PBM must administer the MCHCP pharmacy benefits, both Commerical and EGWP, on a carve out basis.

5.13.10 Prior to January 1 of each Plan year, PBM shall implement any eligibility, plan design and benefit changes as directed by MCHCP.

5.14 Appeals: PBM shall conduct all grievances and internal appeals filed by MCHCP members in accordance with applicable state and federal laws and regulations, including but not limited to rules promulgated by MCHCP. Contractor agrees to participate in any review, appeal, fair hearing or litigation involving issues related to services provided under this Contract if, and to the extent, MCHCP deems necessary.

5.15 Electronic Transmission Protocols: PBM and all subcontractors will maintain encryption standards of 1024 bit encryption or higher for the encryption of confidential information for transmission via non secure methods including File Transfer Protocol or other use of the Internet.

5.16 Information Technology and Eligibility File: PBM shall be able to accept all MCHCP eligibility information on a weekly basis utilizing the ASC X12N 834 (005010X095A1) transaction set. MCHCP will supply this information in an electronic format and PBM must process such information within 24 hours of receipt. PBM must provide a technical contact that will provide support to MCHCP Information Technology Department for EDI issues.

5.16.1 It is MCHCP's intent to send a transactional based eligibility file weekly and a periodic full eligibility reconciliation file.

5.16.2 MCHCP will provide a recommended data mapping for the 834 transaction set to PBM.

5.16.3 After processing each file, PBM will provide a report that lists any errors and exceptions that occurred during processing. The report will also provide record counts, error counts and list the records that had an error, along with an error message to indicate why it failed. A list of the conditions PBM audits will be provided to ensure the data MCHCP is sending will pass PBM's audit tests.

5.16.4 PBM shall provide access to view data on their system to ensure the file MCHCP sends is correctly updating PBM's system.

5.16.5 PBM will supply a data dictionary of the fields MCHCP is updating on their system and the allowed values for each field.

5.16.6 PBM shall provide MCHCP with a monthly file ("eligibility audit file") in a mutually agreed upon format of contractor's eligibility records for all MCHCP members. Such file shall be utilized by MCHCP to audit contractor's records. Such eligibility audit file shall be provided to MCHCP no later than the second Thursday of each month.

5.17 Website: PBM must have an active, current website that is updated regularly. MCHCP members must be able to access this site to obtain current listings of network providers, print ID card, review benefits and plan design, review explanation of benefits, check status of deductibles, maximums or limits, obtain a history of pharmacy claims, perform price

SAMPLE

comparison of drugs between pharmacies, map provider locations, complete satisfaction surveys and other information. If MCHCP discovers that provider information contained at PBM's website is inaccurate, MCHCP will contact PBM immediately. PBM must correct inaccuracies within 10 days of being notified by MCHCP or when PBM discovers the inaccuracy.

5.17.1 PBM must be able to support single sign-on from MCHCP's Member Portal to PBM's Member Portal utilizing Security Assertion Markup Language (SAML).

5.18 Access to PBM System: PBM shall provide at no cost to MCHCP direct on-line, real time access to PBM's system for the purpose of updating eligibility and member enrollment verification on an as-needed basis. PBM must provide training on the system at MCHCP's office no later than December 1, 2021.

5.19 Clinical Management: PBM shall integrate and coordinate the following types of services in order to utilize health care resources and achieve optimum patient outcome in the most cost effective manner: utilization management including prior authorization and concurrent, retrospective, and prospective drug utilization review, step therapy, quantity level limits, pharmacy and therapeutics committee review of formulary and other clinical components of pharmacy management.

5.19.1 PBM shall use documented clinical review criteria that are based on sound clinical evidence and are evaluated periodically to assure ongoing efficacy. PBM may develop its own clinical review criteria, or may purchase or license clinical review criteria from qualified vendors. PBM shall make available its clinical review criteria upon request.

5.19.2 PBM shall provide physician-to-pharmacist and pharmacist-to-pharmacist communications.

5.19.3 Utilization management services shall be conducted by appropriately licensed personnel with the expertise in the services being reviewed.

5.19.4 PBM shall obtain all information required to make a utilization review decision, including pertinent clinical information. PBM shall have a process to ensure that utilization reviewers apply clinical review criteria consistently.

5.19.5 PBM shall provide a toll-free telephone number and adequate lines for plan members and providers to access the utilization management program.

5.20 Claims Payment: PBM shall process claims utilizing the contracted discount arrangements negotiated with participating providers. PBM shall process 99.5% of all retail and mail scripts without monetary errors.

5.20.1 PBM shall agree that if a claims payment platform change occurs throughout the course of the contract, MCHCP reserves the right to delay implementation of the new system for MCHCP members until a commitment can be made by PBM that transition will be without significant issues. This may include requiring PBM to put substantial fees at risk and/or agree to an implementation audit related to these services to ensure a smooth transition.

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5.20.2 PBM must have the capability to process out-of-network claims for those members using non-participating pharmacies and/or for coordination of benefits.

5.20.3 PBM must be able to coordinate benefits in accordance with MCHCP regulations.

5.21 Services Beyond Contract Termination: At contract termination, MCHCP requires PBM to continue to perform the duties listed below for the stated time period following termination. No additional compensation other than terms and conditions agreed to in the contract will be given for continuation of these activities.

5.21.1 Paper processing for out-of-network claims that were incurred while the contract was in place for two years following contract termination

5.21.2 Monthly claim file submissions to MCHCP's data vendor (currently IBM Watson Health) for one year following contract termination

5.21.3 Processing all prescriptions received in the mail order facility prior to contract termination using existing time frames

5.22 Performance Standards: Performance standards are outlined in Exhibit 4. PBM shall agree that any liquidated damages assessed by MCHCP shall be in addition to any other equitable remedies allowed by the contract or awarded by a court of law including injunctive relief. PBM shall agree that any liquidated damages assessed by MCHCP shall not be regarded as a waiver of any requirements contained in this contract or any provision therein, nor as a waiver by MCHCP of any other remedy available in law or in equity. Contractors are required to utilize the Enrollment Advisors Vendor Manager product that allows contractors to self-report compliance and non-compliance with performance guarantees. Unless otherwise specified, all performance guarantees are to be measured quarterly, reconciled quarterly and any applicable penalties paid annually. MCHCP reserves the right to audit performance standards for compliance.

6 REPORTING

6.1 Reporting Requirements: PBM shall provide monthly claims and utilization data to MCHCP and/or MCHCP's decision support system vendor (currently IBM Watson Health) in a format specified by MCHCP with the understanding that the data shall be owned by MCHCP. The PBM shall:

6.1.1 Provide data in an electronic format and within a timeframe specified by MCHCP.

6.1.2 Place no restraints on use of the data provided MCHCP has in place procedures to protect the confidentiality of the data consistent with HIPAA requirements; and

6.1.3 This obligation continues for a period of one year following contract termination

6.1.4 Pay applicable fees associated with data format changes due to contractor-initiated or regulatory compliance requirements.

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6.2 Third Party Vendor: MCHCP reserves the right to retain a third party contractor (currently IBM Watson Health) to receive the data from PBM and store the data on MCHCP's behalf. This includes a full claim file including, but not limited to, all financial, demographic and utilization fields. PBM agrees to cooperate with MCHCP's designated third party contractor, if applicable, in the fulfillment of PBM's duties under this contract, including the provision of data as specified without constraint on its use.

6.3 Online Reporting: PBM must provide an online reporting utility that allows MCHCP to run reports and download report results in a manipulatable format (Microsoft Excel, for example).

6.4 Appeals Reporting: Contractor must provide monthly appeals reporting. (MCHCP and PBM will negotiate format and content upon award of this contract.) Additionally, contractor shall copy MCHCP on adverse benefit determination (ABD) letters issued by PBM.

6.5 Standard Reporting: At the request of MCHCP, PBM shall submit standard reports to MCHCP on a monthly, quarterly, and/or annual basis. (MCHCP and PBM will negotiate the format, content and timing upon award of this contract.)

6.6 Ad Hoc Reporting: At the request of MCHCP, PBM shall submit additional ad hoc reports on information and data readily available to PBM. If any reports are substantially different from the reports agreed upon, fair and equitable compensation will be negotiated with PBM.

7 CANCELLATION, TERMINATION OR EXPIRATION

7.1 MCHCP's rights Upon Termination or Expiration of Contract: If this Contract is terminated, MCHCP, in addition to any other rights provided under this Contract, may require PBM to transfer title and deliver to MCHCP in the manner and to the extent directed, any completed materials. MCHCP shall be obligated only for those services and materials rendered and accepted prior to termination.

7.2 Termination for Cause: MCHCP may terminate this Contract, or any part of this Contract, for cause under any one of the following circumstances: 1) PBM fails to make delivery of goods or services as specified in this Contract; 2) PBM fails to satisfactorily perform the work specified in this Contract; 3) PBM fails to make progress so as to endanger performance of this Contract in accordance with its terms; 4) PBM breaches any provision of this Contract; 5) PBM assigns this Contract without MCHCP's approval; or 6) Insolvency or bankruptcy of PBM. MCHCP shall have the right to terminate this Contract, in whole or in part, if MCHCP determines, at its sole discretion, that one of the above listed circumstances exists. In the event of termination, PBM shall receive payment prorated for that portion of the contract period services were provided to and/or goods were accepted by MCHCP, subject to any offset by MCHCP for actual damages including loss of any federal matching funds. PBM shall be liable to MCHCP for any reasonable excess costs for such similar or identical services included within the terminated part of this Contract.

7.3 Termination Right: Notwithstanding any other provisions, MCHCP reserves the right to terminate this Contract at the end of any month by giving thirty (30) days' notice, without penalty.

7.4 Termination by Mutual Agreement: The parties may mutually agree to terminate this Contract or any part of this Contract at any time. Such termination shall be in writing and shall be effective as of the date specified in such agreement.

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7.5 Arbitration, Damages, Warranties: Notwithstanding any language to the contrary, no interpretation shall be allowed to find MCHCP has agreed to binding arbitration, or the payment of damages or penalties upon the occurrence of a contingency. Further, MCHCP shall not agree to pay attorney fees and late payment charges beyond those available under this Contract, and, if applicable, no provision will be given effect which attempts to exclude, modify, disclaim or otherwise attempt to limit implied warranties of merchantability and fitness for a particular purpose.

7.6 Rights and Remedies: If this Contract is terminated, MCHCP, in addition to any other rights provided for in this Contract, may require PBM to deliver to MCHCP in the manner and to the extent directed, any completed materials. In the event of termination, PBM shall receive payment prorated for that portion of the contract period services were provided to and/or goods were accepted by MCHCP subject to any offset by MCHCP for actual damages. The rights and remedies of MCHCP provided for in this Contract shall not be exclusive and are in addition to any other rights and remedies provided by law.

THE UNDERSIGNED PERSONS REPRESENT AND WARRANT THAT WE ARE LEGALLY FREE TO ENTER THIS AGREEMENT, OUR EXECUTION OF THIS AGREEMENT HAS BEEN DULY AUTHORIZED, AND OUR SIGNATURES BELOW SIGNIFY OUR CONSENT TO BE BOUND TO THE FOREGOING TERMS AND CONDITIONS.

Missouri Consolidated Health Care Plan	**PBM**
By: _____	By: _____
Title: Executive Director	Title: _____
Date: _____	Date: _____

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EXHIBIT A-8
BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("Agreement") between the Missouri Consolidated Health Care Plan (hereinafter "Covered Entity" or "MCHCP") and Pharmacy Benefit Manager. (hereinafter "Business Associate") is entered into as a result of the business relationship between the parties in connection with services requested and performed in accordance with the Pharmacy Benefit Manager RFP ("RFP") and under Contract *#2022-PBM*, as renewed and amended, (hereinafter the "Contract").

This Agreement supersedes all other agreements, including any previous business associate agreements, between the parties with respect to the specific matters addressed herein. In the event the terms of this Agreement are contrary to or inconsistent with any provisions of the Contract or any other agreements between the parties, this Agreement shall prevail, subject in all respects to the Health Insurance Portability and Accountability Act of 1996, as amended (the "Act"), and the HIPAA Rules, as defined in Section 2.1 below.

1 **Purpose**.

The Contract is for Pharmacy benefit Manager Services.

The purpose of this Agreement is to comply with requirements of the Act and the implementing regulations enacted under the Act, 45 CFR Parts 160 - 164, as amended, to the extent such laws relate to the obligations of business associates, and to the extent such laws relate to obligations of MCHCP in connection with services performed by Business Associate for or on behalf of MCHCP under the Contract. This Agreement is required to allow the parties to lawfully perform their respective duties and maintain the business relationship described in the Contract.

2 **Definitions**.

2.1 For purposes of this Agreement:

"Business Associate" shall generally have the same meaning as the term "business associate" at 45 CFR § 160.103, and in reference to this Agreement, shall mean Pharmacy Benefit Manager.

"Covered Entity" shall generally have the same meaning as the term "covered entity" at 45 CFR § 160.103, and in reference to this Agreement, shall mean MCHCP.

"HIPAA Rules" shall mean the Privacy, Security, Breach Notification, and Enforcement Rules set forth in 45 CFR Parts 160 and 164, as amended.

2.2 Unless otherwise expressly stated in this Agreement, all words, terms, specifications, and requirements used or referenced in this Agreement which are defined in the HIPAA Rules shall have the same meanings as described in the HIPAA Rules, including but not limited to: breach; data aggregation; designated record set; disclose or disclosure; electronic media; electronic protected health information ("ePHI"); family member; genetic information; health care; health information; health care operations; individual; individually identifiable health information; marketing; minimum necessary; notice of privacy practices; person; protected health information ("PHI"); required by law;

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Secretary; security incident; standard; subcontractor; transaction; unsecured PHI; use; violation or violate; and workforce.

2.3 To the extent a term is defined in the Contract and this Agreement, the definition in this Agreement, subject in all material respects to the HIPAA Rules, shall govern.

2.4 Notwithstanding the forgoing, for ease of reference throughout this Agreement, Business Associate understands and agrees that wherever PHI is referenced in this Agreement, it shall be deemed to include all MCHCP-related PHI in any format or media including paper, recordings, electronic media, emails, and all forms of MCHCP-related ePHI in any data state, be it data in motion, data at rest, data in use, or otherwise.

3 **Obligations and Activities of Business Associate**.

3.1 Business Associate agrees to not use or disclose PHI other than as permitted or required by this Agreement or as required by law.

3.2 Appropriate Safeguards. Business Associate agrees to implement, maintain, and use appropriate administrative, physical, and technical safeguards, and fully comply with all applicable standards, implementation specifications, and requirements of Subpart C of 45 CFR Part 164 with respect to ePHI, in order to: (i) ensure the confidentiality, integrity, and availability of ePHI created, received, maintained, or transmitted; (ii) protect against any reasonably anticipated threats or hazards to the security or integrity of such information; and (iii) protect against use or disclosure of ePHI by Business Associate, its workforce, and its subcontractors other than as provided for by this Agreement.

3.3 Subcontractors. Pursuant to §§ 164.308(b)(2) and 164.502(e)(1)(ii), Business Associate agrees it will not permit any subcontractors to create, receive, access, use, maintain, disclose, or transmit PHI in connection with, on behalf of, or under the direction of Business Associate in connection with performing its duties and obligations under the Contract unless and until Business Associate obtains satisfactory assurances in the form of a written contract or written agreement in accordance with §§ 164.504(e) and 164.314(a)(2) that the subcontractor(s) will appropriately safeguard PHI and in all respects comply with the same restrictions, conditions, and requirements applicable to Business Associate under the HIPAA Rules and this Agreement with respect to such information.

In addition to the forgoing, and in accordance with the Contract, Business Associate agrees it will not permit any subcontractor, or use any off-shore entity, to perform services under the Contract, including creation, use, storage, or transmission of PHI at any location(s) outside of the United States.

3.4 Reports to MCHCP. Business Associate agrees to report any use or disclosure of PHI not authorized or provided for by this Agreement, including breaches of unsecured PHI and any security incident involving MCHCP to MCHCP in accordance with the notice provisions prescribed in this Section 3.4. For purposes of the security incident reporting requirement, the term "security incident" shall not include inconsequential incidents that occur on a daily basis, such as scans, "pings," or other unsuccessful attempts to penetrate computer networks or servers containing ePHI maintained or transmitted by Business Associate.

3.4.1 The notice shall be delivered to, and confirmed received by, MCHCP without unreasonable delay, but in any event no later than three (3) business days of Business Associate's first discovery, as discovery is described under § 164.410, of the unauthorized use or disclosure, breach of unsecured PHI, or security incident.

3.4.2 The notice shall be in writing and sent to both of the following MCHCP workforce members and deemed delivered only upon personal confirmation, acknowledgement or receipt in any form, verbal or written, from one of the designated recipients:

- MCHCP's Privacy Officer → currently, Jennifer Stilabower, (573) 522-3242, Jennifer.Stilabower@mchcp.org, 832 Weathered Rock Court, Jefferson City, MO 65101

- MCHCP's Security Officer → currently, Bruce Lowe, (573) 526-3114, Bruce.Lowe@mchcp.org, 832 Weathered Rock Court, Jefferson City, MO 65101

If, and only if, Business Associate receives an email or voicemail response indicating neither of the intended MCHCP recipients are available and no designee(s) confirm receipt within eight (8) business hours on behalf of one or both of the above-named MCHCP Officers, Business Associate shall forward the written notice to their primary MCHCP contact with copies to the Privacy and Security Officers for documentation purposes.

3.4.3 The notice shall include to the fullest extent possible:

a) a detailed description of what happened, including the date, time, and all facts and circumstances surrounding the unauthorized use or disclosure, breach of unsecured PHI, or security incident;

b) the date, time, and circumstances surrounding when and how Business Associate first became aware of the unauthorized use or disclosure, breach of unsecured PHI, or security incident;

c) identification of each individual whose PHI has been, or is reasonably believed by Business Associate to have been involved or otherwise subject to possible breach;

d) a description of all types of PHI known or potentially believed to be involved or affected;

e) identification of any and all unauthorized person(s) who had access to or used the PHI or to whom an unauthorized disclosure was made;

f) all decisions and steps Business Associate has taken to date to investigate, assess risk, and mitigate harm to MCHCP and all potentially affected individuals;

g) contact information, including name, position or title, phone number, email address, and physical work location of the individual(s) designated by Business Associate to act as MCHCP's primary contact for purposes of the notice triggering event(s);

h) all corrective action steps Business Associate has taken or shall take to prevent future similar uses, disclosures, breaches, or incidents;

i) if all investigatory, assessment, mitigation, or corrective action steps are not complete as of the date of the notice, Business Associate's best estimated timeframes for completing each planned but unfinished action step; and

j) any action steps Business Associate believes affected or potentially affected individuals should take to protect themselves from potential harm resulting from the matter.

3.4.4 Business Associate agrees to cooperate with MCHCP during the course of Business Associate's investigation and risk assessment and to promptly and regularly update MCHCP in writing as supplemental information becomes available relating to any of the items addressed in the notice.

3.4.5 Business Associate further agrees to provide additional information upon and as reasonably requested by MCHCP; and to take any additional steps MCHCP reasonably deems necessary or advisable to comply with MCHCP's obligations as a covered entity under the HIPAA Rules.

3.4.6 Business Associate expressly acknowledges the presumption of breach with respect to any unauthorized acquisition, access, use, or disclosure of PHI, unless Business Associate is able to demonstrate otherwise in accordance with § 164.402(2), in which case, Business Associate agrees to fully document its assessment and all factors considered and provide MCHCP no later than ten (10) calendar days following Business Associate's discovery with its complete written risk assessment, conclusion reached, and all documentation supporting a conclusion that the unauthorized acquisition, access, use, or disclosure of PHI presents a low probability that PHI has been compromised.

3.4.7 The parties agree to work together in good faith, making every reasonable effort to reach consensus regarding whether a particular circumstance constitutes a breach or otherwise warrants notification, publication, or reporting to any affected individual, government body, or the public and also the appropriate means and content of any notification, publication, or report. Notwithstanding the foregoing, all final decisions involving questions of breach of PHI shall be made by MCHCP, including whether a breach has occurred, and any notification, publication, or public reporting required or reasonably advisable under the HIPAA Rules and MCHCP's Notice of Privacy Practices based on all objective and verifiable information provided to MCHCP by Business Associate under this Section 3.4

3.4.8 Business Associate agrees to bear all reasonable and actual costs associated with any notifications, publications, or public reports relating to breaches by Business Associate, any subcontractor of Business Associate, and any employee or workforce member of Business Associate and/or its subcontractors, as MCHCP deems necessary or advisable.

3.5 Confidential Communications. Business Associate agrees it will promptly implement and honor individual requests to receive PHI by alternative means or at an alternative location provided such

request has been directed to and approved by MCHCP in accordance with § 164.522(b) applicable to covered entities. If Business Associate receives a request for confidential communications directly from an individual, Business Associate agrees to refer the individual, and promptly forward the individual's request, to MCHCP so that MCHCP can assess, accommodate, and coordinate reasonable requests of this nature in accordance with the HIPAA Rules and prepare a timely response to the individual.

3.6 Individual Access to PHI. If an individual requests access to PHI under § 164.524, Business Associate agrees it will make all PHI about the individual which Business Associate created or received for or from MCHCP that is in Business Associate's custody or control available in a designated record set to MCHCP or, at MCHCP's direction, to the requesting individual or his or her authorized designee, in order to satisfy MCHCP's obligations as follows:

3.6.1 If Business Associate receives a request for individual PHI in a designated record set from MCHCP, Business Associate will provide the requested information to MCHCP within five (5) business days from the date of the request in a readily accessible and readable form and manner or as otherwise reasonably specified in the request.

3.6.2 If Business Associate receives a request for PHI in a designated record set directly from an individual current or former MCHCP member, Business Associate will require that the request be made in writing and will also promptly notify MCHCP that a request has been made verbally. If the individual submits a written request for PHI in a designated record set directly to Business Associate, no later than five (5) business days thereafter, Business Associate shall provide MCHCP with: (i) a copy of the individual's request to MCHCP for purposes of determining an appropriate response to the request; (ii) the designated record sets in Business Associate's custody or control that are subject to access by the requesting individual(s) requested in the form and format requested by the individual if it is readily producible in such form and format, or if not, in a readable hard copy form; and (iii) the titles of the persons or offices responsible for receiving and processing requests for access by individual(s). MCHCP will direct Business Associate in writing within five (5) business days following receipt of the information described in (i), (ii), and (iii) of this subsection 3.6.2 whether Business Associate should send the requested designated data set directly to the individual or whether MCHCP will forward the information received from Business Associate as part of a coordinated response or if for any reason MCHCP deems the response should be sent from MCHCP or another Business Associate acting on behalf of MCHCP. If Business Associate is directed by MCHCP to respond directly to the individual, Business Associate agrees to provide the designated record set requested in the form and format requested by the individual if it is readily producible in such form and format; or, if not, in a readable hard copy form or such other form and format as agreed to by Business Associate and the individual. Business Associate will provide MCHCP's Privacy Officer with a copy of all responses sent to individuals pursuant to § 164.524 and the directives set forth in this subsection 3.6.2 for MCHCP's compliance and documentation purposes.

3.7 Amendments of PHI. Business Associate agrees it will make any amendment(s) to PHI in a designated record set as directed or agreed to by MCHCP pursuant to § 164.526, and take other measures as necessary and reasonably requested by MCHCP to satisfy MCHCP's obligations under § 164.526.

3.7.1 If Business Associate receives a request directly from an individual to amend PHI created by Business Associate, received from MCHCP, or otherwise within the custody or control of Business Associate at the time of the request, Business Associate shall promptly refer the individual to MCHCP's Privacy Officer, and, if the request is in writing, shall forward the individual's request three (3) business days to MCHCP's Privacy Officer so that MCHCP can evaluate, coordinate and prepare a timely response to the individual's request.

3.7.2 MCHCP will direct Business Associate in writing as to any actions Business Associate is required to take with regard to amending records of individuals who exercise their right to amend PHI under the HIPAA Rules. Business Associate agrees to follow the direction of MCHCP regarding such amendments and to provide written confirmation of such action within seven (7) business days of receipt of MCHCP's written direction or sooner if such earlier action is required to enable MCHCP to comply with the deadlines established by the HIPAA Rules.

3.8 PHI Disclosure Accounting. Business Associate agrees to document, maintain, and make available to MCHCP within seven (7) calendar days of a request from MCHCP for all disclosures made by or under the control of Business Associate or its subcontractors that are subject to accounting, including all information required, under § 164.528 to satisfy MCHCP's obligations regarding accounting of disclosures of PHI.

3.8.1 If Business Associate receives a request for accounting directly from an individual, Business Associate agrees to refer the individual, and promptly forward the individual's request, to MCHCP so that MCHCP can evaluate, coordinate and prepare a timely response to the individual's request.

3.8.2 In addition to the provisions of 3.8.1, all PHI accounting requests received by Business Associate directly from the individual shall be acted upon by Business Associate as a request from MCHCP for purposes of Business Associate's obligations under this section. Unless directed by MCHCP to respond directly to the individual, Business Associate shall provide all accounting information subject to disclosure under § 164.528 to MCHCP within seven (7) calendar days of the individual's request for accounting.

3.9 Privacy of PHI. Business Associate agrees to fully comply with all provisions of Subpart E of 45 CFR Part 164 that apply to MCHCP to the extent Business Associate has agreed or assumed responsibilities under the Contract or this Agreement to carry out one or more of MCHCP's obligation(s) under 45 CFR Part 164 Subpart E.

3.10 Internal Practices, Books, and Records. Upon request of MCHCP or the Secretary, Business Associate will make its internal practices, books, and records relating to the use and disclosure of PHI received from, or created or received by Business Associate on behalf of MCHCP available to MCHCP and/or the Secretary in a time and manner designated by MCHCP or the Secretary for purposes of determining MCHCP's and/or Business Associate's compliance with the HIPAA Rules.

4 **Permitted Uses and Disclosures of PHI by Business Associate**.

4.1 Contractual Authorization. Business Associate may access, create, use, and disclose PHI as necessary to perform its duties and obligations required by the Contract, including but not limited to specific requirements set forth in the Scope of Work (as such term is defined in the Contract), as amended. Without limiting the foregoing general authorization, MCHCP specifically authorizes Business Associate to access, create, receive, use, and disclose all PHI which is required to provide the services specified in the Contract. The parties agree that no provision of the Contract permits Business Associate to use or disclose PHI in a manner that would violate Subpart E of 45 CFR Part 164 if used or disclosed in like manner by MCHCP except that:

4.1.1 This Agreement permits Business Associate to use PHI received in its capacity as a business associate of MCHCP, if necessary: (A) for the proper management and administration of Business Associate; or (B) to carry out the legal responsibilities of Business Associate.

4.1.2 This Agreement permits Business Associate to combine PHI created or received on behalf of MCHCP as authorized in this Agreement with PHI lawfully created or received by Business Associate in its capacity as a business associate of other covered entities to permit data analysis relating to the health care operations of MCHCP and other PHI contributing covered entities in order to provide MCHCP with such comprehensive, aggregate summary reports as specifically required by, or specially requested under, the Contract.

4.2 Authorization by Law. Business Associate may use or disclose PHI as permitted or required by law.

4.3 Minimum Necessary. Notwithstanding any other provision in the Contract or this Agreement, with respect to any and all uses and disclosures permitted, Business Associate agrees to request, create, access, use, disclose, and transmit PHI involving MCHCP members subject to the following minimum necessary requirements:

4.3.1 When requesting or using PHI received from MCHCP, a member of MCHCP, or an authorized party or entity working on behalf of MCHCP, Business Associate shall make reasonable efforts to limit all requests and uses of PHI to the minimum necessary to accomplish the intended purpose of the request or use. Business Associate agrees its reasonable efforts will include identifying those persons or classes of persons, as appropriate, in Business Associate's workforce who need access to MCHCP member PHI to carry out their duties under the Contract. Business Associate further agrees to identify the minimally necessary amount of PHI needed by each such person or class and any conditions appropriate to restrict access in accordance with such assessment.

4.3.2 For any type of authorized disclosure of PHI that Business Associate makes on a routine basis to third parties, Business Associate shall implement procedures that limit the PHI disclosed to the amount minimally necessary to achieve the purpose of the disclosure. For all other authorized but non-routine disclosures, Business Associate shall develop and follow criteria for reviewing requests and limiting disclosures to the information minimally necessary to accomplish the purposes for which disclosure is sought.

4.3.3 Business Associate may rely, if such reliance is reasonable under the circumstances, on a requested disclosure as the minimum necessary for the stated purpose if and when:

a) Making disclosures to public officials as permitted under § 164.512, if the public official represents that the information requested is the minimum necessary for the stated purpose(s); or

b) The information is requested by a professional who is a member of its workforce or is a business associate of MCHCP for the purpose of providing professional services to MCHCP, if the professional represents that the information requested is the minimum necessary for the stated purpose(s).

4.3.4 Minimum necessary does not apply to: uses or disclosures made to the individual; uses or disclosures made pursuant to a HIPAA-compliant authorization; disclosures made to the Secretary in accordance with the HIPAA Rules: disclosures specifically permitted or required under, and made in accordance with, the HIPAA Rules.

5 **Obligations of MCHCP**.

5.1 Notice of Privacy Practices. MCHCP shall notify Business Associate of any limitation(s) that may affect Business Associate's use or disclosure of PHI by providing Business Associate with MCHCP's Notice of Privacy Practices in accordance with § 164.520, the most recent copy of which is attached to this Agreement.

5.2 Individual Authorization Changes. MCHCP shall notify Business Associate in writing of any changes in, or revocation of, the authorization by an individual to use or disclose his or her PHI, to the extent that such changes may affect Business Associate's use or disclosure of PHI.

5.3 Confidential Communications. MCHCP shall notify Business Associate in writing of individual requests approved by MCHCP in accordance with § 164.522 to receive communications of PHI from Business Associate by alternate means or at alternative locations, to the extent that such changes may affect Business Associate's use or disclosure of PHI.

5.4 Individual Restrictions. MCHCP shall notify Business Associate in writing of any restriction to the use or disclosure of PHI that MCHCP has agreed and, if applicable, any subsequent revocation or termination of such restriction, in accordance with § 164.522, to the extent that such changes may affect Business Associate's use or disclosure of PHI.

5.5 Permissible Requests by MCHCP. MCHCP shall not request Business Associate to use or disclose PHI in any manner that would not be permissible under the HIPAA Rules if done by MCHCP.

6 **Term and Termination, Expiration, or Cancellation**.

6.1 Term. This Agreement is effective upon signature of both parties, and shall terminate upon the termination, expiration, or cancellation of the Contract, as amended, unless sooner terminated for cause under subsection 6.2 below.

6.2 Termination. Without limiting MCHCP's right to terminate the Contract in accordance with the terms therein, Business Associate also authorizes MCHCP to terminate this Agreement immediately by written notice and without penalty if MCHCP determines, in its sole discretion, that Business Associate has violated a material term of this Agreement and termination of this Agreement is in the best interests of MCHCP or its members. Without limiting the foregoing authorization, Business Associate agrees that MCHCP may, as an alternative or in addition to termination, require Business Associate to end the violation of the material term(s) and cure the breach of contract within the time and manner specified by MCHCP based on the circumstances presented. With respect to this subsection, MCHCP's remedies under this Agreement and the Contract are cumulative, and the exercise of any remedy shall not preclude the exercise of any other.

6.3 Obligations of Business Associate Upon Termination. Upon termination, expiration, or cancellation of this Agreement for any reason, Business Associate agrees to return to MCHCP or deliver to another MCHCP business associate at MCHCP's direction all PHI received from MCHCP, any current or former Business Associate or workforce member of MCHCP, or any current or former member of MCHCP, as well as all PHI created, compiled, stored or accessible to Business Associate or any subcontractor, agent, affiliate, or workforce member of Business Associate, relating to MCHCP as a result of services provided under the Contract. All such PHI shall be securely transmitted in accordance with MCHCP's written directive in electronic format accessible and decipherable by the MCHCP designated recipient. Following confirmation of receipt and usable access of the transmitted PHI by the MCHCP designated recipient, Business Associate shall destroy all MCHCP-related PHI and thereafter retain no copies in any form for any purpose whatsoever. Within seven (7) business days following full compliance with the requirements of this subsection, an authorized representative of Business Associate shall certify in writing addressed to MCHCP's Privacy and Security Officers that Business Associate has fully complied with this subsection and has no possession, control, or access, directly or indirectly, to MCHCP-related PHI from any source whatsoever.

Notwithstanding the foregoing, Business Associate may maintain MCHCP-PHI after the termination of this Agreement to the extent return or destruction of the PHI is not feasible, provided Business Associate: (i) refrains from any further use or disclosure of the PHI; (ii) continues to safeguard the PHI thereafter in accordance with the terms of this Agreement; (iii) does not attempt to de-identify the PHI without MCHCP's prior written consent; and (iv) within seven (7) days following full compliance of the requirements of this subsection, provides MCHCP written notice describing all PHI maintained by Business Associate and certification by an authorized representative of Business Associate of its agreement to fully comply with the provisions of this paragraph.

6.4 Survival. All obligations and representations of Business Associate under this Section 6 and subsection 7.2 shall survive termination, expiration, or cancellation of the Contract and this Agreement.

7 **Miscellaneous**.

7.1 Satisfactory Assurance. Business Associate expressly acknowledges and represents that execution of this Agreement is intended to, and does, constitute satisfactory assurance to MCHCP of Business Associate's full and complete compliance with its obligations under the HIPAA Rules. Business Associate further acknowledges that MCHCP is relying on this assurance in permitting Business Associate to create, receive, maintain, use, disclose, or transmit PHI as described herein.

7.2 Indemnification. Each party shall, to the fullest extent permitted by law, protect, defend, indemnify and hold harmless the other party and its current and former trustees, employees, and agents from and against any and all losses, costs, claims, penalties, fines, demands, liabilities, legal actions, judgments, and expenses of every kind (including reasonable attorneys' fees and expenses, including at trial and on appeal) arising out of the acts or omissions of such party or any subcontractor, consultant, or workforce member of such party to the extent such acts or omissions violate the terms of this Agreement or the HIPAA Rules as applied to the Contract.

Notwithstanding the foregoing, if Business Associate maintains any MCHCP-related PHI following termination of the Contract and this Agreement pursuant to subsection 6.3, Business Associate shall be solely responsible for all PHI it maintains and, to the fullest extent permitted by law, Business Associate shall protect, defend, indemnify and hold harmless MCHCP and its current and former trustees, employees, and agents from and against any and all losses, costs, claims, penalties, fines, demands, liabilities, legal actions, judgments, and expenses of every kind (including reasonable attorneys' fees and expenses, including at trial and on appeal) arising out of the acts or omissions of Business Associate or any subcontractor, consultant, or workforce member of Business Associate regarding such PHI to the extent such acts or omissions violate the terms of the Act or the HIPAA Rules.

7.3 No Third Party Beneficiaries. There is no intent by either party to create or establish third party beneficiary status or rights or their equivalent in any person or entity, other than the parties hereto, that may be affected by the operation of this Agreement, and no person or entity, other than the parties, shall have the right to enforce any right, claim, or benefit created or established under this Agreement.

7.4 Amendment. The parties agree to work together in good faith to amend this Agreement from time to time as is necessary or advisable for compliance with the requirements of the HIPAA Rules. Notwithstanding the foregoing, this Agreement shall be deemed amended automatically to the extent any provisions of the Act or the HIPAA Rules not addressed herein become applicable to Business Associate during the term of this Agreement pursuant to and in accordance with any subsequent modification(s) or official and binding legal clarification(s), to the Act or the HIPAA Rules.

7.5 Interpretation. Any reference in this Agreement to a section in the HIPAA Rules means the section as in effect or as amended. Any ambiguity in this Agreement shall be interpreted to permit compliance with the HIPAA Rules.

THE UNDERSIGNED PERSONS REPRESENT AND WARRANT THAT WE ARE LEGALLY FREE TO ENTER THIS AGREEMENT, THAT OUR EXECUTION OF THIS AGREEMENT HAS BEEN DULY AUTHORIZED, AND THAT UPON BOTH OF OUR SIGNATURES BELOW THIS SHALL BE A BINDING AGREEMENT TO THE FOREGOING TERMS AND CONDITIONS OF THIS BUSINESS ASSOCIATE AGREEMENT.

Missouri Consolidated Health Care Plan	**Pharmacy Benefit Manager**
By: _____	By: _____
Title: Executive Director	Title: _____
Date: _____	Date: _____

Introduction

Missouri Consolidated Health Care Plan (MCHCP) is, by Missouri statute, the purchaser of health insurance benefits for most State of Missouri employees, retirees and their dependents. It provides the same services on an elective basis for public entities. January 2021 total membership exceeds 91,000 total lives (approximately 75,000 commercial lives; 16,000 EGWP lives).

This document constitutes a request for sealed proposals for a Pharmacy Benefit Manager (PBM) to administer the prescription drug benefit for MCHCP's covered members effective January 1, 2022.

Currently MCHCP contracts with Express Scripts, Inc. (ESI) to administer prescription drug benefits on a self-insured basis for Commercial and Medicare Employer Group Waiver Plan (EGWP) populations. The current contract has been effective since January 1, 2017 and expires on December 31, 2021.

MCHCP is seeking a PBM that to administer a nationwide managed prescription drug plan (for commercial and EGWP populations) with the following attributes:

- Ability to administer commercial and EGWP prescription drug plans
- Access to a broad national network of retail pharmacies in both commercial and EGWP plans
- Efficient and effective mail order program
- Efficient and effective specialty drug program
- Real-time claims processing and reporting systems
- Competitive financial proposal (including effective discounts, rebates and extended rate guarantees)
- High quality account management
- Effective performance standards to assess and monitor performance
- Proactive and innovative responses to industry trends
- Ability to contract on an "administrative services only" basis, receiving its only income for this account from MCHCP administrative fees.

Contract Term

The initial agreement will be for the period of January 1, 2022 through December 31, 2022, with up to four additional one-year contracts renewable at the sole option of the MCHCP Board of Trustees.

Minimum Bidder Requirements

Only bidders that meet the following minimum requirements will be considered. Bids from companies not meeting all the minimum requirements will not be considered by MCHCP for this contract.

- Licensing – The bidder must be licensed as necessary to do business in the State of Missouri to perform the duties described in this RFP and be in good standing with the office of the Missouri Secretary of State. MCHCP requires the contractor comply with all state and federal laws, rules and regulations affecting their conduct of business.

- Size and Experience – The bidder must have been in the PBM business for a minimum of five years.

  The bidder must currently administer commercial prescription drug benefits to at least 3 million covered lives and administer prescription drug benefits for at least five large employer groups with 100,000 covered lives or more. The bidder must be willing to disclose the names of the large employer clients if requested.

  The bidder must currently administer Medicare Employer Group Waiver Plan (EGWP) prescription drug benefits to at least 500,000 covered lives and administer EGWP prescription drug benefit for at least five large employer groups with 10,000 covered lives or more.

- Impact of Award – The bidder must certify that, if awarded a contract, the bidder would not increase its total annual claim payment volume by more than 25 percent with the addition of this business. MCHCP actual pharmacy expenses were $176 million through October 2020 and are estimated to exceed $200 million for the 2020 calendar year (commercial and EGWP). Pharmacy trend is estimated to be 13 percent for 2021. The bidder must only use their book of business as of the proposal submission date and MCHCP's pharmacy expenses when calculating the percentage increase. Business not yet awarded may not be used in the calculation.

- Employee Group Waiver Program (EGWP) – The bidder must have a 2020 contract in place with CMS and is approved to provide Employee Group Waiver Plan (EGWP) services similar in scope and size that is currently in place for MCHCP today. The bidder must be able to administer a commercial wrap for the EGWP program.

- Mail Order – The bidder must have an established, successful partnership with a company providing mail order pharmacy services, either through ownership or subcontractor relationship and provide services similar in scope and size that is currently in place for MCHCP.

- Specialty Pharmacy – The bidder must have an established, successful partnership with a specialty pharmacy company either through ownership or subcontractor relationship and provide services similar in scope and size that is currently in place for MCHCP.

Assumptions and Considerations

Your proposal must be submitted using the DirectPath online submission tool no later than **Monday, March 15, 2021, 4 p.m. CT (5 p.m. ET)**. Financial worksheets (Exhibit A-9) must be submitted to Willis Towers Watson no later than **Monday, March 15, 2021, 4 p.m. CT (5 p.m. ET)**. Due to the limited timeframe for proposal analysis and program implementation, **no individual deadline extensions will be granted**.

The Board of Trustees has final responsibility for all MCHCP contracts. Responses to the RFP and all proposals will remain confidential until awarded by the MCHCP Board of Trustees or its designee or until all proposals are rejected.

Do not contact MCHCP directly regarding this RFP. Questions about the technical procedures for participating in this online RFP process should be addressed to DirectPath. Any questions concerning the content of the RFP should be submitted via the messaging tool of the DirectPath website. Please contact Tyler Hoefinghoff (tyler.hoefinghoff@willistowerswatson.com) at Willis Towers Watson with any questions regarding the Financial Worksheets (Exhibit A-9).

We look forward to reviewing your proposal.

Proposal Instructions

NOTE: READ THESE INSTRUCTIONS COMPLETELY PRIOR TO RESPONDING TO THE RFP

You must respond to all sections of this RFP to be considered. Bidders are strongly encouraged to read the entire RFP prior to the submission of a proposal. The bidder must comply with all stated requirements. Bidders are expected to provide complete and concise answers to all questions. Answers that do not respond to the questions as stated cannot be evaluated. Your responses to all questions must be based on your current proven capabilities. You should describe your future capabilities only as a supplement to your current capabilities.

If any information contained in the proposal is found to be falsified, the proposal will immediately be disqualified.

Proposals, including financials, must be valid until January 1, 2022. If a contract is awarded, prices shall remain firm for the specified contract period.

Unless specifically stated, responses to the questionnaire are assumed to apply to both the commercial and EGWP populations.

A proposal may only be modified or withdrawn by signed, written notice which has been received by MCHCP prior to the official filing date and time specified.

Clarification of Requirements

It is assumed that bidders have read the entire RFP prior to the submission of a proposal and, unless otherwise noted by the bidder, a submission of a proposal and any applicable amendment(s) indicates that the bidder will meet all requirements stated herein.

The bidder is advised that the only official position of MCHCP is that position which is stated in writing and issued by MCHCP as a RFP and any amendments and/or clarifications thereto. No other means of communication, whether oral or written, shall be construed as a formal or official response or statement.

Schedule of Events

The timeline for the procurement is provided below. No pre-bid conference has been scheduled.

Activity	Timing
Online RFP Released	**Thursday, February 11, 2021 8 a.m. CT (9 a.m. ET)**
Intent to Bid Document Due	**Thursday, February 18, 2021 4 p.m. CT (5 p.m. ET)**
Limited Data Use Agreement Due	**Thursday, February 18, 2021 4 p.m. CT (5 p.m. ET)**
Bidder Question Submission Deadline	**Thursday, February 18, 2021 4 p.m. CT (5 p.m. ET)**
MCHCP Responses to Submitted Questions	**Monday, March 1, 2021 4 p.m. CT (5 p.m. ET)**

Online RFP Closes (all proposals due)	**Monday, March 15, 2021 4 p.m. CT (5 p.m. ET)**
Pricing Worksheets (Exhibit A-9) Due to Willis Towers Watson	**Monday, March 15, 2021 4 p.m. CT (5 p.m. ET)**
Finalist Presentations/Site Visits (if necessary)	**April-May, 2021**
Final Vendor Selection	**Late June, 2021**
Program Effective Date	**January 1, 2022**

Questions

During this bidding opportunity, MCHCP will be using the online messaging module of the DirectPath application for all official answers to questions from bidders, amendments to the RFP, exchange of information and notification of awards. It is the bidder's responsibility to notify MCHCP of any change in contact information of the bidder. During the bidding process you will be notified via the messaging module of the posting of any new bid related information.

All questions regarding specifications, requirements, competitive procurement process, etc., must be in writing and submitted through the online messaging module of the DirectPath application by **Thursday, February 18, 2021, 4 p.m. CT (5 p.m. ET)**. For step-by-step instructions, please refer to the *Downloads* section of the DirectPath application and click on *User Guides*. Questions received after February 18, 2021 will be answered and posted through the messaging module as time permits, but there is no guarantee of a response to these questions. ***Please contact Tyler Hoefinghoff (tyler.hoefinghoff@willistowerswatson.com) at Willis Towers Watson with any questions regarding the Financial Worksheets.***

Questions deemed universally applicable will be answered in writing and shared with all vendors who have indicated they are quoting. A summary of all questions and answers will be provided by **Monday, March 1, 2021**.

Bidders or their representatives may not contact other MCHCP employees (other than those specifically listed in this RFP) or any member of the MCHCP Board of Trustees regarding this bidding opportunity or the contents of this RFP. If any such contact is discovered to have occurred, it may result in the immediate disqualification of the bidder from further consideration.

Proposal Deadline

All proposal questionnaires and documents must be submitted no later than 4 p.m. CT (5 p.m. ET), March 15, 2021. Submissions received after that time will not be accepted. Pricing (Exhibit A-9) must be submitted no later than 4 p.m. CT (5 p.m. ET), March 15, 2021 to Tyler Hoefinghoff (tyler.hoefinghoff@willistowerswatson.com) at Willis Towers Watson. Pricing submissions received after that time will not be accepted.

Disclaimers

MCHCP will not be liable under any circumstances for any expenses incurred by any respondent in connection with the selection process.

The description of coverage and plan design contained in this RFP is solely intended to allow for the preparation and submission of proposals by respondents and does not constitute a promise or guarantee of benefits to any individual.

Confidentiality and Proprietary Materials

Pursuant to Section 610.021 RSMo, proposals and related documents shall not be available for public review until a contract has been awarded or all proposals are rejected. MCHCP maintains copies of all proposals and related documents.

MCHCP is a governmental body under Missouri Sunshine Law (Chapter 610 RSMo). Section 610.011 requires that all provisions be "liberally construed and their exceptions strictly construed to promote" the public policy that records are open unless otherwise provided by law. Regardless of any claim by a bidder as to material being proprietary and not subject to copying or distribution, or how a bidder characterizes any information provided in its proposal, all material submitted by the bidder in conjunction with the RFP is subject to release after the award of a contract in relation to a request for public records under the Missouri Sunshine Law (see Chapter 610 of the Missouri Revised Statutes). Only information expressly permitted by the provisions of Missouri's Sunshine Law to be closed – strictly construed – will be redacted by MCHCP from any public request submitted to MCHCP after an award is made. Bidders should presume information provided to MCHCP in a proposal will be public following the award of the bid and made available upon request in accordance with the provisions of state law.

Evaluation Process

Any apparent clerical error may be corrected by the bidder before contract award. Upon discovering an apparent clerical error, MCHCP may contact the bidder and request written clarification of the intended proposal. The correction shall be made in the notice of award. Examples of apparent clerical errors are: 1) misplacement of a decimal point; and 2) obvious mistake in designation of unit.

An award shall only be made to the bidder whose proposal complies with all mandatory specifications and requirements of the RFP. MCHCP reserves the right to evaluate all offers and based upon that evaluation to reject all offers.

MCHCP reserves the right to request written clarification of any portion of the bidder's response to verify the intent of the bidder. The bidder is cautioned, however, that its response shall be subject to acceptance or rejection without further clarification.

MCHCP reserves the right to consider historic information and fact, whether gained from the bidder's proposal, question and answer conferences, references, or any other source, in the evaluation process. The bidder is cautioned that it is the bidder's sole responsibility to submit information related to the evaluation categories and that MCHCP is under no obligation to solicit such information if it is not included with the bidder's proposal. Failure of the bidder to submit such information may cause an adverse impact on the evaluation of the bidder's proposal.

After determining that a proposal satisfies the requirements stated in the RFP, the comparative assessment of the relative benefits and deficiencies of the proposal in relationship to the published evaluation criteria shall be made by using subjective judgment. The award of a contract resulting from this RFP shall be based on the lowest and best proposal received in accordance with the evaluation criteria stated below:

Evaluation Criteria

Non-Financial	
Customer Service	50 points
Clinical Programs and Quality Assurance	50 points
Retail Pharmacy Services	50 points
Vendor Profile	40 points
Performance Guarantees	40 points
Specialty Pharmacy Services	40 points
Formulary Management	40 points
Implementation and Account Management	40 points
Mail Order Pharmacy Services	30 points
Claims Administration	30 points
Technology and Security	20 points
Reporting	10 points
Audits	5 points
Communication Support	5 points
	450 points
Bonus Points – MBE/WBE Participation Commitment	10 points
Financial	
Pricing	550 points
Finalist Evaluation	
References and Interview	150 points

MCHCP will limit the number of finalists to the bidders receiving 85 percent (382.5 points) of the possible 450 non-financial points available or the top two bidders if less than two bidders receive 85 percent of the possible 450 non-financial points.

The bidder's proposed participation of MBE/WBE firms in meeting the targets of the RFP will be considered in the evaluation process. A maximum MBE/WBE participation bonus points of 10 points will be awarded based on the participation amount proposed by the bidder. Awarded MBE/WBE participation points will be added to the non-financial points earned by the bidder and will be included to determine if a bidder meets the 85 percent threshold to obtain finalist status.

Transparency

MCHCP requires a transparent (pass-through) financial pricing arrangement from the PBM, as described below.

Retail Pharmacy Transactions - "Transparency" refers to financial arrangements which represent a direct and complete pass-through of all elements of negotiated provider pricing (e.g., discounts and dispensing fees, etc.). MCHCP must receive the full and complete amount of any discounts received by the PBM from all retail pharmacies, including specialty discounts. The PBM will not retain a differential (i.e., spread) between the amount reimbursed to the PBM by MCHCP for each transaction and the payments made to the retail pharmacies by the PBM.

Mail Order Transactions - MCHCP will not require the above standard for mail order (central fill) or specialty pharmaceutical transactions. For these mail order or specialty pharmaceuticals, MCHCP will accept the best possible discount arrangements from the PBM as it relates to a discount from AWP. Rebates generated through mail order or specialty pharmaceuticals will be subject to the transparency requirement described.

Rebates - MCHCP must receive 100 percent of all monies received by the PBM attributable to MCHCP's utilization that the PBM (and its agents or vendors) receives from all pharmaceutical manufacturers. A "rebate" includes all drug company revenues associated with other pharmaceutical manufacturer or third-party payments, including, but not limited to, base, formulary, incentive, and market share rebates, payments related to administrative fees, data fees, aggregate utilization rebates (e.g., "book of business"), purchase discounts, payments due to inflation caps or other performance arrangements, educational payments, information sales, specialty rebates and all other revenues from pharmaceutical manufacturers or other third parties. No amount associated with MCHCP's claims/utilization will be retained through any Group Purchasing Organization (GPO), aggregator or other similar arrangements/entity.

Access to Demographic and Claim Files

To gain access to the demographic and claim history files (Attachments 1 and 5 respectively), bidders must complete and sign Exhibit A-2 Limited Data Use Agreement. Once the completed and signed document has been uploaded to DirectPath, access to Attachment 1 will be granted through DirectPath, and instructions on how to access Attachment 5 will be provided through messaging within the DirectPath system.

Access to Exhibit A-9 Pricing Submission Worksheet

The financial worksheets (Exhibit A-9 Pricing Submission Worksheet) will be provided upon completion and MCHCP's receipt of Exhibit A-1 Intent to Bid (via upload to DirectPath). The pricing worksheets will be sent by email from Tyler Hoefinghoff at Willis Towers Watson to the individual identified on the Intent to Bid.

Pricing

Any cost and/or pricing data submitted or related to the bidder's proposal including any cost and/or pricing data related to contractual extension options shall be subject to evaluation if deemed by MCHCP to be in the best interests of members of MCHCP.

The contractor shall understand that pricing arrangements for subsequent years of this agreement will be negotiated but must be at or below the guaranteed pricing arrangements stated within this bid. All annual renewals are at the sole option of the MCHCP Board of Trustees.

Finalist Interview

After an initial screening process, a technical question and answer conference or interview may be conducted, if deemed necessary by MCHCP, to clarify or verify the bidder's proposal and to develop a comprehensive assessment of the proposal. MCHCP also reserves the right to interview the proposed account management team. MCHCP may ask additional questions and/or conduct a site visit of the bidder's service center or other appropriate location.

Minority Business Enterprise (MBE)/Women Business Enterprise (WBE) Participation

The bidder should secure participation of certified MBEs and WBEs in provider products/services required in this RFP. The targets of participation recommended by the State of Missouri are 10% MBE and 5% WBE of the total dollar value of the contract.

a) These targets can be met by a qualified MBE/WBE vendor themselves and/or through the use of qualified subcontractors, suppliers, joint ventures, or other arrangements that afford meaningful opportunities for MBE/WBE participation.

b) The services performed or the products provided by MBE/WBEs must provide a commercially useful function related to the delivery of the contractually-required service/product in a manner that will constitute an added value to the contract and shall be performed/provided exclusive to the performance of the contract. Therefore, if the services performed or the products provided by MBE/WBEs is utilized, to any extent, in the bidder's obligations outside of the contract, it shall not be considered a valid added value to the contract and shall not qualify as participation in accordance with this clause.

c) To be considered as meeting these targets, the MBE/WBEs must be "qualified" by the proposal opening date (date the proposal is due). See below for a definition of a qualified MBE/WBE.

d) If the bidder is proposing MBE/WBE participation, to receive evaluation consideration for MBE/WBE participation, the bidder must provide the following information with the proposal.

    a. Participation Commitment - If the bidder is proposing MBE/WBE participation, the vendor must complete Section 20 of the PBM RFP Questionnaire (MBE-WBE Participation Commitment), by listing each proposed MBE and WBE, the committed percentage of participation for each MBE and WBE, and the commercially useful products/services to be provided by the listed MBE and WBE. If the vendor submitting the proposal is a qualified MBE and/or WBE, the vendor must include the vendor in the appropriate table on the Participation Commitment Form.

    b. Documentation of Intent to Participate – The bidder must either provide a properly completed Exhibit A-6, Documentation of Intent to Participate Form, signed and dated no earlier than the RFP issuance date by each MBE and WBE proposed or must provide a letter of intent signed and dated no earlier than the RFP issuance date by each MBE and WBE proposed which: (1) must describe the products/services the MBE/WBE will provide and (2) should include evidence that the MBE/WBE is qualified, as defined herein (i.e., the MBE/WBE Certification Number or a copy of MBE/WBE certificate issued by the Missouri OEO). If the bidder submitting the proposal is a qualified MBE and/or WBE, the bidder is not required to complete Exhibit A-6, Documentation of Intent to Participate Form or provide a recently dated letter of intent.

e) Commitment – If the bidder's proposal is awarded, the percentage level of MBE/WBE participation committed to by the bidder on the Participation Commitment, shall be interpreted as a contractual requirement.

Definition -- Qualified MBE/WBE:

To be considered a qualified MBE or WBE for purposes of this RFP, the MBE/WBE must be certified by the State of Missouri, Office of Administration, Office of Equal Opportunity (OEO) by the proposal opening date.

MBE or WBE means a business that is a sole proprietorship, partnership, joint venture, or corporation in which at least fifty-one percent (51%) of the ownership interest is held by minorities or women and the management and daily business operations of which are controlled by one or more minorities or women who own it.

Minority is defined as belonging to one of the following racial minority groups: African Americans, Native Americans, Hispanic Americans, Asian Americans, American Indians, Eskimos, Aleuts, and other groups that may be recognized by the Office of Advocacy, United States Small Business Administration, Washington D.C.

A listing of several resources that are available to assist bidders in their efforts to identify and secure the participation of qualified MBEs and WBEs is available at the website shown below or by contacting the Office of Equal Opportunity (OEO) at:

Office of Administration, Office of Equal Opportunity (OEO)
Harry S Truman Bldg., Room 630, P.O. Box 809, Jefferson City, MO 65102-0809
Phone: (877) 259-2963 or (573) 751-8130
Fax: (573) 522-8078
Web site: http://oeo.mo.gov

Negotiation and Contract Award

The bidder is advised that under the provisions of this RFP, MCHCP reserves the right to conduct negotiations of the proposals received or to award a contract without negotiations. If such negotiations are conducted, the following conditions shall apply:

- Negotiations may be conducted in person, in writing, or by telephone.
- Negotiations will only be conducted with bidders who provide potentially acceptable proposals. MCHCP reserves the right to limit negotiations to those bidders which received the highest rankings during the initial evaluation phase. All bidders involved in the negotiation process will be invited to submit a best and final offer.
- Terms, conditions, prices, methodology, or other features of the bidder's proposal may be subject to negotiation and subsequent revision. As part of the negotiations, the bidder may be required to submit supporting financial, pricing, and other data to allow a detailed evaluation of the feasibility, reasonableness, and acceptability of the proposal.
- The mandatory requirements of this RFP shall not be negotiable and shall remain unchanged unless MCHCP determines that a change in such requirements is in the best interests of MCHCP and its members.

- Bidder understands that the terms of any negotiation are confidential until an award is made or all proposals are rejected.

Any award of a contract resulting from this RFP will be made only by written authorization from MCHCP.

Using DirectPath

The 2022 MCHCP Pharmacy Benefit Manager RFP contains 2 broad categories of items that you will need to work on via the DirectPath application:

1. Items Requiring a Response:
   a) Pricing Forms (e.g., PBM Pricing-Commercial and PBM Pricing-EGWP) are online input forms to collect your administrative and other fees as requested by MCHCP.
   b) Questionnaires (e.g., PBM Questionnaire) are also online forms to collect your responses to our questions about your capabilities.
   c) Response Documents (e.g., Exhibit A-1 Intent to Bid) are attachment files (e.g., MS Word or Excel) that are posted to the DirectPath website. They should be downloaded, completed by your organization, and then posted/uploaded back to the DirectPath application. When you upload your response, from the dropdown menu, identify each uploaded document as a Response document and associate it to the appropriate document by name. For step-by-step instructions, please refer to the "How to Download and Attach Files" User Guide located in the "Downloads" section on the application homepage.
2. Reference Files from Event Administrator:
   a) Documents (e.g., Exhibit B – Scope of Work) that you should download and read completely before submitting your RFP response.

All of these components can be found in the DirectPath application under the 2022 MCHCP Pharmacy Benefit Manager RFP on the Event Details page of the application.

Note that as you use the DirectPath application to respond to this RFP, User Guides are accessible throughout the application by clicking on the help icon or from the *Downloads* area of the DirectPath application homepage. For help with data entry and navigation throughout the application, you can contact the DirectPath staff:

- Phone: 800-979-9351
- E-mail: support@directpathhealth.com

Responding to Questionnaires

We have posted two forms for your response:

- PBM Questionnaire
- Mandatory Contract Provisions Questionnaire

The questionnaires need to be completed and submitted to DirectPath by **Monday, March 15, 2021, 4 p.m. CT (5 p.m. ET).**

The questionnaires are located within the *Items Requiring a Response* tab. This tab contains the items you and your team are required to access and respond to. For step-by-step instructions, please refer to the *How to Submit a Questionnaire* User Guide located in the *Downloads* section of the DirectPath application homepage. You have the option to "respond online" or through the use of two different off-line (or desktop) tools.

Completing Response Documents

The following documents must be completed, signed and uploaded to DirectPath:

- Exhibit A-1 – Intent to Bid (due 4 p.m. CT, February 18, 2021)
- Exhibit A-2 – Limited Data Use Agreement (due 4 p.m. CT, February 18, 2021)
- Exhibit A-3 – Proposed Bidder Modifications (due 4 p.m. CT, March 15, 2021)
- Exhibit A-4 – Confirmation Document (due 4 p.m. CT, March 15, 2021)
- Exhibit A-5 – Contractor Certification (due 4 p.m. CT, March 15, 2021)
- Exhibit A-6 – MBE-WBE Intent to Participate Document (due 4 p.m. CT, March 15, 2021

The follow exhibits must be reviewed and the bidder provide any suggested red-lined changes to the documents using Microsoft Word Track Changes functionality. Changes proposed may or may not be accepted by MCHCP.

- Exhibit A-7 – Sample Contract (due 4 p.m. CT, March 15, 2021)
- Exhibit A-8 – Business Associate Agreement (due 4 p.m. CT, March 15, 2021)

Completing Exhibit A-9 Pricing Submission Worksheets

The financial worksheets (Exhibit A-9 Pricing Submission Worksheet) will be provided upon completion and MCHCP's receipt of Exhibit A-1 Intent to Bid (via upload to DirectPath). The pricing worksheets will be sent by email from Tyler Hoefinghoff at Willis Towers Watson to the individual identified on the Intent to Bid. The spreadsheet contains worksheets to collect fee quotations based on the current benefit plan design. **Please be certain to complete all worksheets. This worksheet is due at 4 p.m. CT (5 p.m. ET), Monday, March 15, 2021, and must be emailed to Tyler Hoefinghoff at Willis Towers Watson. Do not upload the document to DirectPath.** ***Please contact Tyler Hoefinghoff (tyler.hoefinghoff@willistowerswatson.com) at Willis Towers Watson with any questions regarding the Financial Worksheets (Exhibit A-9).***

Proposals will be evaluated based on the value of the overall financial deal including the strength of the price point guarantees and the reconciliation process. Proposals with caveats and disclaimers will be adjusted in the financial analysis.

Completing Pricing Worksheets in DirectPath

The financial worksheets (PBM Pricing-Commercial and PBM Pricing-EGWP) may be accessed in *Items Requiring a Response*. The *Pricing* or *Bid* contains worksheets to collect fee quotations based on the stated benefit plan designs. For step-by-step instructions, please refer to the *How to Submit a Bid* User Guide located in the *Downloads* section of the DirectPath application homepage. Please be certain to complete both pricing models and all worksheets.

The final bid deadline is Monday, March 15, 2021, 4 p.m. CT (5 p.m. ET). Further detail on how to submit your bids is outlined in the Submitting Bids section of these Instructions.

Notes Regarding PBM Pricing

Fee quotes should assume:

- Plan effective date: January 1, 2022
- Pricing must include all mandatory items required in this RFP. Optional items may be proposed and selected by MCHCP at its discretion.
- Submitted prices for 2022 shall be firm, while pricing arrangements for 2023, 2024, 2025, and 2026 shall be submitted as guaranteed "not to exceed" amounts. Proposed prices are subject to negotiation prior to the award of a contract by MCHCP.
- Annual renewals are solely at the option of MCHCP. Renewal pricing arrangements are due by May 15 of each year and are subject to negotiation.

Submitting Bids in DirectPath

The pricing function in DirectPath allows you to work on a bid submission in draft form. You can enter your rates and *Save* without submitting your proposal to DirectPath. Save frequently to avoid losing work. When you have finished entering your rates, *Save* and then *Calculate*. If you have missed any required fields, you will be notified with an error message. If there are no errors, you can *Submit* your proposal to DirectPath.

Once you have submitted your bid, you can make adjustments at any time up until the bids are due. Simply select the pricing/bid and choose *Edit* to make changes. Follow the steps above to save, calculate, and re-submit.

Please refer to the following instructions before attempting to input/submit a bid:

- Enter your rates well in advance of the required bid date. Please do NOT wait until the last minute to work on the pricing model worksheet because your bids must comply with the automated rules and data validation checks that have been implemented by MCHCP.
- Partial data entries can be saved; however, the validation rules (error checking) will not be run against your data until you complete the worksheet and either *Calculate* or *Submit* your data.
- To check that your data have been accurately entered for all worksheets, you should press the *Calculate* button at the top of the page. If your input complies with the validation rules, the rates will be calculated and totaled. Otherwise, the calculation and validation rules will not properly execute even if you press the *Calculate* button.
- You will be able to view your final rate submission prior to submitting to DirectPath.
- If your data are accurate and complete, click on the *Submit Bid* icon to submit your bid to DirectPath.
- Data that are submitted incorrectly will receive error messages when calculated or submitted.

- All data fields that are marked as a number or currency must be filled with a numerical value or 0. Blanks and text such as "n/a" are not permitted. If you attempt to *Submit* or *Calculate* your data with incomplete fields, you will receive an error message.

- Be sure to save your data often. Periodic saves will prevent you from losing data in the event the application times-out. For security purposes the system will automatically log you out after a specified time if there is no activity.

RFP Checklist

Prior to the March 15, 2021 close date, please be sure you have completed and/or reviewed the following:

Type	***Document Name***
Questionnaire	PBM Questionnaire
Questionnaire	Mandatory Contract Provisions Questionnaire
Pricing	PBM Pricing-Commercial
Pricing	PBM Pricing-EGWP
Response	Exhibit A-1 Intent to Bid.docx **DUE: February 18, 2021**
Response	Exhibit A-2 Limited Data Use Agreement.docx **DUE: February 18, 2021**
Response	Exhibit A-3 Proposed Bidder Modifications.docx
Response	Exhibit A-4 Confirmation Document.docx
Response	Exhibit A-5 Contractor Certification.docx
Response	Exhibit A-6 MBE-WBE Intent to Participate Document.docx
Response	Exhibit A-7 Sample Contract.docx
Response	Exhibit A-8 Business Associate Agreement.docx
Response	Exhibit A-9 Pricing Submission Worksheet.xlsx (to be provided after receipt of the signed *Intent to Bid* and **DUE: March 15, 2021** to Willis Towers Watson)
Reference	Introduction and Instructions – MCHCP PBM RFP.docx
Reference	Exhibit B – Scope of Work.docx
Reference	Exhibit C – General Provisions.docx
Reference	Attachment 1 – Current MCHCP Enrollment File.xlsx (access to this file is granted after receipt of the signed *Limited Data Use Agreement*)
Reference	Attachment 2 – File layout for MCHCP Enrollment File.docx
Reference	Attachment 3 – Network Pharmacy Layout.xlsx
Reference	Attachment 4 – MCHCP Region Map.pdf
Reference	Attachment 5 – Pharmacy claim extracts (Instructions on how to obtain these files will be provided after receipt of the signed *Limited Data Use Agreement*)
Reference	Attachment 6 – Claim field layout and definitions.xlsx

Contact Information

We understand that content and technical questions may arise. All questions regarding this document and the selection process must be submitted through the online messaging module of the DirectPath application by **Thursday, February 18, 2021, 4 p.m. CT (5 p.m. ET)**.

For technical questions related to the financial worksheets (Exhibit A-9), please contact Tyler Hoefinghoff of Willis Towers Watson at tyler.hoefinghoff@willistowerswatson.com.

For technical questions related to the use of DirectPath, please contact the DirectPath customer support team at support@directpathhealth.com, or by calling the Customer Support Line at 1-800-979-9351.

EXHIBIT B
SCOPE OF WORK

B1. GENERAL REQUIREMENTS

B1.1 The contractor shall provide pharmacy benefit manager (PBM) services for a self-insured prescription drug program for members enrolled in Missouri Consolidated Health Care Plan (hereinafter referred to as MCHCP) in accordance with the provisions and requirements of this document on behalf of MCHCP. The contractor understands that in carrying out its mandate under the law, MCHCP is bound by various statutory, regulatory and fiduciary duties and responsibilities and contractor expressly agrees that it shall accept and abide by such duties and responsibilities when acting on behalf of MCHCP pursuant to this engagement. The contractor agrees that all subcontracts entered into by the contractor for the purpose of meeting the requirements of this contract are the responsibility of the contractor. MCHCP will hold the contractor responsible for assuring that subcontractors meet all the requirements of this contract and all amendments thereto. The contractor must provide complete information regarding each subcontractor used by the contractor to meet the requirements of this contract.

B1.2 The contractor must maintain sufficient liability insurance, including but not limited to general liability, professional liability, and errors and omissions coverage, to protect MCHCP against any reasonably foreseeable recoverable loss, damage or expense under this engagement.

B1.3 The contractor is obligated to follow the performance standards as outlined in Sections 16, 17 and 18 of the PBM Questionnaire.

B1.4 The contractor must furnish an original performance security deposit in the form of check, cash, bank draft, or irrevocable letter of credit, issued by a bank or financial institution authorized to do business in Missouri, to MCHCP within ten (10) days after award of the contract and prior to performance of service under the contract. The performance security deposit must be made payable to MCHCP in the amount of $1,250,000. The contract number and contract period must be specified on the performance security deposit. In the event MCHCP exercises an option to renew the contract for an additional period, the contractor shall maintain the validity and enforcement of the security deposit for the said period, pursuant to the provisions of this paragraph, in an amount stipulated at the time of contract renewal, not to exceed $1,250,000.

B2. ELIGIBILITY

B2.1 The contractor shall agree that eligible members are those employees, retirees and their dependents who are eligible as defined by applicable state and federal laws, rules and

regulations, including revision(s) to such. MCHCP is the sole source in determining eligibility.

B2.2 The contractor shall not regard a member as terminated until the contractor receives an official termination notice from MCHCP.

B3. PHARMACY NETWORK

B3.1 The contractor must provide and maintain a broad Missouri and national retail pharmacy network(s) for MCHCP members. The network must be available to members throughout the United States. The contractor shall notify MCHCP within five business days if the network geographic access changes from what was proposed by the contractor during the RFP process.

B3.2 The contractor shall maintain a network(s) that is sufficient in number and types of providers to assure that all services will be accessible without unreasonable delay.

B3.3 The contractor shall have a process for monitoring and ensuring on an ongoing basis the sufficiency of the network(s) to meet the needs of the enrolled members. In addition to looking at the needs from an overall member population standpoint, the contractor shall ensure the network(s) is able to address the needs of those with special needs including but not limited to, visually or hearing impaired, limited English proficiency and low health literacy.

B3.4 The contractor must credential participating pharmacies to ensure the quality of the network(s).

B3.5 The contractor must contract with participating pharmacies, including negotiating pricing arrangements to optimize ingredient cost discounts while at the same time assuring adequate access to participating pharmacies.

B3.6 The contractor shall agree to provide written notice to MCHCP and then to affected members when a provider who fills a substantial number of scripts in the contractor's book of business within the previous 180 days leaves the network. The notice must be sent at least 31 days prior to the termination or non-renewal or as soon as possible after non-renewal or termination.

B3.7 The contractor must have the capability to process out-of-network claims for those members using non-participating pharmacies and/or for coordination of benefits.

B3.8 The contractor must offer retail pharmacies an opportunity to provide mail order benefits at retail provided the pharmacy agrees to accept pricing equivalent to mail order rates.

B3.9 The contractor must provide a mail order pharmacy program that is fully integrated with the retail network(s) in terms of on-line real-time adjudication and Drug Utilization Review (DUR).

B3.10 The contractor must provide a specialty pharmacy program.

B3.11 The contractor must provide management of patients with targeted specialty disease states (e.g., Hemophilia, Rheumatoid Arthritis).

B4. BENEFIT ADMINISTRATION

B4.1 The contractor must administer benefits as determined by MCHCP, in terms of covered drugs and member responsibility, in accordance with all applicable federal and state laws and regulations. MCHCP benefits and services are promulgated by rule in Title 22 of the Missouri Code of State Regulations.

B4.2 The contractor must administer a plan to commercial members (those MCHCP members not enrolled in the EGWP plan) and a separate CMS Part D Medicare Prescription Drug plan as an employer group waiver plan (EGWP) with wrap-around coverage to those enrolled in MCHCP's Medicare Advantage Plan.

B4.3 The contractor must be able to administer a multi-tiered co-payment structure, deductible/coinsurance structure, or any other benefit structure developed by MCHCP. MCHCP will consult with the contractor regarding the final benefit structure, but maintains authority on the final design.

B4.4 For mail order service, the contractor shall at a minimum track the dates the prescription or refill request was received, filled, and mailed. MCHCP requires that prescriptions requiring no intervention be shipped within two (2) business days of receipt. Prescriptions requiring intervention must be shipped within five (5) business days of receipt. For purposes of this provision, the mail service will be assumed to have a seven-day work week, excluding legal holidays.

B4.5 All mail order claims will be priced based on the original package size, defined as the quantity as originally purchased for the mail order facility before re-packaging in smaller quantities.

B4.6 The contractor must provide a formulary consisting of the most cost-effective drugs within various therapeutic or pharmacological classes of drugs. MCHCP reserves the right to approve the final list of drugs included on the formulary and any changes throughout the contract period.

B4.7 The contractor must be able to implement changes to the program within 60 days of notification. This may include, but is not limited to, copayment changes, formulary

changes, and/or changes in the prior authorization list. These changes are expected to be infrequent and many would likely be implemented at the beginning of a new plan year.

B4.8 The contractor must conduct internal appeals in accordance with requirements provided in the Patient Protection and Affordability Care Act, by the Centers for Medicare and Medicaid (CMS), and implementing regulations as well as requirements provided in State law and regulations.

B4.9 The contractor must notify MCHCP by June 1st of any anticipated drug exclusions planned for the following calendar year and that MCHCP may reject the annual formulary suggested change with no changes to the stated financials during the lifetime of the contract. Any proposed changes may only improve the rebate guarantees. The contractor must provide the names of the medications and the impact to MCHCP of the drug exclusions by August 1 of each year.

B4.10 The contractor must agree that the contractor's organization must never switch for a medication with a lower ingredient cost to a higher ingredient cost regardless of rebate impact without MCHCP's approval.

B4.11 The contractor must agree that their organization's mail order pharmacies do not accept manufacturer-sponsored coupons.

B4.12 The contractor must administer the EGWP on a self-insured basis, with pass-back to MCHCP of all third-party funding sources including CMS direct subsidies, pharmaceutical coverage gap discounts, CMS catastrophic reinsurance, and CMS low income subsidies.

B4.13 There must be no limitations on data that is required by MCHCP for the purposes of analyzing pharmacy costs and utilization (retail, mail or specialty).

B4.14 The contractor must administer the MCHCP pharmacy benefits, both Commercial and EGWP, on a carve-out basis.

B5. IMPLEMENTATION

B5.1 The contractor must agree to a final implementation schedule within thirty (30) days of the contract award. At a minimum, the timeline must include the required dates for the following activities:

- Training key staff
- Detailed benefit setup
- Testing of eligibility file transfer
- Acceptable date for final eligibility file

- ID card production and distribution
- Testing file transmission to MCHCP's data warehouse vendor
- Enrollment kit printing
- Finalization of formulary, prior authorization list, step therapy, quantity level limits, and other clinical programs, and
- Plan for transitioning mail order and specialty refills from incumbent.

B5.2 The contractor must have a customer service unit in place to answer member inquiries during open enrollment. Note: Open enrollment is anticipated to be October 1-31, with coverage effective January 1, the following calendar year. At a minimum, the customer service unit must timely and accurately address network and benefit issues, including formulary content.

B5.3 Prior to January 1 of each plan year, the contractor shall implement any eligibility, plan design and benefit changes as directed by MCHCP.

B5.4 The contractor must accept and load all open mail order and specialty pharmacy refills, prior authorization histories and up to twelve months of historical claims data at no additional cost to MCHCP.

B6. CUSTOMER SERVICE

B6.1 The contractor must provide a high-quality customer service unit. PBM staff members must be fully trained in the MCHCP benefit design, and the contractor must have the ability to track and report performance in terms of telephone response time, call abandonment rate, and the number of inquiries made by type. MCHCP may request copies of this performance report.

B6.2 By December 20, 2021, the contractor must provide identification cards to all members that will be effective on January 1, 2022 unless the member already has been issued a valid identification card. For members effective after January 1, 2022, the contractor must provide membership identification cards prior to the effective date of coverage, or within 15 working days of receipt by the contractor of the enrollment or status change notice from MCHCP, whichever date is latest. Upon a member's request, the contractor shall issue and mail a membership identification card within two business days of the request. The contractor shall re-card the entire population should a benefit change or other change in operation result in the identification card in the member's possession becoming obsolete.

B6.3 The contractor shall maintain a toll-free telephone line to provide prompt access for members and providers to qualified customer service personnel, including at least one registered pharmacist. Live customer service personnel must be available 24 hours a day, seven days a week.

B6.4 The contractor must have an active, current website that is updated regularly. MCHCP members must be able to access this site to obtain current listings of network providers, print ID cards, review benefits and plan design, review explanation of benefits, check status of deductibles, maximums or limits, obtain a history of pharmacy claims, perform price comparison of drugs between pharmacies, map provider locations, complete satisfaction surveys and other information. If MCHCP discovers that provider information contained at the contractor's website is inaccurate, MCHCP will contact the contractor immediately. The contractor must correct inaccuracies within 10 days of being notified by MCHCP or when the contractor discovers the inaccuracy.

B6.5 The contractor must be able to support single sign-on from MCHCP's Member Portal to the contractor's Member Portal utilizing Security Assertion Markup Language (SAML).

B6.6 The contractor must conduct a member satisfaction survey annually using a statistical random sample of MCHCP members representative of the population. The timeframe for conducting and reporting the survey shall be mutually agreed upon by the contractor and MCHCP. A separate survey must be conducted for the Commercial and EGWP populations.

B6.7 The contractor must provide an EGWP communication timeline that aligns with CMS requirements. Member communications must be customized, and that customization must meet CMS requirements for EGWP.

B7. ACCOUNT MANAGEMENT

B7.1 MCHCP requires the contractor to meet with MCHCP staff and/or Board of Trustees at least quarterly to discuss the status of the MCHCP account in terms of utilization patterns and costs, as well as to propose new ideas that may benefit MCHCP and its members. These meetings will take place at the MCHCP office or virtually if in-person meetings are not possible.

B7.1.1 The contractor is expected to present actual MCHCP claims experience and offer suggestions as to ways the benefit could be modified to reduce costs and/or improve the health of MCHCP members. Suggestions must be modeled against actual MCHCP membership and claims experience to determine the financial impact as well as the number of members affected.

B7.1.2 The contractor must also present benchmark data by using the PBM's entire book of business, a large subset of comparable clients to MCHCP, or some other industry norm.

B7.1.3 The data must be separated between Commercial and EGWP populations. The commercial population must be separated between active employees and retirees.

B7.2 The contractor shall establish and maintain throughout the term of the contract an account management team that will work directly with MCHCP staff. This team must include but is not limited to a dedicated account executive, a customer service manager, a registered pharmacist, and a management information system representative. MCHCP prefers that the account team be officed within the State of Missouri. Approval of the account management team rests with MCHCP. The account executive and service representative(s) will deal directly with MCHCP's benefit administration staff. The account management team must:

B7.2.1 Be able to devote the time needed to the account, including being available for frequent telephone and semi-annual consultation with MCHCP. Dedicated account team members may service other accounts but must consistently be available to MCHCP. Offerors who are not committed to account service will not receive serious consideration.

B7.2.2 Be extremely responsive.

B7.2.3 Be comprised of individuals with specialized knowledge of the contractor's networks, claims and eligibility systems, system reporting capabilities, claims adjudication policies and procedures, administrative services, and relations with third parties.

B7.2.4 Be thoroughly familiar with virtually all the contractor's functions that relate directly or indirectly to the MCHCP account.

B7.2.5 Be able to effectively advance the interest of MCHCP through the contractor's corporate structure.

B8. COORDINATION WITH BUSINESS ASSOCIATES

B8.1 The contractor shall coordinate, cooperate, and electronically exchange information with MCHCP's business associates as identified by MCHCP necessary to implement benefit design. Necessary information can include, but is not limited to, the deductible and out-of-pocket accumulators, participation in care management, or referral for disease management. Frequency of electronically exchanged information can be daily.

B8.2 The contractor shall work with MCHCP's contracted high deductible health plan (HDHP) administrators (currently Anthem Blue Cross Blue Shield) to coordinate deductible and out-of-pocket accumulations. This requires the contractor to send a daily file to MCHCP's contracted HDHP administrators, and to accept a daily file from the contracted

HDHP administrators, for the purpose of adjudicating and applying claims to a member's deductible and out-of-pocket maximum in real time.

B9. REPORTING

B9.1 The contractor shall agree to:

B9.1.1 Provide monthly claims and utilization data to MCHCP and/or MCHCP's decision support system vendor (currently IBM Watson Health) in a format specified by MCHCP with the understanding that the data shall be owned by MCHCP

B9.1.2 Provide data in an electronic format and within a timeframe specified by MCHCP

B9.1.3 Place no restraints on use of the data provided MCHCP has in place procedures to protect the confidentiality of the data consistent with HIPAA requirements, and

B9.1.4 This obligation continues for a period of one year following contract termination.

B9.1.5 MCHCP reserves the right to retain a third-party contractor (currently IBM Watson Health) to receive the data from the contractor and store the data on MCHCP's behalf. This includes a full claim file including, but not limited to, all financial, demographic and utilization fields. The contractor agrees to cooperate with MCHCP's designated third party contractor, if applicable, in the fulfillment of the contractor's duties under this contract, including the provision of data as specified without constraint on its use.

B9.1.6 The contractor shall agree to pay applicable fees associated with data format changes due to contractor-initiated or regulatory compliance requirements.

B9.2 Contractor must provide an online reporting utility that allows MCHCP to run reports and download report results in a manipulatable format (Microsoft Excel, for example).

B9.3 Contractor must provide monthly appeals reporting. MCHCP and the contractor will negotiate format and content upon award of this contract. Additionally, contractor shall copy MCHCP on adverse benefit determination (ABD) letters issued by the contractor.

B9.4 At the request of MCHCP, the contractor shall submit standard reports to MCHCP on a monthly, quarterly, and/or annual basis. MCHCP and the contractor will negotiate the format, content and timing upon award of this contract.

B9.5 At the request of MCHCP, the contractor shall submit additional ad hoc reports on information and data readily available to the contractor. If any reports are substantially different from the reports agreed upon, fair and equitable compensation will be negotiated with the contractor.

B10. PAYMENT

B10.1 The contractor shall not bill more frequently than once every two weeks from a centralized billing system for all network pharmacies and mail order pharmacies. The invoice shall be submitted electronically in an Excel-compatible format. The invoice shall clearly designate and describe all components of the billing and shall separate the billed activity between claims and administration. Furthermore, the invoice should clearly delineate the activity between MCHCP's commercial and EGWP pharmacy claims and the administration fees associated with each program separately and individually. Commercial activity should further be separately designated between active and retiree transactions.

B10.2 MCHCP will initiate payment to the contractor within two business days of receipt of the invoice. Payment will be made via Automated Clearing House (ACH) to the financial institution designated by the contractor.

B10.3 The contractor must agree that MCHCP must not be responsible for any amounts owed by members to the contractor. Collecting such amounts must be the sole responsibility of the contractor.

B11. INFORMATION TECHNOLOGY AND ELIGIBILITY FILE

B11.1 The contractor shall be able to accept all MCHCP eligibility information on a weekly basis utilizing the ASC X12N 834 (005010X095A1) transaction set. MCHCP will supply this information in an electronic format and the contractor must process such information within 24 hours of receipt. The contractor must provide a technical contact that will provide support to MCHCP Information Technology Department for EDI issues

B11.1.1 The contractor will provide a recommended data mapping for the 834 transaction set to MCHCP after the contract is awarded.

B11.1.2 MCHCP will provide a recommended data mapping for the 834 transaction set to the contractor after the contract is awarded.

B11.1.3 After processing each file, the contractor will provide a report that lists any errors and exceptions that occurred during processing. The report will also provide record counts, error counts and list the records that had an error, along with an error message to indicate why it failed. A list of the conditions

the contractor audits will be provided to ensure the data MCHCP is sending will pass the contractor's audit tests.

B11.1.4 The contractor shall provide access to view data on their system to ensure the file MCHCP sends is correctly updating the contractor's system.

B11.1.5 The contractor will supply a data dictionary of the fields MCHCP is updating on their system and the allowed values for each field.

B11.1.6 The contractor shall provide MCHCP with a monthly file ("eligibility audit file") in a mutually agreed upon format of contractor's eligibility records for all MCHCP members. Such file shall be utilized by MCHCP to audit contractor's records and shall be provided to MCHCP no later than the second Thursday of each month.

B11.2 The contractor must work with MCHCP to develop a schedule for testing of the electronic eligibility file. The expectation is that testing is completed 60 days prior to the effective date of the contract. The contractor must accept a final eligibility file no later than 30 days prior to the contract effective date.

B11.3 The contractor shall agree to provide at no cost to MCHCP direct on-line, real time access to the contractor's system for the purpose of updating eligibility and member enrollment verification on an as-needed basis. The contractor must provide training on the system at MCHCP's office no later than December 1, 2021.

B11.4 The contractor and all subcontractors shall maintain encryption standards of 1024 bit encryption or higher for the encryption of confidential information for transmission via non secure methods including File Transfer Protocol or other use of the Internet.

B12. CLINICAL MANAGEMENT

B12.1 The contractor shall integrate and coordinate the following types of services in order to utilize health care resources and achieve optimum patient outcome in the most cost-effective manner: utilization management including prior authorization and concurrent, retrospective, and prospective drug utilization review, step therapy, quantity level limits, pharmacy and therapeutics committee review of formulary and other clinical components of pharmacy management.

B12.2 The contractor shall use documented clinical review criteria that are based on sound clinical evidence and are evaluated periodically to assure ongoing efficacy. The contractor may develop its own clinical review criteria or may purchase or license clinical review criteria from qualified vendors. The contractor shall make available its clinical review criteria upon request.

B12.3 The contractor shall provide physician-to-pharmacist and pharmacist-to-pharmacist communications.

B12.4 Utilization management services shall be conducted by appropriately licensed personnel with the expertise in the services being reviewed.

B12.5 The contractor shall obtain all information required to make a utilization review decision, including pertinent clinical information. The contractor shall have a process to ensure that utilization reviewers apply clinical review criteria consistently.

B12.6 The contractor shall provide a toll-free telephone number and adequate lines for plan members and providers to access the utilization management program.

B13. QUALITY ASSURANCE PROGRAM

B13.1 The contractor must provide a quality assurance program and be prepared to demonstrate the quality assurance program it would utilize for MCHCP during the bidding process. The program must contain, at a minimum, the following attributes:

B13.1.1 Each prescription reviewed by a licensed pharmacist;

B13.1.2 Tracking abusive providers and members;

B13.1.3 Using methods that meet or exceed industry standards, auditing the internal dispensing and utilization procedures of participating pharmacies; and

B13.1.4 Employ a system that meets or exceeds industry standards (for a large governmental sector) for preventing, detecting, and reporting both actual and patterns of fraud and abuse. In addition, the contractor must report its results to MCHCP at least quarterly.

B14. GENERAL SERVICE REQUIREMENTS

B14.1 The contractor shall agree that MCHCP reserves the right to review and approve all written communications and marketing materials developed and used by the contractor to communicate specifically with MCHCP members at any time during the contract period. This does not refer to such items as plan-wide newsletters as long as they do not contain information on eligibility, enrollment, rates, etc., which MCHCP must review.

B14.2 The contractor shall refer all questions received from members regarding eligibility or premiums to MCHCP.

B14.3 Contractor agrees to conduct all grievances and internal appeals filed by MCHCP members in accordance with applicable state and federal laws and regulations. Contractor agrees to participate in any review, appeal, fair hearing or litigation involving issues related to services provided under this Contract if, and to the extent, MCHCP deems necessary.

B15. CLAIM PAYMENTS

B15.1 The contractor shall process claims utilizing the contracted discount arrangements negotiated with participating providers.

B15.2 The contractor shall process 99.5% of all retail and mail scripts without monetary errors. See Performance Guarantees included in Sections 16 and 17 of the PBM Questionnaire for penalties for failing to meet this standard.

B15.3 The contractor shall agree that if a claims payment platform change occurs throughout the course of the contract, MCHCP reserves the right to delay implementation of the new system for MCHCP members until a commitment can be made by the contractor that transition will be without significant issues. This may include requiring the contractor to put substantial fees at risk and/or agree to an implementation audit related to these services to ensure a smooth transition.

B15.4 The contractor must be able to coordinate benefits in accordance with MCHCP regulations.

B16. CONTRACT RENEWAL

B16.1 Renewal pricing is due by May 15 of each year.

B16.2 On an annual basis, MCHCP may review the financial terms of this Contract against comparable financial offerings available in the marketplace. Such review may be conducted by MCHCP's actuary and would consider the total value of the pricing terms (discounts, dispensing fees, administrative fees, rebates) to create an aggregate benchmark. Contractor will have ten (10) business days to offer a comparable or better financial arrangement following such request from MCHCP or its actuary. Upon agreement of the market check pricing by the parties, within ten (10) business days, Contractor will prepare and submit revised renewal pricing to be effective January 1 of the next succeeding contract year, beginning January 1, 2023, if applicable. Contractor understands and agrees that MCHCP will not have access to the details of other PBM financial arrangements utilized by its actuary to conduct this market check and, therefore, will not be able or required to provide Contractor such details at any time.

B17. CONTRACT TERMINATION

B17.1 At contract termination, MCHCP requires the contractor to continue to perform the duties listed below for the stated time period following termination. No additional compensation other than terms and conditions agreed to in the contract will be given for continuation of these activities.

B17.1.1 Paper processing for out-of-network claims that were incurred while the contract was in place for two years following contract termination

B17.1.2 Monthly claim file submissions to MCHCP's data vendor (currently IBM Watson Health) for one year following contract termination

B17.1.3 Processing all prescriptions received in the mail order facility prior to contract termination using existing time frames stated in Section B4.4.

B17.1.4 Maintain, and require its subcontractors to maintain, supporting financial information and documents that are adequate to ensure that claims are made in accordance with applicable federal and state requirements, and are sufficient to ensure the accuracy and validity of Contractor invoices. Such documents will be maintained and retained by the Contractor or its subcontractors for a period of ten (10) years after the date of submission of the final billing or until the resolution of all audit questions, whichever is longer. Contractor agrees to timely repay any undisputed audit exceptions taken by MCHCP in any audit of this Contract.

B17.1.5 Unless MCHCP specifies in writing a shorter period of time, Contractor agrees to preserve and make available all of its books, documents, papers, records and other evidence involving transactions related to this contract for a period of ten (10) years from the data of the expiration or termination of this contract. Matters involving litigation shall be kept for one (1) year following the termination of litigation, including all appeals, if the litigation exceeds ten (10) years. Contractor agrees that authorized federal representatives, MCHCP personnel, and independent auditors acting on behalf of MCHCP and/or federal agencies shall have access to and the right to examine records during the contract period and during the ten (10) year post-contract period. Delivery of and access to the records shall be at no cost to MCHCP.

B18. PERFORMANCE STANDARDS

B18.1 Performance standards are outlined in Sections 16, 17 and 18 of the PBM Questionnaire. The contractor shall agree that any liquidated damages assessed by MCHCP shall be in addition to any other equitable remedies allowed by the contract or awarded by a court of law including injunctive relief. The contractor shall agree that any

liquidated damages assessed by MCHCP shall not be regarded as a waiver of any requirements contained in this contract or any provision therein, nor as a waiver by MCHCP of any other remedy available in law or in equity.

B18.2 Contractors are required to utilize the DirectPath Vendor Manager product that allows contractors to self-report compliance and non-compliance with performance guarantees. Unless otherwise specified, all performance guarantees are to be measured quarterly, reconciled quarterly and any applicable penalties paid annually. MCHCP reserves the right to audit performance standards for compliance.

B18.3 All performance guarantees must be finalized before a contract will be awarded.

B19. MCHCP REQUIREMENTS AND SERVICES – MCHCP will provide the following administrative services to assist the contractor:

B19.1 Certification of eligibility;

B19.2 Enrollments (new, change, and terminations) in an electronic format;

B19.3 Maintenance of individual eligibility and membership data; and

B19.4 Payment of monies due the contractor.

EXHIBIT C
GENERAL PROVISIONS

C1. TERMINOLOGY AND DEFINITIONS

Whenever the following words and expressions appear in this Request for Proposal (RFP) document or any amendment thereto, the definition or meaning described below shall apply. The definitions below apply to all questions, grids and other requests in this RFP. Unless noted otherwise, these definitions will be included as part of MCHCP's contract should you be selected as the contractor. Confirm your agreement with the definitions below, and succinctly explain any deviations in Exhibit A-3 Bidder's Proposed Modifications to the RFP.

C1.1 **Administration Fee** means the agreed upon amount that will be paid to the Contractor by MCHCP for administration of the pharmacy benefit Plan.

C1.2 **Amendment** means a written, official modification to an RFP or to a contract.

C1.3 **Average Wholesale Price or AWP** means the "average wholesale price" for the actual package size of the legend drug dispensed as set forth in the most current pricing list in Medi-Span's® Prescription Pricing Guide (with supplements). Contractor must use a single nationally recognized reporting service of pharmaceutical prices for MCHCP and such source will be mutually agreed upon by Contractor and MCHCP. Contractor must use the manufacturer's full actual 11-digit NDC to determine AWP for the actual package size on the date the drug is dispensed for all legend drugs dispensed through retail pharmacies, mail service pharmacies and specialty pharmacies. Repackaging which has the effect of inflating AWP is explicitly prohibited. "Price shopping", meaning the Contractor's use of multiple AWP reporting services in order to select the most advantageous AWP price as a means to inflate discount calculations, is prohibited**.**

The parties understand there are extra-market industry, legal, government, and regulatory activities which may lead to changes relating to, or elimination of, the AWP pricing index that could alter the pricing intent under the Agreement. If the pricing source changes the methodology for calculating AWP or replaces AWP, or if, as a result of such change Contractor utilizes another recognized pricing benchmark other than AWP (e.g., to Wholesale Acquisition Cost), then participating pharmacy, and mail service pharmacy rates, rebates, and guarantees, as applicable, will be modified as reasonably and equitably necessary to maintain the pricing intent under the Agreement. Contractor shall provide MCHCP with at least ninety (90) days' notice of the change (or if such notice is not practicable, as much notice as is reasonable under the circumstances), and written illustration of the financial impact of the pricing source or index change (e.g., specific drug examples). If MCHCP disputes the illustration or the financial impact of the pricing source, the parties agree to cooperate in good faith to resolve such disputes.

C1.4 **Bidder** means a person or organization who submitted an offer in response to this RFP.

C1.5 **Brand Name Drug** means a legend drug or OTC with a proprietary name assigned to it by the manufacturer and distributor and so indicated by Medi-span® (or mutually agreed upon nationally recognized publication if unavailable). Brand Drugs include Single-Source Brand Drugs and non-MAC Multi-Source Brand Drugs.

C1.6 **Breach** shall mean the acquisition, access, use or disclosure of PHI in a manner not permitted by the Privacy Rule that compromises the security or privacy of the PHI as defined, and subject to the exceptions set forth, in 45 C.F.R. 164.402.

C1.7 **Coinsurance** is the shared portion of payment between the plan and the member where each pays a percentage of pharmaceutical expenses.

C1.8 **Commercial Wrap** means the self-insured, commercial wrap-around coverage for members supplemented by the Employer Group Waiver Program.

C1.9 **Contract** means a legal and binding agreement between two or more competent parties, in consideration for the procurement of services as described in this RFP.

C1.10 **Contractor** means a person or organization who is a successful bidder as a result of an RFP and/or who enters into a contract or any subcontract of a successful bidder.

C1.11 **Co-payment** is the fixed dollar payment for specific pharmaceutical services that the covered individual must pay.

C1.12 **Covered Drug(s)** means those prescription drugs, supplies, Specialty Drugs and other items that are covered under the Plan, each as indicated on the Set-Up Forms.

C1.13 **Dispensing Fee** means an amount paid to a pharmacy for providing professional services necessary to dispense a Covered Drug to a Member.

C1.14 **Disruption Analysis** means a review of where Members are obtaining their prescriptions under the current program, followed by a review to determine if any of them will no longer have the same access under the new Contract. It also includes the identification of any Members so affected, along with proposed remediation.

C1.15 **Employee** means any person employed in a benefit-eligible position by the State of Missouri or a participating member agency, or a person eligible for coverage by a state-sponsored retirement system or by a retirement system sponsored by a participating member agency.

C1.16 **Formulary or Preferred Drug List** means the list of FDA-approved prescription drugs and supplies developed by the Contractor's Pharmacy and Therapeutics Committee and/or customized by MCHCP, and which is selected and/or adopted by MCHCP. Routine additions and/or deletions to the Formulary are hereby adopted by MCHCP, subject to MCHCP's discretion to elect not to implement any such additions or deletion through the Set-Up Form process.

C1.17 **Generic Drug** means a legend drug or OTC that is identified by its chemical, proprietary, or non-proprietary name that is accepted by the U.S. Food and Drug Administration as therapeutically equivalent and interchangeable with drugs having an identical amount of the same active ingredient and so indicated by Medi-Span® (or mutually agreed upon nationally recognized publication if unavailable). Generic Drugs include all products involved in patent litigation, Single-Source Generic Drugs, Multi-Source Generic Drugs, Multi-Source Brand Name drugs

subject to MAC, House Generics, DAW 0 claims and Generic drugs that may only be available in a limited supply.

C1.18 **House Generic** means those Brand Drugs submitted with DAW 5 code in place of their generic equivalent(s) and for which, therefore, pharmacies are reimbursed at Generic Drug rates, including MAC, as applicable, for these drugs (*e.g*., Amoxil v. amoxicillin).

C1.19 **MAC** means the Maximum Allowable Cost for a drug. This will be the amount of the ingredient cost charged to the plan/member and also be the amount paid to the pharmacy (MAC spread is not allowed).

C1.20 **May** means that a certain feature, component, or action is permissible, but not required.

C1.21 **Medicare member** means an MCHCP member who is eligible for Medicare.

C1.22 **Member** means any person who is a participant in Missouri Consolidated Health Care Plan (MCHCP).

C1.23 **Must** means that a certain feature, component, or action is a mandatory condition. Failure to provide or comply may result in a proposal being considered non-responsive.

C1.24 **Multi-Source** means a legend drug or OTC that is manufactured by more than one labeler.

C1.25 **Non-duplication Coordination of Benefits (COB)** means the coordination method utilized by MCHCP and further defined at 22 CSR 10-2.070. A complete description can be found at http://s1.sos.mo.gov/cmsimages/adrules/csr/current/22csr/22c10-2.pdf.

C1.26 **Off-shore** means outside of the United States.

C1.27 **Participant** means eligible members identified for a program.

C1.28 **Participating Pharmacy** means any licensed retail pharmacy with which Contractor has executed an agreement to provide Covered Drugs to Members.

C1.29 **Pass through Pricing** means that the full value of all retail pharmacy discounts and dispensing fees (including specialty drugs) negotiated between Contractor and the pharmacies shall accrue to MCHCP at the point of sale and that MCHCP will not be obligated to reimburse Contractor for an amount greater than such contracted rates.

C1.30 **PHI** shall mean Protected Health Information, as defined in 45 C.F.R. 160.103, and is limited to the Protected Health Information received from, or received or created on behalf of, MCHCP by contractor pursuant to performance of services under the contract.

C1.31 **Pricing Pages** apply to the form(s) on which the bidder must state the price(s) applicable for the services required in the RFP. The pricing pages must be completed and uploaded by the bidder prior to the specified proposal filing date and time.

C1.32 **Privacy Regulations** shall mean the federal privacy regulations issued pursuant to the Health Insurance Portability and Accountability Act of 1996, as amended from time to time, codified at 45 C.F.R. Parts 160 and 164 (Subparts A & E).

C1.33 **Proposal Filing Date and Time** and similar expressions mean the exact deadline required by the RFP for the receipt of proposals by HighRoads' system.

C1.34 **Provider** means a licensed health care practitioner, hospital or care giver who by law and by contract may receive reimbursement for services rendered.

C1.35 **Rebate(s)** mean all drug company revenues associated with other pharmaceutical manufacturer or third-party payments, including, but not limited to, base, formulary, incentive and market share rebates, payments related to administrative fees, data fees, aggregate utilization rebates (e.g., "book of business"), purchase discounts, payments due to inflation caps or other performance arrangements, educational payments, information sales, specialty rebates and all other revenues from pharmaceutical manufacturers or other third-parties.

C1.36 **Request for Proposal (RFP)** means the solicitation document issued by MCHCP to potential bidders for the purchase of services as described in the document. The definition includes these Terms and Conditions as well as all Pricing Pages, Exhibits, Attachments, and Amendments thereto.

C1.37 **Respondent** means any party responding in any way to this RFP.

C1.38 **Retiree** means a person who is not an employee and is receiving or is entitled to receive a retirement benefit from the State of Missouri or a retirement system of a participating member agency of the plan.

C1.39 **RSMo (Revised Statutes of Missouri)** refers to the body of laws enacted by the Legislature, which govern the operations of all agencies of the State of Missouri. Chapter 103 of the statutes is the primary chapter governing the operations of MCHCP.

C1.40 **Set-Up Form** means any standard Contractor document or form, which when completed and signed by MCHCP, will describe the essential benefit elements and coverage rules adopted by MCHCP for its plan.

C1.41 **Shall** has the same meaning as the word must.

C1.42 **Should** means that certain feature, component and/or action is desirable but not mandatory.

C1.43 **Single-Source** means a legend drug manufactured by one labeler.

C1.44 **Single-Source Generic Drug** means a new Generic Drug introduction manufactured by one labeler during the exclusivity period, not to exceed six (6) months.

C1.45 **Specialty Drugs** means drugs that meet a minimum of three or more of the following characteristics: (a) produced through DNA technology or biological processes; (b) target chronic or complex disease; (c) route of administration could be inhaled, infused or injected; (d) unique

handling, distribution and/or administration requirements; (e) are only available via limited distribution model to Specialty Pharmacy provider(s), per manufacturer requirements; and (f) require a customized medication management program that includes medication use review, patient training, coordination of care and adherence management for successful use such that more frequent monitoring and training may be required.

C1.46 **Subscriber** means eligible members, excluding spouses and dependents.

C1.47 **Transparency** means the full disclosure by the Contractor as to all of its sources of revenue that enables the Plan Sponsor (and its agents), to have complete and full access to all information necessary to determine and verify that the Contractor has met all terms of this Contract and satisfied all Pass-Through Pricing requirements.

C1.48 **Usual and Customary Price** (**U&C)** means the retail price charged by a Participating Pharmacy for a Covered Drug in a cash transaction on the date the drug is dispensed as reported to Contractor by the Participating Pharmacy.

The following definitions shall apply to EGWP only, and do not replace definitions for commercial population benefits:

C1.49 **Copayment** or **Copay** means that portion of the charge for each Covered Product dispensed to an EGWP Enrollee that is the responsibility of such EGWP Enrollee (e.g., copayment, coinsurance, cost sharing, and/or deductibles under initial coverage limits and up to annual out-of-pocket thresholds) as provided under the EGWP Benefit.

C1.50 **Coverage Gap** means the stage of the benefit between the initial coverage limit and the catastrophic coverage threshold, as described in the Medicare Part D prescription drug program administered by the United States federal government.

C1.51 **Coverage Gap Discount** means the manufacturer discounts available to eligible Medicare beneficiaries receiving applicable, covered Medicare Part D drugs, while in the Coverage Gap.

C1.52 **Coverage Gap Discount Program** means the Medicare program that makes manufacturer discounts available to eligible Medicare beneficiaries receiving applicable, covered Medicare Part D drugs, while in the Coverage Gap.

C1.53 **Enrollee Submitted Claim** means (a) a claim submitted by an Enrollee for Covered Drugs dispensed by a pharmacy other than a Participating Pharmacy, (b) a claim submitted by an Enrollee for a vaccination, or (c) a claim for Covered Drugs filled at a Participating Pharmacy for which the Enrollee paid the entire cost of the Covered Product.

C1.54 **EGWP Benefit** means the prescription drug benefit to be administered by Contractor under the Agreement.

C1.55 **EGWP Enrollee** means each Part D Eligible Retiree who is enrolled in the EGWP Benefit in accordance with the terms of the Agreement.

C1.56 **EGWP Plus** means a prescription drug benefit plan design that provides coverage beyond the standard Part D benefit, and is defined by CMS as other health or prescription drug coverage, and as such, the Coverage Gap Discount is applied before any additional coverage beyond the standard Part D benefit.

C1.57 **Late Enrollment Penalty** or **LEP** means the financial penalty incurred under the Medicare Drug Rules by Medicare Part D beneficiaries who have had a continued gap in creditable coverage of sixty-three (63) days or more after the end of the beneficiary's initial election period, adjusted from time to time by CMS.

C1.58 **Medicare Formulary** means the list of prescription drugs and supplies developed, implemented and maintained in accordance with the Medicare Drug Rules for the EGWP Benefit.

C1.59 **Medicare Rebate Program** means Contractor's or its Affiliate's manufacturer rebate program under which Contractor or its Affiliate contracts with pharmaceutical manufacturers for Rebates payable on selected Covered Drugs that are reimbursed, in whole or in part, through Medicare Part D, as such program may change from time to time.

C1.60 **Part D** or **Medicare Part D** means the Voluntary Prescription Drug Benefit Program set forth in Part D of the Act.

C1.61 **Part D Eligible Retiree** means an individual who is (a) eligible for Part D in accordance with the Medicare Drug Rules, (b) not enrolled in a Part D plan (other than the EGWP Benefit), and (c) eligible to participate in MCHCP's Current Benefit.

C1.62 **True Out-of-Pocket Costs** or **TrOOP** means costs incurred by an EGWP Enrollee or by another person on behalf of an EGWP Enrollee, such as a deductible or other cost-sharing amount, with respect to Covered Drugs, as further defined in the Medicare Drug Rules.

C1.63 **Vaccine Claim** means (i) a Medicare Part D covered vaccine claim for reimbursement submitted by a Participating Pharmacy, mail order Pharmacy, Contractor specialty pharmacy, physician, or other entity and (ii) a Medicare Part B covered vaccine claim submitted by a Participating Pharmacy. Vaccine Claim is a Prescription Drug Claim for purposes of this Agreement.

C2. GENERAL BIDDING PROVISIONS

C2.1 It shall be the bidder's responsibility to ask questions, request changes or clarification, or otherwise advise MCHCP if any language, specifications or requirements of an RFP appear to be ambiguous, contradictory, and/or arbitrary, or appear to inadvertently restrict or limit the requirements stated in the RFP to a single source. Any and all communication from bidders regarding specifications, requirements, competitive procurement process, etc., must be directed to MCHCP via the messaging tool on the HighRoads web site, as indicated on the last page of the *Introduction and Instructions* document of the RFP. Such communication must be received no later than Tuesday, February 18, 2021, 4 p.m. CT (5 p.m. ET).

Please contact Tyler Hoefinghoff (tyler.hoefinghoff@willistowerswatson.com) at Willis Towers Watson with any questions regarding the Financial Worksheets.

Every attempt shall be made to ensure that the bidder receives an adequate and prompt response. However, in order to maintain a fair and equitable procurement process, all bidders will be advised, via the issuance of an amendment or other official notification to the RFP, of any relevant or pertinent information related to the procurement. Therefore, bidders are advised that unless specified elsewhere in the RFP, any questions received by MCHCP after the date noted above might not be answered.

It is the responsibility of the bidder to identify and explain any part of their response that does not conform to the requested services described in this document. Without documentation provided by the bidder, it is assumed by MCHCP that the bidder can provide all services as described in this document.

C2.2 Bidders are cautioned that the only official position of MCHCP is that position which is stated in writing and issued by MCHCP in the RFP or an amendment thereto. No other means of communication, whether oral or written, shall be construed as a formal or official response or statement. Please contact Tyler Hoefinghoff (***tyler.hoefinghoff@willistowerswatson.com)*** at Willis Towers Watson with any questions regarding the Financial Worksheets.

C2.3 MCHCP monitors all procurement activities to detect any possibility of deliberate restraint of competition, collusion among bidders, price-fixing by bidders, or any other anticompetitive conduct by bidders, which appears to violate state and federal antitrust laws. Any suspected violation shall be referred to the Missouri Attorney General's Office for appropriate action.

C3. PREPARATION OF PROPOSALS

C3.1 Bidders must examine the entire RFP carefully. Failure to do so shall be at the bidder's risk.

C3.2 Unless otherwise specifically stated in the RFP, all specifications and requirements constitute minimum requirements. All proposals must meet or exceed the stated specifications and requirements.

C3.3 Unless otherwise specifically stated in the RFP, any manufacturer's names, trade names, brand names, and/or information listed in a specification and/or requirement are for informational purposes only and are not intended to limit competition. Proposals that do not comply with the requirements and specifications are subject to rejection without clarification.

C3.4 Unless specifically stated, responses to the questionnaire are assumed to apply to both the Commercial and EGWP populations.

C4. DISCLOSURE OF MATERIAL EVENTS

C4.1 The bidder agrees that from the date of the bidder's response to this RFP through the date for which a contract is awarded, the bidder shall immediately disclose to MCHCP:

C4.1.1 Any material adverse change to the financial status or condition of the bidder;

C4.1.2 Any merger, sale or other material change of ownership of the bidder;

C4.1.3 Any conflict of interest or potential conflict of interest between the bidder's engagement with MCHCP and the work, services or products that the bidder is providing or proposes to provide to any current or prospective customer; and

C4.1.4 (1) Any material investigation of the bidder by a federal or state agency or self-regulatory organization; (2) Any material complaint against the bidder filed with a federal or state agency or self-regulatory organization; (3) Any material proceeding naming the bidder before any federal or state agency or self-regulatory organization; (4) Any material criminal or civil action in state or federal court naming the bidder as a defendant; (5) Any material fine, penalty, censure or other disciplinary action taken against the bidder by any federal or state agency or self-regulatory organization; (6) Any material judgment or award of damages imposed on or against the bidder as a result of any material criminal or civil action in which the bidder was a party; or (7) Any other matter material to the services rendered by the bidder pursuant to this RFP.

C4.1.4.1 For the purposes of this paragraph, "material" means of a nature, or of sufficient monetary value, or concerning a subject which a reasonable party in the position of and comparable to MCHCP would consider relevant and important in assessing the relationship and services contemplated by this RFP. It is further understood that in fulfilling its ongoing responsibilities under this paragraph, the bidder is obligated to make its best faith efforts to disclose only those relevant matters which come to the attention of or should have been known by the bidder's personnel involved in the engagement covered by this RFP and/or which come to the attention of or should have been known by any individual or office of the bidder designated by the bidder to monitor and report such matters.

C4.2 Upon learning of any such actions, MCHCP reserves the right, at its sole discretion, to either reject the proposal or continue evaluating the proposal.

C5. COMPLIANCE WITH APPLICABLE FEDERAL LAWS

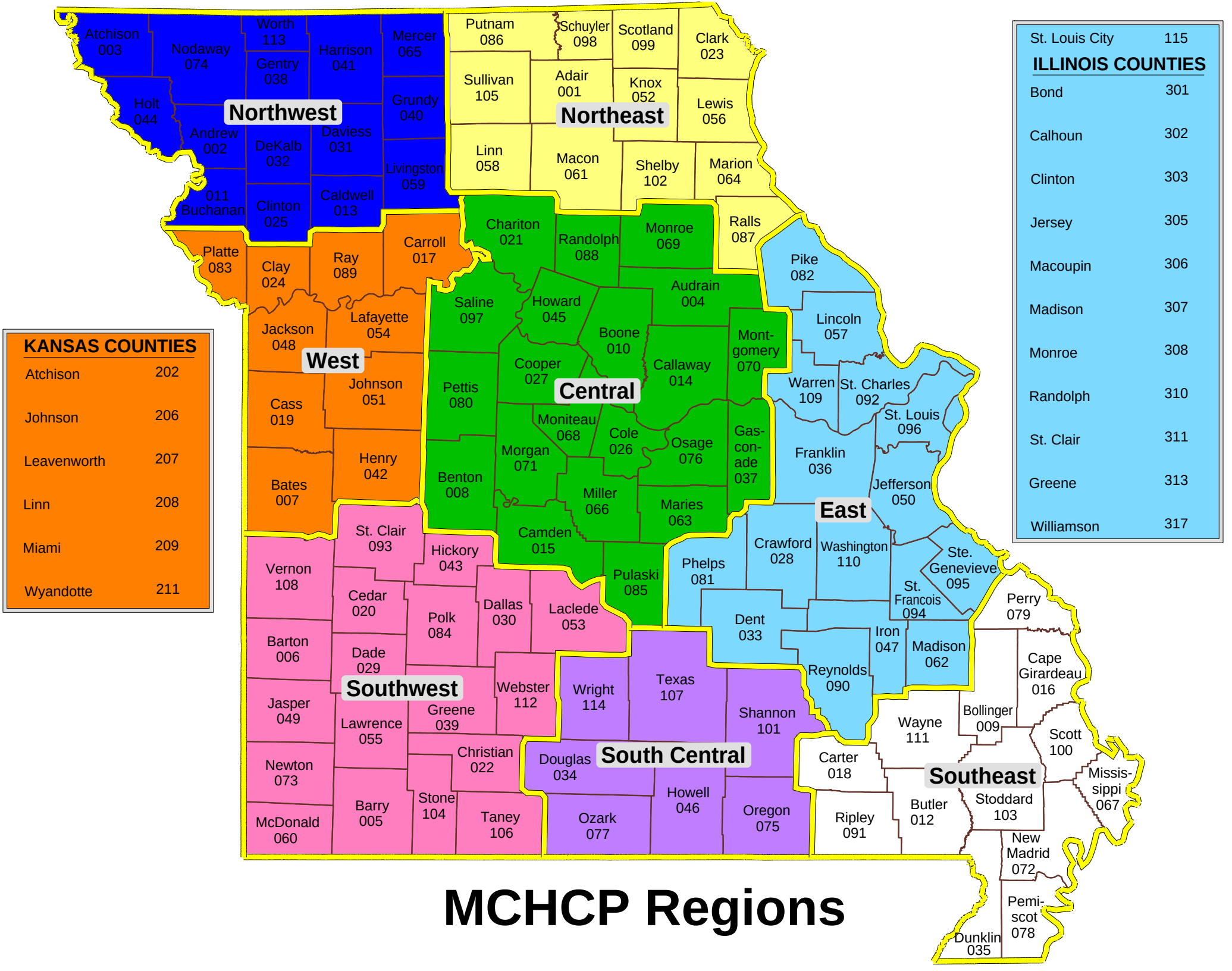
C5.1 In connection with the furnishing of equipment, supplies, and/or services under the contract, the contractor and all subcontractors shall comply with all applicable requirements and provisions of the Health Insurance Portability and Accountability Act (HIPAA) and The Patient Protection and Affordable Care Act (PPACA), as amended.

C5.2 Any bidder offering to provide services must be able to sign a Business Associate Agreement (BAA) (see Exhibit A-8) due to the provisions of HIPAA. Any requested changes shall be noted and returned with the RFP**. The changes are accepted only upon MCHCP signing a revised BAA after contract award.**

C5.3 Upon awarding of the contract by the Board, the BAA shall be signed by both parties within five (5) working days of the request to sign, or the award of the contract may be rescinded.

ATTACHMENT 2
LAYOUT FOR MCHCP ENROLLMENT FILE

Field Name	Description
Unique ID	Number assigned by MCHCP
Relation	Identifies if member is subscriber, spouse, or child 1 – subscriber 2 – spouse 3 – child
Cov Level	Identifies member's level of coverage MI – Employee Only MS – Employee and Spouse MC – Employee and Child(ren) MF – Employee, Spouse, and Child(ren) DP – COBRA Child SC – Surviving Child
Status	Identifies status of member ACT – Active Employee RTN – Retired Employee CBR – COBRA Participant DSB – Participant on Long Term Disability SVR – Survivor VES – Vested Participant FOS – Foster Parent
Zip	5-Digit Zip Code
YOB	Year of Birth (yyyy)
Gender	M – Male F – Female
Commercial-EGWP	C – Commercial Plan E – EGWP Plan



KANSAS COUNTIES

Atchison	202
Johnson	206
Leavenworth	207
Linn	208
Miami	209
Wyandotte	211

St. Louis City	115

ILLINOIS COUNTIES

Bond	301
Calhoun	302
Clinton	303
Jersey	305
Macoupin	306
Madison	307
Monroe	308
Randolph	310
St. Clair	311
Greene	313
Williamson	317

MCHCP Regions

Attachment 3

Network Pharmacy File Layout

File Type: CSV

Field Name	Field Description
Pharmacy	Pharmacy Name
Address1	Street Address (No PO Boxes or Suite Numbers)
Address2	PO Box and/or Suite Numbers
City	City name
State	State name, abbreviated
Zip	5-digit zip code
County	County Name
Phone	10-digit phone number, with or without parentheses/dashes.

Drug Claims Functional Specifications for File Layout

Field Number	Field Name	Start	End	Length	Type	Data Element Description	Advantage Field	Data Dictionary Needed	Data Supplier Instructions/Notes
Fixed-Record Length									
1	Adjustment Type Code	1	1	1	Character	Client-specific code for the claim adjustment type	Yes (Adjustment Type Code Medstat)	Yes	Adjustment Type values will be identified in the **Data Dictionary.**
2	Allowed Amount	2	11	10	Numeric	The maximum amount allowed by the plan for payment.	Yes		Format 9(8)v99 (2 - digit, implied decimal)
3	Capitated Service Indicator	12	12	1	Character	An indicator that this service (encounter record) was capitated	Yes		Applicable field values are "Y" for Capitated services and "N" for non-cap services.
4	Charge Submitted	13	22	10	Numeric	The submitted or billed charge amount	Yes		Format 9(8)v99 (2 - digit, implied decimal)
5	Claim ID	23	37	15	Character	The client-specific identifier of the claim.	Yes		
6	Claim Type Code	38	39	2	Character	Client-specific code for the type of claim	Yes (Claim Type Code Medstat)	Yes	Claim Type Codes will be identified in the **Data Dictionary.**
7	Co-Insurance	40	49	10	Numeric	The coinsurance paid by the subscriber as specified in the plan provision.	Yes		Format 9(8)v99 (2 - digit, implied decimal)
8	Copayment	50	59	10	Numeric	The copayment paid by the subscriber as specified in the plan provision.	Yes		Format 9(8)v99 (2 - digit, implied decimal)
9	Date of Birth	60	69	10	Date	The birth date of the person. (Age used from claim if no match to eligibility)			MM/DD/CCYY format The member's birth date is part of the Person ID key and is, therefore, critical to tagging claims to eligibility. The four-digit year is required for date of birth. The century cannot be accurately assigned based on a two-digit year.
10	Date of Service	70	79	10	Date	The date of service for the drug claim.	Yes		MM/DD/CCYY format
11	Date Paid	80	89	10	Date	The date the claim or data record was paid.	Yes		MM/DD/CCYY format This is the check date.
12	Days Supply	90	93	4	Numeric	The number of days of drug therapy covered by the prescription.	Yes		
13	Deductible	94	103	10	Numeric	The amount paid by the subscriber through the deductible arrangement of the plan.	Yes		Format 9(8)v99 (2 - digit, implied decimal)
14	Dispensing Fee	104	113	10	Numeric	An administrative fee charged by the pharmacy for dispensing the prescription.	Yes		Format 9(8)v99 (2 - digit, implied decimal)
15	Family ID/Employee SSN	114	122	9	Character	The unique identifier (Social Security Number) for the subscriber (contract holder, employee) and their associated dependents.	Yes		The subscriber's social security number is part of the Person ID key and is, therefore, critical to tagging claims to eligibility.
16	Member Id	123	137	15	Character	Unique Member Identifier	Yes (Person Id)		Often this identifier contains a suffix differentiating family members and the beginning is identical across families. If this is a unique number without a common portion for a family, family identifier should be included in addition to Member ID.
17	Gender Code	138	138	1	Character	The member's gender code.	Yes (used from claim if no match to eligibility)		"M" or "F" The member's gender is part of the Person ID key and is, therefore, critical to tagging claims to eligibility.
18	Ingredient Cost	139	148	10	Numeric	The charge or cost associated with the pharmaceutical product.	Yes		Format 9(8)v99 (2 - digit, implied decimal)

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Drug Claims Functional Specifications for File Layout

Field Number	Field Name	Start	End	Length	Type	Data Element Description	Advantage Field	Data Dictionary Needed	Data Supplier Instructions/Notes
Fixed-Record Length									
19	Metric Quantity Dispensed	149	159	11	Numeric	The number of units dispensed for the prescription drug claim, as defined by the NCPDPD (National Council for Prescription Drug Programs) standard format.	Yes		Format 9(8)v99 (3 - digit, implied decimal)
20	NDC Number Code	160	170	11	Character	The FDA (Food and Drug Administration) registered number for the drug, as reported on the prescription drug claims.	Yes		Please leave out the dashes.
21	Net Payment	171	180	10	Numeric	The actual check amount for the record	Yes		Format 9(8)v99 (2 - digit, implied decimal)
22	Network Paid Indicator	181	181	1	Character	An indicator of whether the claim was paid at in-network or out-of-network level.	Yes		Y or "N"
23	Network Provider Indicator	182	182	1	Character	Indicates if the servicing provider participates in the network to which the patient belongs.	Yes		Y or "N"
24	Ordering Provider ID	183	195	13	Character	The ID number of the provider who prescribed the drug.	Yes		It is preferred that this is the same identifiers used in medical claims. Typically, this is the physician's NPI or the DEA#. If these are not available, the Federal Tax ID (TIN) is acceptable.
25	Ordering Provider Name	196	225	30	Character	The Name of the provider who referred the patient or ordered the test or procedure.	Yes		
26	Ordering Provider Zip Code	226	230	5	Character	The zip code of the provider who referred the patient or ordered the test or procedure.	Yes		
27	PCP Responsibility Indicator	231	231	1	Character	An indicator signifying that the PCP is the physician considered responsible or accountable for this claim.	Yes		
28	Provider ID	232	244	13	Character	The identifier for the provider of service.	Yes		This should be the NCPDP (National Council for Prescription Drug Programs) number. (Note: The pharmacy NPI is collected in field #36 in this layout.)
29	Provider Name	245	274	30	Character	The description or name corresponding to the Provider ID.			The Provider Name should be specific to the provider and not a group name.
30	Provider NPI Number	275	284	10	Character	The National Provider Identifier for the pharmacy.			
31	Provider Zip Code	285	289	5	Character	The 5-digit zip code corresponding to the Provider ID for the pharmacy.	Yes		Provider Location zip code
32	Rx Dispensed as Written Code	290	290	1	Character	The NCPDP (National Council for Prescription Drug Programs) industry standard code that indicates how the product was dispensed.	Yes		
33	Rx Mail or Retail Code	291	291	1	Character	The IBM Watson Health standard code indicating the purchase place of the prescription.	Yes		M for Mail, "R" for Retail
34	Rx Refill Number	292	295	4	Numeric	A number indicating the original prescription or the refill number.	Yes		This is the refill number, not the number of refills remaining.
35	Sales Tax	296	305	10	Numeric	The amount of sales tax applied to the cost of the prescription.	Yes		Format 9(8)v99 (2 - digit, implied decimal)
36	Third Party Amount	306	315	10	Numeric	The amount saved due to integration of third party liability (Coordination of Benefits) by all third party payers (including Medicare).	Yes		Format 9(8)v99 (2 - digit, implied decimal)
37	Group Id	316	323	8	Character	Client-specific code for the group number.	Yes		Additional fields may be added to the layout if there is more than one component of the account structure.
38	Formulary Indicator	324	324	1	Character	An indicator that the prescription drug is included in the formulary.	Yes		Y or "N"

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Drug Claims Functional Specifications for File Layout

Field Number	Field Name	Start	End	Length	Type	Data Element Description	Advantage Field	Data Dictionary Needed	Data Supplier Instructions/Notes
Fixed-Record Length									
39	Compound Code	325	325	1	Character	Client-specific code for the compound of the drug.	Yes	Yes	Compound Codes will be identified in the **Data Dictionary.** Note that the NCPDP values include: '0' – Not Specified '1' – Not a Compound '2' – Compound
40	Excess Copayment Amount	326	335	10	Numeric	The amount paid by the patient outside of the flat copayment amount. Examples include when the patient chooses brand name instead of the generic alternative or non-formulary drug instead of the formulary option.	Yes		Format 9(8)v99 (2 - digit, implied decimal)
41	Tax Amount	336	345	10	Numeric	The amount charged by some states per drug claim.	Yes		Format 9(8)v99 (2 - digit, implied decimal)
42	CUSTOM FIELD # (if applicable)	346	346	1	Character	Additional Rows/Fields to be added as Custom Fields	TBD	TBD	TBD
43	Filler	347	399	53	Character	Reserved for future use			Fill with blanks
44	Record Type	400	400	1	Character	Record type identifier			Hard Code to "D"

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PBM Questionnaire

MCHCP requires that you provide concise answers to any questions requiring an explanation or thorough response. Please note there is a 1,000 character limit placed on all textual responses. MCHCP expects that you will provide explanations and responses within the parameters of this questionnaire. Unless specifically stated, responses to the questionnaire are assumed to apply to both the Commercial and EGWP populations.

Proprietary Statement

1.1 Pursuant to Section 610.021 RSMo, proposals and related documents shall not be available for public review until a contract has been executed or all proposals are rejected. MCHCP maintains copies of all bid file material for review. Regardless of any claim by the bidder as to material being proprietary and not subject to copying or distribution, all material submitted by the bidder in conjunction with this RFP is subject to release after the award of a contract in relation to a request for public records under the Missouri Sunshine Law (see Chapter 610 of the Missouri Revised Statutes). Neither MCHCP nor its consultant shall be obligated to return any materials submitted in response to this RFP. The use of MCHCP's name in any way is strictly prohibited. Confirm your agreement with the Confidentiality and Public Record Policy listed above.

- ○ Confirmed
- ○ Not confirmed (please explain)

Vendor Profile

2.1 Provide the following information about your company:

Full and legal company name

Name of parent organization (if applicable)

The current ownership of the company, along with the name(s) of any individual holding 10% or more of the stock or value of the organization (if applicable)

Corporate address

Name of contact person for questions regarding this RFP response

Telephone

E-mail address

2.2 When was your organization established?

Response (MM/YYYY)

2.3 Has your organization operated under other names than the name that is currently used? If so, please list.

Response

2.4 Provide the location for each of the following that will service MCHCP.

	Commercial	EGWP
Customer support		
Account management		
Pharmacist		
Mail order pharmacy		
Specialty pharmacy		
Other		

2.5 Briefly describe three attributes of your organization that you believe distinguishes you from your competitors.

	Commercial	EGWP
Attribute 1		
Attribute 2		
Attribute 3		

2.6 Provide the following general information on your clients and volume (in terms of number of scripts).

	Commercial population	EGWP population
Current number of active members (January 2021)		

Total annual retail prescription volume (CY2020)		
Total annual generic retail prescription volume (CY2020)		
Total annual preferred brand retail prescription volume (CY2020)		
Total annual non preferred brand retail prescription volume (CY2020)		
Total annual mail order prescription volume (CY2020)		
Total annual mail order generic prescription volume (CY2020)		
Total annual mail order preferred brand prescription volume (CY2020)		
Total annual mail order non preferred brand prescription volume (CY2020)		
Total claim payment volume in dollars (CY2020)		

2.7 Provide the following information on the scale of your operations for the retail network you are proposing for your Commercial population.

	Number of Employer Customers	Number of Covered Employees	Number of Covered Lives
10,000 - 29,999 covered lives			
30,000 - 49,999 covered lives			
50,000 - 100,000 covered lives			
> 100,000 covered lives			
All sizes			

2.8 Provide the following information on the scale of your operations for the retail network you are proposing for your EGWP population.

	Number of Employer Customers	Number of Covered Employees	Number of Covered Lives
10,000 - 29,999 covered lives			
30,000 - 49,999 covered lives			
50,000 - 100,000 covered lives			
> 100,000 covered lives			
All sizes			

2.9 Provide the annual claim volume increase that you will experience, if awarded a contract using your book of business as of the proposal submission date and MCHCP's expenses. MCHCP actual pharmacy expenses exceeded $220 million in 2020. Pharmacy trend is estimated to be 13 percent for 2021.

Response

2.10 Is there any significant litigation and/or government action pending against your company, or has there been any action taken or proposed against your company within the last five (5) years? If yes, describe the situation prompting the suit(s) and the outcome or current status. If there are more than three cases, please upload a document to the Reference Files from Vendor section, and name the document "Q2.10 Litigation".

- ☐ Case #1
- ☐ Case #2
- ☐ Case #3
- ☐ No cases within the last five (5) years.

2.11 Provide the following information for all subcontractors that will be used to fulfill the requirements of this contract:

	Company name	Service provided	Number of years working with your organization
Subcontractor #1			
Subcontractor #2			
Subcontractor #3			
Subcontractor #4			
Subcontractor #5			

2.12 Identify your company's General Liability and Errors & Omissions insurer protecting your clients. Describe the type and limits of each coverage.

	Name of Insurance Carrier	Type of Coverage	Coverage Amount	Pertinent Exclusions
Insurer				
Insurer (2nd)				

2.13 Confirm you have uploaded a document to the Reference Files from Vendor section describing the insurance in force that your firm has in place to cover any errors and omissions claims that may arise in connection with services on behalf of a client. Who is the carrier or what is the funding mechanism? What are the policy limits? Are all of your subcontractors and/or joint venture companies bound by such coverage? Name the file "Q2.13 E&O Insurance".

- ○ Document has been uploaded (list carrier name, funding mechanism, and policy limits, and describe whether subcontractors are bound by coverage)
- ○ Not provided (please explain)

2.14 Confirm you have uploaded a document to the Reference Files from Vendor section confirming appropriate licensure by the State of Missouri. Name the document "Q2.14 State of Missouri License".

- ○ Confirmed
- ○ Not confirmed (please explain)

2.15 Confirm that you have a 2020 contract in place with CMS and are approved to provide EGWP services similar in scope and size that is currently in place for MCHCP today.

- ○ Confirmed
- ○ Not confirmed (please explain)

2.16 Confirm you are able to administer a commercial wrap for an EGWP program.

- ○ Confirmed
- ○ Not confirmed (please explain)

2.17 Describe the economic advantages that will be realized as a result of your organization performing the required services by providing responses to each item below. If necessary to provide a full description, please upload a document to the Reference Files from Vendor section, and name the file "Q2.17 Economic Impact".

Provide a description of the proposed services that will be performed and/or the proposed products that will be provided by Missourians and/or Missouri products.

Provide a description of the economic impact returned to the State of Missouri through tax revenue obligations.

Provide a description of the company's economic presence within the State of Missouri (e.g. type of facilities: sales offices, sales outlets; divisions; manufacturing; warehouse; other), including Missouri employee statistics.

2.18 Are you willing to fund an annual discretionary fund for MCHCP to use to reimburse MCHCP for miscellaneous expenses relating to this contract?

- ○ Yes (please describe, listing any conditions and the amount)
- ○ No (please explain)

Retail Pharmacy Services

3.1 Provide the number of independent, chain and total pharmacies you currently have under contract in Missouri and nationwide in the network you are proposing for MCHCP. If proposing more than one network, upload this information to the Reference Files from Vendor section and name the file "Q3.1 Network Summary (Commercial)" and "Q3.1 Network Summary (EGWP)".

	Missouri - Commercial	Nationwide - Commercial	Total - Commercial	Missouri - EGWP	Nationwide - EGWP	Total - EGWP
Retail - Chain						
Retail - Independent						
Mail Order						
Specialty						
Long-Term Care						
Home Infusion						
Retail - contracted to fill 90-day supplies						
Retail - able and ready to						

receive electronic prescriptions						

3.2 Confirm that you have uploaded a list of all participating pharmacies in MCHCP's regions as defined in Attachment 4 for both your commercial and EGWP networks. Submit the files in a .csv format utilizing the file layout provided in Attachment 3. Submit separate files for each proposed network. Name the file(s) "Q3.2 Participating Pharmacies (Commercial)" and "Q3.2 Participating Pharmacies (EGWP)".

- ○ Confirmed
- ○ Not confirmed (please explain)

3.3 Confirm you have uploaded a list of chain pharmacies participating in the proposed networks by state in the Reference Files from Vendor section, and named the document "Q3.3 Chain Pharmacy List (Commercial)" and "Q3.3 Chain Pharmacy List (EGWP)".

- ○ Confirmed
- ○ Not confirmed (please explain)

3.4 Confirm you have uploaded a list by state of the national or regional chain drug stores that do NOT participate in the networks you are proposing for MCHCP, and named the document "Q3.4 Chains Not Participating (Commercial) and "Q3.4 Chains Not Participating (EGWP)".

- ○ Confirmed
- ○ Not confirmed (please explain)

3.5 Using the demographic file available as Attachment 1, enter the number and percent of MCHCP employees (subscribers) meeting the access standard of 1 pharmacy within 5 miles for each of the following Missouri counties:

	Number of subscribers (Commercial)	Percent of subscribers (Commercial)	Number of subscribers (EGWP)	Percent of subscribers (EGWP)
Cole		%		%
St. Louis County		%		%
Callaway		%		%
St. Francois		%		%
Boone		%		%
Jackson		%		%
St. Louis City		%		%
Greene		%		%
Buchanan		%		%
Osage		%		%

3.6 Using the demographic file available as Attachment 1 and excluding the counties listed in Q3.5 above, enter the number and percent of MCHCP employees (subscribers) meeting the access standard of 1 pharmacy within 10 miles.

Number of employees (Commercial)

Percentage of employees (Commercial) %

Number of Medicare retirees (EGWP)

Percentage of Medicare retirees (EGWP) %

3.7 Confirm that you have uploaded the following access reports to support your responses to Q3.5 and Q3.6 above. The reports must provide detail by county. Upload the file to the Reference Files from Vendor section, and name the file "Q3.7 Access reports (Commercial)" and "Q3.7 Access reports (EGWP)".

	Confirmed	Not confirmed (please explain)
Summary of Employees with Access (Commercial)	○	○
Summary of Employees without Access (Commercial)	○	○
Summary of Medicare Retirees with Access (EGWP)	○	○
Summary of Medicare Retirees without Access (EGWP)	○	○

3.8 Are you willing to add pharmacies in areas that do not have adequate access?

- ○ Yes (please describe)

○ No (please explain)

3.9 Can you offer members the option of a 90-day supply for maintenance drugs through retail pharmacies utilizing mail service pricing?

○ Yes (please describe)
○ No (please explain)

3.10 Indicate any challenges you perceive with administering a 90-day supply at retail program.

○ Response
○ Not applicable

3.11 Describe the criteria used to select network pharmacies.

Response

3.12 Describe the procedures for removing a network pharmacy.

Response

3.13 How often are financial contractual terms with participating pharmacies re-negotiated?

○ Annually
○ Every two years
○ Every three years
○ Other (please explain)

3.14 Describe any performance incentives offered to pharmacies.

Response

3.15 Explain how price is determined for compound drugs, and what AWP, discounts, and fees apply. Please note that these claims should be excluded from discount guarantee reconciliations.

Response

3.16 Describe the steps you will take to ensure that the member will always pay the lesser of the prescription cost or copay at retail.

Response

Mail Order Pharmacy Services

4.1 Is your mail order pharmacy wholly owned or outsourced?

○ Wholly owned
○ Outsourced (provide vendor name)

4.2 Confirm your mail order pharmacy will be subject to the same requirements and standards as your retail network pharmacies.

○ Confirmed (please describe)
○ Not confirmed (please explain)

4.3 Where will the mail order pharmacy for MCHCP be located for both the Commercial and EGWP plan?

Commercial plan
EGWP plan

4.4 Provide the following information for the recommended mail order pharmacy for the commercial population:

Date this pharmacy became operational (MM/YYYY format)
Average CY2020 production as a percent of peak capacity %
Projected average pharmacy utilization for CY2022 after the addition of the MCHCP account %
Average rate of error in CY2020 %
Average turnaround time in CY2020 for all claims - clean and claims with interventions (indicate number of business days)

4.5 Provide the following information for the recommended mail order pharmacy for the EGWP population:

Date this pharmacy became operational (MM/YYYY format)

Average CY2020 production as a percent of peak capacity %

Projected average pharmacy utilization for CY2022 after the addition of the MCHCP account %

Average rate of error in CY2020 %

Average turnaround time in CY2020 for all claims - clean and claims with interventions (indicate number of business days)

4.6 Do you have a process for notifying members of:

	Yes, please describe	No, please explain
Expiration date of their prescription	○	○
Next refill date and the number of refills	○	○
Prescriptions not on formulary	○	○
Generic substitution availability	○	○

4.7 Do you have auto-refill capabilities should the member request this option? If so, how do you ensure the amount of medication on hand at the time of refill is appropriate and not able to be stockpiled?

○ Yes (please describe)

○ No (please explain)

4.8 For the mail order pharmacy proposed for MCHCP's commercial population, identify the percentage of mail order prescriptions that are dispensed and shipped for both new and refill prescriptions:

	New prescriptions	Refills
Within 24 hours	%	%
Within 48 hours	%	%
Within 72 hours	%	%
Greater than 72 hours	%	%

4.9 For the mail order pharmacy proposed for MCHCP's EGWP population, identify the percentage of mail order prescriptions that are dispensed and shipped for both new and refill prescriptions:

	New prescriptions	Refills
Within 24 hours	%	%
Within 48 hours	%	%
Within 72 hours	%	%
Greater than 72 hours	%	%

4.10 Are there any types of prescription drugs that cannot be dispensed by your mail order pharmacies due to state restrictions? If so, please list all such types and states to which they apply.

○ Yes (please explain)

○ No

4.11 If you responded "Yes" to the previous question, how do you plan to provide for cases where medications cannot be dispensed due to state regulations?

○ Response

○ Not applicable

4.12 Are there any types of prescription drugs that cannot be dispensed by your mail order pharmacies due to your mail order pharmacies' limitations? If so, please list all such limitations.

○ Yes (please explain)

○ No

4.13 If you responded "Yes" to the previous question, how do you plan to provide for cases where medications cannot be dispensed due to your mail order pharmacies' limitations?

○ Response

○ Not applicable

4.14 Can initial prescriptions be sent to the mail order pharmacy by:

	Yes	No

Fax	○	○
E-mail	○	○
Phone	○	○
Website	○	○
PBM App	○	○

4.15 Can refill prescriptions be sent to the mail order pharmacy by:

	Yes	No
Fax	○	○
E-mail	○	○
Phone	○	○
Website	○	○
PBM App	○	○

4.16 What delivery service(s) does your mail order pharmacy use to deliver prescriptions?

Response

4.17 Do you offer alternative delivery options (e.g., priority overnight, second day, etc.)? If so, at what impact on cost?

○ Yes (please describe options and impact on cost)

○ No

4.18 Discuss your ability to continue mail service in the event of an emergency/disaster that closes the pharmacy servicing MCHCP? Include the projected time required for full restoration of services.

Response

4.19 Are the brand/generic designations the same at mail and retail for the same products on the same date of service?

○ Yes (please describe)

○ No (please explain)

4.20 Will you agree to use the same NDC in dispensing and billing? If not, explain your rationale and explain how MCHCP is protected against inflated pricing due to an NDC mismatch.

○ Yes

○ No (please explain)

4.21 Describe the steps you will take to ensure that the member will always pay the lesser of the prescription cost or copay at mail.

Response

Specialty Pharmacy Services

5.1 Is your specialty pharmacy wholly owned or outsourced?

○ Wholly owned

○ Outsourced (provide vendor name)

5.2 Will the same specialty pharmacy be used for the both the Commercial and EGWP plans?

○ Yes

○ No (please explain)

5.3 Are you able to dispense all specialty drugs from your proposed specialty pharmacy? If not, please explain what drugs are not available and your proposed method to ensure supply and delivery of those medications.

○ Yes

○ No (please explain)

5.4 Describe your care management function as it relates to your specialty pharmacy program and how it differs between commercial and EGWP populations.

Commercial

EGWP

5.5 Is there separate pricing for injectable and biotech products (from the retail or mail order offering)? If yes, upload your price schedule to the Reference Files from Vendor section, and name the document "Q5.5 Specialty Rx Pricing". Provide separate pricing for both an "exclusive" and "open" program.

- ○ Yes, we offer a price schedule and have uploaded
- ○ Yes, we offer a price schedule but have not uploaded (please explain)
- ○ No, we provide one contract rate

5.6 Confirm that you have uploaded a list of the medications included in your specialty pharmacy program for both the Commercial and EGWP plans. Upload the files to the Reference Files from Vendor section, and name the files "Q5.6 Specialty Rx Medications (Commercial) and "Q5.6 Specialty Rx Medications (EGWP)".

- ○ Confirmed
- ○ Not confirmed (please explain)

5.7 What criteria are used when adding new drugs to the Specialty Drug list?

Response

5.8 Provide the following information regarding your specialty pharmacy program:

How long has it been in place (number of years and months)

Number of patients to whom services are currently provided

Description of the program

Client name for reference

5.9 Do you make recommendations to clients regarding new specialty products, management of specialty medication utilization and costs, and coverage under pharmacy or medical benefit? If yes, provide the basis/criteria used to develop recommendations (i.e. clinical research, utilization trends, etc.) and provide examples.

- ○ Yes (provide basis/criteria and examples)
- ○ No

5.10 Discuss the differences in services offered to member and client when dispensing a specialty medication versus a non-specialty medication. How do you manage treatment, control waste and ensure appropriate therapy review?

Response

5.11 Can you provide MCHCP with utilization, performance and trend reports that include, but are not limited to patient compliance and amount saved due to management initiatives such as waste control and prior authorization requirements? If yes, upload copies of these reports to the Reference Files from Vendor section, and name the file "Q5.11 Specialty Reporting".

- ○ Yes, and samples have been uploaded
- ○ Yes, and samples have not been uploaded (please explain)
- ○ No (please explain)

5.12 Can you offer services to MCHCP today to develop and maintain pricing and protocols for drugs and injectables managed under the medical benefits?

- ○ Yes (please describe)
- ○ No (please explain)

5.13 Do you dispense non-specialty products at your specialty pharmacy? If so, please describe the price discounts that apply to these non-specialty products.

- ○ Yes (please describe)
- ○ No (please explain)

5.14 Can you provide specialty medical channel management services?

- ○ Yes (please describe)
- ○ No (please explain)

5.15 Do you have a specialty retail option?

- ○ Yes (please describe, including any impact on projected costs)
- ○ No (please explain)

6.1 Confirm that you have uploaded a detailed implementation plan to the Reference Files from Vendor section, and named the file "Q6.1 Implementation Plan". The plan must include a list of specific implementation tasks/transition protocols and a timetable for initiation and completion of such tasks.

- ○ Confirmed
- ○ Not confirmed (please explain)

6.2 Given your expected capacity with your current business, what additional staff will you hire to service the MCHCP account and how many (check all that apply)?

- ☐ Customer service representative (state how many)
- ☐ Pharmacists (state how many)
- ☐ Other (describe and state how many)

6.3 Complete the following table regarding the team that would be compiled for MCHCP for the Commercial plan.

	Name	Role for MCHCP	Location (city, state)	Brief work experience bio	Number of years at your organization	Number of years in their current role	Number of current accounts in this same role	Maximum number of accounts
Implementation (Primary)								
Implementation (Secondary)								
Account Management (Primary)								
Account Management (Secondary)								
Pharmacist (Primary)								
Pharmacist (Secondary)								

6.4 Complete the following table regarding the team that would be compiled for MCHCP for the EGWP plan.

	Name	Role for MCHCP	Location (city, state)	Brief work experience bio	Number of years at your organization	Number of years in their current role	Number of current accounts in this same role	Maximum number of accounts
Implementation (Primary)								
Implementation (Secondary)								
Account Management (Primary)								
Account Management (Secondary)								
Pharmacist (Primary)								
Pharmacist (Secondary)								

6.5 Will you provide a dedicated implementation/transition team before, during and for at least 90 days after implementation?

- ○ Yes
- ○ No (please explain)

6.6 Describe how you transition from implementation staff to account management staff once a client implementation is complete.

Response

6.7 Will the account manager assigned to MCHCP be included on the implementation team?

- ○ Yes

○ No (please explain)

6.8 Confirm that you can accommodate weekly (or more) conference calls with MCHCP and individuals appointed by MCHCP during implementation.

○ Confirmed
○ Not confirmed (please explain)

6.9 Will your implementation and account management team provide acknowledgements to MCHCP within 8 hours of receiving a phone call and/or email?

○ Yes
○ No (please explain)

6.10 MCHCP requires that the PBM contractor have a formal process and a form/document for tracking and documenting benefit design set-up requests during implementation and on an ongoing basis. Confirm that you have a formal process for managing benefit set-up and change requests.

○ Confirmed (please describe)
○ Not confirmed (please explain)

6.11 What transition issues do you foresee for MCHCP during the implementation phase?

Response

6.12 Describe your ability and willingness to accept 36 months of pharmacy claims history to be loaded into your claims processing system.

Response

6.13 Confirm you can keep a minimum 36 months of rolling claims data in your claims processing system and make it available in the reporting tool.

○ Confirmed
○ Not confirmed (please explain)

6.14 Describe how you would handle mail order refills during a transition. For example, will patients be required to obtain new scripts from their doctors?

Response

6.15 Describe how you will handle transitioning affected members to new formulary medications.

Response

6.16 If requested, are you willing to grandfather the current MCHCP formulary for a period up to 90 days?

○ Yes (please list any qualifiers)
○ No (please explain)

6.17 Will you obtain prior authorization data from the current PBM to minimize disruption for employees with existing prior authorizations?

○ Yes (please explain methodology and timing)
○ No (please explain)

6.18 Will you obtain specialty pharmacy care management history from the current PBM to minimize disruption for employees with ongoing specialty pharmacy needs?

○ Yes (please explain methodology and timing)
○ No (please explain)

6.19 Will you provide an implementation credit (a credit to offset costs incurred by MCHCP to change vendors)? If so, include the amount in the pricing model in DirectPath.

○ Yes (please describe, including any conditions attached to the credit)
○ No (please explain)

6.20 Describe your benefit testing prior to going live.

Response

6.21 Describe how testing controls are put in place to ensure that outcomes are legitimate.

Response

6.22 Is the testing environment a true mirror to the production environment including client hierarchy? Please describe the similarities and differences between these systems.

- ○ Yes
- ○ No (please describe differences)

6.23 Describe how benefits are transitioned from your testing environment to the production environment, and your QA process to ensure that benefits are transitioned accurately.

Response

6.24 Are you willing to customize benefit testing based on MCHCP's needs?

- ○ Yes
- ○ No (please explain)

6.25 Will you make testing results available to MCHCP to review and perform quality assurance?

- ○ Yes
- ○ No (please explain)

6.26 How long after go-live will claims be monitored for accuracy?

Number of days

6.27 Describe the training materials and resources that are available initially and on an on-going basis for new users and when system changes, enhancements, and updates are made.

Response

6.28 Are you willing to agree and fund an Implementation Audit to be performed by Willis Towers Watson or the auditor of choice for MCHCP?

- ○ Yes (please describe, including the dollar amount)
- ○ No (please explain)

Customer Service

7.1 Provide the following information about your Customer/Member Services Department(s) for the commercial poulation.

Location(s)	
Hours of operation	
Number of customer/member services representatives assigned to MCHCP account	
For how many other clients are they responsible?	
For how many other members are they responsible?	
Experience level of staff (average # of yrs in customer service role)	

7.2 Provide the following information about your Customer/Member Services Department(s) for the EGWP poulation.

Location(s)	
Hours of operation	
Number of customer/member services representatives assigned to MCHCP account	
For how many other clients are they responsible?	
For how many other members are they responsible?	
Experience level of staff (average # of yrs in customer service role)	

7.3 Will there be a dedicated toll free phone number for MCHCP members to use to reach customer service?

- ○ Yes (please describe)
- ○ No (please explain)

7.4 Will you provide MCHCP with a dedicated Customer/Member Services team? If not, indicate the number of non-MCHCP members who will also be served by the team proposed to serve MCHCP.

- ○ Yes
- ○ No (please explain)

7.5 Will EGWP members have a separate Customer/Member Services team?

- ○ Yes (please describe)
- ○ No (please explain)

7.6 Will there be a dedicated toll free phone number for EGWP members?

Yes (please describe)

No (please explain)

7.7 Will MCHCP have a dedicated contact for escalated EGWP member issues?

Yes (please describe)

No (please explain)

7.8 Are pharmacists available to answer questions from members, and if so, what are their hours?

- ○ Yes (provide hours of availability)
- ○ No (please explain)

7.9 Is there emergency access to a registered pharmacist 24 hours a day/7 days a week?

- ○ Yes, for both members and providers
- ○ Yes, for members only
- ○ Yes, for providers only
- ○ No (please explain)

7.10 How does your Customer/Member Services department work with your specialty and mail order pharmacy on escalated member issues?

Response

7.11 Describe the training your customer/member services representatives will receive specific to MCHCP's plan.

Response

7.12 How do you notify your call center representatives of benefit changes that could affect call volume?

Response

7.13 How are after hour calls managed?

- ○ IVR
- ○ Voice Mail
- ○ Human available at all times
- ○ Other (please explain)

7.14 Do members and pharmacies use the same phone number?

- ○ Yes
- ○ No

7.15 Confirm you have language translation services. If yes, list the five most common languages available for translation.

- ○ Confirmed (list languages)
- ○ Not confirmed

7.16 Are all calls documented and/or recorded?

	Yes (please describe)	No (please explain)
Documented	○	○
Recorded	○	○

7.17 Are member inquiries to pharmacists logged into the member services system so that member services representatives can access this information (e.g. information about formulary alternatives to non-formulary medication)?

- ○ Yes (please describe)
- ○ No (please explain)

7.18 What is your overflow capability for busy call times for the proposed call center(s)?

Response

7.19 Provide your targeted and actual ratio of Member Services Representatives to members for the proposed call center(s).

Targeted ratio of customer service reps to 10,000 members

Actual ratio of customer service reps to 10,000 members

7.20 Provide the following information for the proposed call center for the most recent twelve-month period?

	Average speed to answer (in seconds) - Commercial	Average abandonment rate - Commercial	Average speed to answer (in seconds) - EGWP	Average abandonment rate - EGWP
Corporate standard		%		%
Actual results		%		%

7.21 Provide your company's average response time for written inquiries over the last 12 months.

	Commercial	EGWP
Corporate standard (in days)		
Actual results (in days)		

7.22 Discuss your ability to shift phone service to another call center in the event of an emergency/disaster that closes down the center servicing MCHCP? Include the projected time required for full restoration of services.

Response

7.23 Where is your back up call center(s) located?

Response

7.24 Describe your escalation process for resolving member and pharmacy complaints.

Response

7.25 How do you manage and track complaints?

Response

7.26 What is the average turnaround time for resolving complaints?

- ○ Less than 24 hours
- ○ 1-2 days
- ○ 3-4 days
- ○ > 4 days

7.27 Describe how you will address requests for research and/or escalation made by MCHCP customer service to resolve member complaints or requests.

Response

7.28 How will you track and manage requests from MCHCP customer service?

Response

7.29 How will you coordinate requests made by MCHCP customer service with the account management team?

Response

7.30 Does your company conduct member satisfaction surveys? If yes, upload results from your most recent satisfaction survey to the Reference Files from Vendor section, and name the document "Q7.30 Satisfaction Survey Results".

- ○ Yes, and survey results have been uploaded (please describe)
- ○ Yes, and survey results have not been provided (please explain)
- ○ No (please explain)

7.31 Does your company conduct member satisfaction surveys? If yes, upload results from your most recent satisfaction survey to the Reference Files from Vendor section, and name the document "Q7.30 Satisfaction Survey Results".

	Commercial	EGWP

Yes, and survey results have been uploaded (please describe)	○	○
Yes, and survey results have not been provided (please explain)	○	○
No (please explain)	○	○

7.32 If your company conducts member satisfaction surveys, how often are they conducted?

	Monthly	Quarterly	Semi-annually	Annually	Other (please explain)
Commercial	○	○	○	○	○
EGWP	○	○	○	○	○

7.33 Confirm that you will conduct an annual customer satisfaction survey specific to MCHCP at no additional cost and conducted by an independent firm.

○ Confirmed (please describe)

○ Not confirmed (please explain)

7.34 What member services options are available on your website (check all that apply)?

☐ Verify eligibility
☐ Formulary list lookup function specific to a member's coverage/benefits
☐ Generic and therapeutic equivalent lookup feature for a selected drug
☐ Price a medication by city and/or zip code and by pharmacy
☐ Order mail order prescription refill
☐ Request ID card
☐ Ability for patient to access claims history
☐ Drug safety edits/precautions based on the member's claims history
☐ Check status of deductibles, maximums, or limits
☐ Research specific medical conditions or wellness information
☐ Research information regarding specific medications
☐ Copay lookup functions specific to a member's coverage/benefits
☐ Access customer service via e-mail
☐ Access customer service via chat
☐ Check claims status
☐ Pharmacy directory/locator service
☐ Map pharmacy locations
☐ Satisfaction surveys
☐ Other (please describe)

7.35 Provide the URL, a temporary ID and password for members of the RFP review team to view the website available to members.

URL

ID

Password

7.36 Do you have an App for members? If so, please describe, including your willingness and ability to integrate with other vendors' apps/website.

○ Yes (please describe)

○ No (please explain)

7.37 Are you willing to retrieve recordings of a random sample of MCHCP member calls for review by MCHCP on a quarterly basis?

○ Yes (please describe)

○ No (please explain)

Reporting

8.1 Confirm that you have uploaded a sample report packet for the Commercial and EGWP plans to the Reference Files from Vendor section and named the document "Q8.1 Sample Reports (Commercial)" and "Q8.1 Sample Reports (EGWP)".

○ Confirmed
○ Not confirmed (please explain)

8.2 Describe your drug trend reporting. Specifically address quarter-to-quarter and year-to-year trend reports. Upload a sample to the Reference Files from Vendor section and name the file "Q8.2 Trend Reporting".

Response

8.3 Describe your year-end performance analysis performed by your organization. Describe the content and upload a sample to the Reference Files from Vendor section. Name the file "Q8.3 Performance Analysis".

Response

8.4 Can you provide reports that benchmark MCHCP's utilization against comparative segments of your business and identify optimal benchmarks for certain metrics such as generic utilization for both the Commercial and EGWP plans?

	Yes (list comparative benchmark populations available)	No (please explain)
Commercial	○	○
EGWP	○	○

8.5 Do your reports include specialty utilization reporting and recommendations?

○ Yes (please describe)
○ No (please explain)

8.6 Describe the standard financial reports that will be provided to MCHCP for the Commercial and EGWP plans, including a list of the data elements available, customization capabilities, and how the reports will be delivered to MCHCP. Upload a sample to the Reference Files from Vendor section and name the file "Q8.6 Financial Reports (Commercial)" and "Q8.6 Financial Reports (EGWP)".

Response

8.7 Describe the online reporting utility that will be available to MCHCP.

Response

8.8 Provide the following information regarding your online reporting/querying product:

Number of points of access included in your pricing proposal
MCHCP system requirements
Timeframe and capacity for storing historical claims data
Frequency of claims data updates (i.e. daily, weekly, monthly, etc.)

8.9 Does your online reporting/querying product provide immediate access to both ad hoc reporting capabilities and standard management utilization reports?

○ Yes
○ No (please explain)

8.10 Confirm you have uploaded sample screen prints of your online reporting/querying tool. Upload the file to the Reference Files from Vendor section and name the document "Q8.10 Online Reporting Tool".

○ Confirmed
○ Not confirmed (please explain)

8.11 Can your on-line reporting/query tool query and/or can you provide online reports by the following categories?

	Pre-defined Online Reports Available	Online Query Tool Capability
Carrier, Group/Subgroup, Division	☐	☐
Member	☐	☐
Therapeutic Category	☐	☐
Prescribing Physician	☐	☐
Geographic Region	☐	☐
Product	☐	☐
Pharmacy	☐	☐
Formulary	☐	☐
Brand/Generic Utilization	☐	☐

Benefit Design Across Group or Product Type	☐	☐

8.12 Can your online reporting/query tool support predictive modeling of benefit options?

- ○ Yes (please describe)
- ○ No (please explain)

8.13 Provide a timetable for scheduled downtime for the online reporting/query product, and a description of any non-scheduled downtime and subsequent resolutions of these situations.

Response

8.14 How is claims data stored, archived and retrieved?

Response

8.15 Describe your process for requesting archived claims data, including turnaround time.

Response

8.16 How do you define ad hoc reports?

Response

8.17 What is the average turnaround time (in days) for an ad hoc reporting request? If additional charges apply to ad hoc reporting, list those charges in the pricing model in DirectPath.

Average number of days

8.18 Will you provide custom reports upon request?

- ○ Yes, at no additional cost
- ○ Yes, at an additional cost (please specify additional costs in in the pricing model in DirectPath)
- ○ No (please explain)

8.19 Confirm that any costs that you incur in supplying MCHCP's data to its contracted decision support system vendor (currently IBM Watson Health) are included in your proposed fees.

- ○ Confirmed
- ○ Not confirmed (please explain)

8.20 Does your organization currently provide data to IBM Watson Health or any other decision support system vendor (check all that apply)?

- ☐ IBM Watson Health
- ☐ Other decision support system vendor(s) (list other vendors)
- ☐ Do not currently supply data to any decision support vendor

8.21 Confirm that all data, including that of any mail order or specialty pharmacy subcontractors, will be included in your monthly data feed to MCHCP's data warehouse vendor (currently IBM Watson Health).

- ○ Confirmed
- ○ Not confirmed (please explain)

8.22 Describe your ability to provide normative utilization and cost data. Include a description of and source of normative data, frequency of updating and adjustment methodologies (i.e., case mix).

Response

8.23 Do you have experience providing pharmacy data to employer-contracted medical plans? If yes, provide a sample file layout that includes all data elements/descriptions that will be available. Upload the layout to the Reference Files from Vendor Section and name the document "Q8.23 Pharmacy Claim File Layout".

- ○ Yes, and layout has been uploaded (please describe, including frequency with which data will be provided)
- ○ Yes, and layout has not been uploaded (please explain)
- ○ No (please explain)

9.1 Drug Utilization Review (DUR)

9.2 Indicate whether your current DUR program includes the following. Explain how the information is obtained.

	Yes, list data source	No
Drug-to-drug interaction	○	○
Drug-to-allergy interaction	○	○
Drug-to-medical condition interaction	○	○
Duplicate prescription	○	○
Prescriptions that exceed maximum dosage	○	○
Early refill	○	○
Appropriate drug usage ("off-label" uses)	○	○
Exceptional activity	○	○
Therapeutic duplications	○	○
Patient over- and under-utilization	○	○

9.3 For your concurrent DUR program, list any other interactions that are included.

	Name	Data source
Other (1)		
Other (2)		
Other (3)		
Other (4)		
Other (5)		

9.4 If the concurrent DUR program detects a potential interaction, will it allow a pharmacist to override the DUR message and fill the prescription order?

○ Yes (please describe)
○ No (please explain)

9.5 Can you support custom clinical edits (i.e. plan-specific step therapies or quantity limits)?

○ Yes, at no additional cost (please describe)
○ Yes, at an additional cost (please describe, and list additional costs in the pricing model in DirectPath)
○ No (please explain)

9.6 Describe how retail pharmacist compliance with concurrent DUR messages is monitored and tracked. Address each of the following:

If online responses are not required or if override codes are used, explain how network pharmacist actions are monitored and improved

Indicate whether Rx cost and utilization data is retained on both the original prescription input and the actual prescription dispensed

9.7 Confirm you have uploaded samples of POS message tracking and monitoring of pharmacist non-compliance with DUR messages. Upload the file to the Reference Files from Vendor section and name the file "Q9.7 POS Message Tracking".

○ Confirmed
○ Not confirmed (please explain)

9.8 Utilization Management and Clinical Programs

9.9 Describe how information about your clinical programs is communicated to pharmacists, prescribers, and members.

Pharmacists

Prescribers

Members

9.10 Confirm that you have provided a list of the drugs or drug classes that are typically included in your Quantity Level Limit program. Upload the list to the Reference Files from Vendor section and name the document "Q9.10 Quantity Level Limit Drugs (Commercial)" and "Q9.10 Quantity Level Limit Drugs (EGWP)".

	Confirmed	Not confirmed (please explain)
Commercial	○	○
EGWP	○	○

9.11 Confirm that you will allow MCHCP to customize the list of medications included in the Quantity Level Limit program.

○ Confirmed
○ Not confirmed (please explain)

9.12 Can you implement copayment/coinsurance differentials for certain drugs as determined by MCHCP (i.e. diabetic drugs)?

○ Yes (please describe)
○ No (please explain)

9.13 Provide the following information about clinical programs which are provided at no additional cost for the Commercial plan:

	Program name	Description of the program	Savings potential	How savings are measured	Guaranteed savings
Program #1					
Program #2					
Program #3					
Program #4					
Program #5					
Program #6					
Program #7					
Program #8					
Program #9					
Program #10					

9.14 Provide the following information about clinical programs which are provided at no additional cost for the EGWP plan:

	Program name	Description of the program	Savings potential	How savings are measured	Guaranteed savings
Program #1					
Program #2					
Program #3					
Program #4					
Program #5					
Program #6					
Program #7					
Program #8					
Program #9					
Program #10					

9.15 Provide the following information about clinical programs that are offered at an additional cost. In addition to listing the cost of the program here, include the additional costs in the pricing model in DirectPath.

	Program	Description of	Savings	Cost of the	Basis for program cost	How savings	Guaranteed

	name	the program	potential	program	(PEPM, per case, etc.)	are measured	savings
Program #1							
Program #2							
Program #3							
Program #4							
Program #5							
Program #6							
Program #7							
Program #8							
Program #9							
Program #10							

9.16 Generic Utilization and Substitution

9.17 Describe any existing generic performance improvement programs and cost savings.

Response

9.18 Prior Authorization

9.19 Confirm that you have provided a list of drugs that are typically included in your Prior Authorization program. Upload the list to the Reference Files from Vendor section and name the document "Q9.19 Prior Auth Drugs (Commercial)" and "Q9.19 Prior Auth Drugs (EGWP)".

- ○ Confirmed
- ○ Not confirmed (please explain)

9.20 Provide the following information describing your capabilities to administer prior authorizations:

Process of reviewing prior authorization requests, including submission options (i.e. phone, fax and web)

Turnaround times and process for measuring turnaround times

Procedures for coordinating appeals requests from MCHCP

Prior authorization department hours of operation

Credentials of the staff reviewers

Description of how information is communicated to pharmacists, prescribers, members and MCHCP

9.21 Can the prior authorization program be customized to meet MCHCP's needs?

- ○ Yes (please identify any limitations to your ability to support custom requirements and/or procedures)
- ○ No (please explain)

9.22 Will you provide a dedicated prior authorization telephone number, fax number, and team for MCHCP?

- ○ Yes, at no additional cost
- ○ Yes, at an additional cost (list additional cost in the pricing model in DirectPath).
- ○ No (please explain)

9.23 Describe the MCHCP-specific training that will be provided to the prior authorization team members.

Response

9.24 Describe how MCHCP staff, providers and/or members can monitor/track the status of prior authorization requests.

Response

9.25 Can MCHCP staff create and/or view prior authorizations in your system?

- ○ Yes (please describe, including the training/support that is available)
- ○ No (please explain)

9.26 Describe your reporting capabilities for the prior authorization process (volume of requests, turnaround times, denial rates, etc.). Upload a sample report to the Reference Files from Vendor section, and name the file "Q9.26 Prior Authorization Reporting".

Response

9.27 Confirm you have uploaded a document to the Reference Files from Vendor section describing the step therapy programs offered by your organization, including a discussion of the drugs or drug classes to which the therapies apply. Name the file "Q9.27 Step Therapy Programs (Commercial)" and "Q9.27 Step Therapy Programs (EGWP)". If there are fees associated with these programs, list them in the pricing model in DirectPath.

- ○ Confirmed
- ○ Not confirmed (please explain)

9.28 Fraud, Waste and Abuse

9.29 Describe your retrospective DUR program. Include in your explanation how it detects fraud and abuse patterns and the intervention that takes place with the pharmacist, prescriber and/or member.

Response

9.30 Does your Fraud, Waste and Abuse (FWA) activity include each of the following:

- ☐ Pharmacy (please describe)
- ☐ Prescriber (please describe)
- ☐ Member (please describe)

9.31 Describe the training the customer service department receives regarding identifying fraud.

Response

9.32 To which department is potential fraud referred?

Response

9.33 Do you have a Special Investigation Unit (SIU) separate from your network auditing department?

- ○ Yes (please describe)
- ○ No (please explain)

9.34 Is FWA detection applied consistently to retail, mail and specialty pharmacies?

- ○ Yes (please explain)
- ○ No (please describe)

9.35 How will MCHCP be informed about potential or identified FWA activities?

Response

9.36 Describe established procedures and trigger mechanisms in place to control prescriber, member and pharmacist fraud, waste and abuse, including each of the following:

Desk top auditing of pharmacy claims

Concurrent and prospective DUR edits

Utilization management programs

Trends observed in management of contracted services (i.e. unusual changes or trends in the volume or types of clinical or administrative override requests, etc.)

9.37 Describe your organization's experience with identifying, investigating, and preventing fraud, waste, and abuse internally and within the pharmacy network, including supporting government programs, CMS-sponsored programs, and Federal Employee Health Plans.

Response

9.38 Describe your pharmacy network FWA audit program.

Response

9.39 What is the total percent of recoveries realized by the network auditing program?

Percent of recoveries %

9.40 Do you offer any fraud, waste and abuse programs that monitor on an ongoing basis both medical and pharmacy data to identify potential outliers and request confirmation from providers and members that services were rendered and received?

- ○ Yes, at no additional cost (please describe)
- ○ Yes, at an additional cost (please describe, and list the cost in the pricing model in DirectPath).
- ○ No (please explain)

9.41 Do you offer a member/pharmacy lock-in program?

- ○ Yes (please describe)
- ○ No (please explain)

9.42 Do you offer a soft-transfer of locked-in cases to the medical TPA's Care Management Program.

- ○ Yes (please describe)
- ○ No (please explain)

9.43 Quality Assurance

9.44 Do you provide support for your clients' Quality Management/Quality Improvement Programs?

- ○ Yes (please describe)
- ○ No (please explain)

9.45 Describe your call center audit and quality assurance monitoring practices.

Response

9.46 Are a certain percentage of calls monitored?

- ○ Yes (please describe, including the percentage of calls that are monitored)
- ○ No (please explain)

9.47 How often is quality assurance monitoring performed?

Response

9.48 Explain your procedures for retraining and corrective actions.

Response

Formulary Management

10.1 Confirm that you have uploaded a copy of the formulary recommended for MCHCP for the Commercial and EGWP plans to the Reference Files from Vendors section and named the file "Q10.1 Formulary (Commercial)" and "Q10.1 Formulary (EGWP)".

- ○ Confirmed
- ○ Not confirmed (please explain)

10.2 What types of formularies do you have to offer to MCHCP? Describe which fits MCHCP best and why.

	Commercial population	EGWP population
Types of formularies available		
Which is best for MCHCP and why		

10.3 Is the treatment of multisource brands consistent between pharmacy network payment and client billing? For example, if a pharmacy is paid the MAC price for a multisource brand, will MCHCP be charged the generic discount rate? Provide a response for both the Commercial and EGWP plans.

Commercial

EGWP

10.4 Does MCHCP have the ability to modify the formularies being proposed?

	Yes (please describe)	No (please explain)
Commercial	○	○
EGWP	○	○

10.5 Describe your formulary review process including:

	Commercial	EGWP
P+T committee composition		
P+T frequency of meetings		

10.6 Describe the communications efforts you would make to educate physicians and pharmacies about the formulary.

Physicians

Pharmacies

10.7 Describe any POS messaging that can be relayed to the pharmacy in regard to formulary alternatives, PA process and character limits on messages.

Response

10.8 How do you communicate formulary changes to members? Please provide any differences in communications to members for the Commercial and EGWP plans.

Commercial plan

EGWP plan

10.9 How often is the formulary updated?

	Monthly	Quarterly	Annually	Other (please explain)
Commercial	○	○	○	○
EGWP	○	○	○	○

10.10 Describe any generic performance improvement programs you have and include specific examples of success you have achieved with the program(s), including any benchmarking you may use.

Response

Claims Administration

11.1 Provide the following information about your claims adjudication system:

	Response
Is your operating system proprietary, licensed, leased or other? Describe the advantage this arrangement brings to your organization.	
Drug database used (MediSpan or First Data Bank)	
Number of claims processing sites	
Location of claims processing sites	

11.2 Indicate whether MCHCP will have the ability to perform the following functions in your claims system on an as needed basis in an online, real-time environment? Check all that apply.

	Commercial	EGWP
Update and/or add eligibility information such as adding new members, effective and term dates, plan changes, and adding/dropping dependents	☐	☐
Update member demographic information	☐	☐
Run claim checks on members, including pharmacy location, date of fill, prescription number, drug name and strength, prescriber's ID and name, ingredient cost, dispensing fee, sales tax, member contribution, plan cost and days' supply	☐	☐
Request ID card for member	☐	☐
Enter prior authorization and administrative overrides	☐	☐
Update primary, secondary or tertiary status	☐	☐
Run trial claims in order to test eligibility, estimate copays, cost share or coinsurance	☐	☐

Add, update and terminate groups	☐	☐

11.3 How many different users (points of access) to the claims adjudication system are included with your pricing bid at no cost to MCHCP?

Input users

View only

11.4 Provide the following on your electronic claims (i.e. paperless) claims processing:

	Commercial	EGWP
2020 financial payment accuracy rate	%	%
2020 payment processing accuracy rate	%	%
2020 total processing accuracy rate	%	%

11.5 What is the process for handling exceptions and payments outside of the stated plan provisions?

Response

11.6 How are claims at out-of-network pharmacies handled and reimbursed?

Response

11.7 Describe your ability to implement MCHCP's current plan designs.

Response

11.8 Describe the capacity and limitations of the claims processing system to incorporate options to your normal course of business. Examples include altering plan designs from the current designs, establishing incentives in the form of waiving member cost sharing, etc.

Response

11.9 With respect to your electronic (paperless) claims processing system, indicate the date (in MM/YYYY format) of:

Most recent major software rewrite

Next planned major software rewrite

Most recent major hardware upgrade

Next planned major hardware upgrade

11.10 How do you notify clients of system updates and changes?

Response

11.11 What NCPDP features do you support?

Response

11.12 Disclose the average time required to process the typical electronic (paperless) claim (in seconds).

Response

11.13 Describe the frequency, duration and reasons for downtime during the last 12 months.

Response

11.14 Where will member-submitted claims be processed?

Response

11.15 What is your average turnaround time for member-submitted claims?

Corporate standard (in days)

Actual 2020 results (in days)

11.16 Describe your process to temporarily suspend claims adjudication at a member or group level. Indicate if this process allows for suspension of claims without terminating the member or group. Identify all limitations to the process (e.g. claims suspension can only be administered by vendor, not client, etc.)

Response

11.17 Identify your capabilities to validate medical provider IDs, including the following:

	Yes (please describe)	No (please explain)

Does your system accommodate multiple types of provider IDs, including DEA and NPI?	○	○
Do you maintain and apply the OIG excluded provider list to prevent adjudication of claims prescribed by excluded providers?	○	○

11.18 Indicate if your system can process POS pharmacy messaging for the following:

	Yes (please describe)	No (please explain)
Rejection messaging that enhances the NCPDP standard reject codes to enable the pharmacist to explain to the member why the claim is rejecting (e.g., prior authorization required)	☐	☐
Transmitting information so the pharmacist can communicate to the member the amount of monthly, quarterly or calendar year benefit maximum utilized, formulary status, etc.	☐	☐
Communicating messages to pharmacies on behalf of MCHCP (include timeline needed to transmit such MCHCP messages)	☐	☐
Messaging and/or processing associated dispense as written (DAW) codes	☐	☐
Complete online prior authorizations, request and collect pharmacist intervention codes, communicate with and receive responses from pharmacists	☐	☐

11.19 Do you have a character limit on POS messaging?

○ Yes (please describe)

○ No

11.20 Describe your system's capability to support MCHCP's regulations relating to coordination of benefits (COB) for point of sale (online, real time) claims processing for members with dual or duplicate coverage with MCHCP or another carrier (i.e. load alternate coverage indicator in member eligibility and capture and adjudicate secondary coverage form pharmacy at POS, etc.)

Response

11.21 Confirm that you can support coordination of benefits with Medicare Part B as a wrap-around as specified by MCHCP.

○ Confirmed (describe services provided)

○ Not confirmed (please explain)

11.22 Describe how you will support determination of a drug as Medicare Part B vs. Part D for Medicare primary members at the POS.

Response

11.23 Describe your experience with accumulating deductibles and out-of-pocket maximums with High Deductible Health Plan (HDHP) contractors. MCHCP's current HDHP administrator is Anthem.

Response

11.24 How frequently is your system updated with medical data used for members with high deductible health plans?

○ Nightly

○ Weekly

○ Monthly

○ Other (please explain)

11.25 Confirm you have uploaded a sample of your standard Explanation of Benefits (EOB) that you send to members for both the commercial and EGWP population. Upload the file to the Reference Files from Vendor section and name the file "Q11.25 Sample EOB".

○ Confirmed

○ Not confirmed (please explain)

Financial

12.1 Confirm that financial guarantees and/or pricing (including but not limited to all financial elements such as fees, rebates, discounts, reconciliation methodologies, definitions, etc.) will not change during the term of the contract:

	Confirmed	Not confirmed (please explain, including thresholds for changes, pricing impacts and measurements)	Comments
At PBM's discretion ("right to change")	○	○	○
In the event of a change in enrollment for the term of the	○	○	○

proposed contract			
In the event of patent expirations	○	○	○
In the event of actions by drug manufacturers or wholesalers	○	○	○
In the event of recalls or withdrawals	○	○	○
In the event of actions by retail pharmacies	○	○	○
In the event of brand products moving off-patent to generic status	○	○	○
In the event of unexpected generic introductions	○	○	○
In the event of changes made by PBM to your standard formulary for the term of the proposed contract	○	○	○
If MCHCP's drug mix changes (your organization does NOT have the ability to revise rebate, brand or generic discount guarantees if there is a shift in mix)	○	○	○

12.2 Confirm your offer includes "Pass through Pricing" at retail, as defined in Exhibit C - General Provisions.

○ Confirmed
○ Not confirmed (please explain)

12.3 Confirm that you will offer MCHCP the benefit of improved pricing terms if at any point during the contract term you renegotiate any of your retail pharmacy contracts such that the terms are more favorable than the original retail network that was initially proposed to MCHCP. PBM will provide MCHCP with the projected savings and member impact of such improvement and will implement within 30 days of MCHCP approval.

○ Confirmed
○ Not confirmed (please explain)

12.4 Confirm that retail guarantees will not be negatively changed to be less favorable for MCHCP based on changes in number or composition of retail participating pharmacies for the term of the proposed contract or for changes made by PBM to your retail networks.

○ Confirmed
○ Not confirmed (please explain)

12.5 Are any claims excluded from any guarantee reconciliations? If so, please explain in detail.

○ No claims are excluded
○ Claims are excluded (please explain)

12.6 Confirm that specialty drugs filled through retail pharmacies are included in retail discount, dispensing fee and rebate guarantees.

○ Confirmed
○ Not confirmed (please explain)

12.7 Confirm that your rebate offer, including guarantees, is based on MCHCP's use of your standard formulary (with exclusions for Commercial) with MCHCP's specific plan designs and programs.

○ Confirmed
○ Not confirmed (please explain)

12.8 Confirm your organization acknowledges that the RFP responses provided must prevail. Caveat/Additional Clarification documents that conflict or provide additional information or language in response to any questions (outside of the specialty drug list) will not be accepted as part of your proposal.

○ Confirmed
○ Not confirmed (please explain)

12.9 Confirm that the contractor must not mandate that any particular medications be excluded in order to meet the stated financials in this proposal during the lifetime of the contract.

○ Confirmed
○ Not confirmed (please explain)

12.10 Confirm the Contractor must not mandate a more aggressive or restrictive formulary than what MCHCP currently has in place in order to meet the stated financials proposed during the life of this contract.

○ Confirmed

○ Not confirmed (please explain)

12.11 The Contractor must not mandate that any particular medications be excluded in order to meet the stated financials in this proposal during the lifetime of this contract.

○ Confirmed
○ Not confirmed (please explain)

12.12 MCHCP's pricing must not have any unfavorable changes if MCHCP makes changes to their formulary.

○ Confirmed
○ Not confirmed (please explain)

12.13 The Contractor must agree that pricing must not negatively change if MCHCP's drug mix changes. The Contractor's organization does not have the ability to revise rebate, brand or generic discount guarantees if there is a shift in mix.

○ Confirmed
○ Not confirmed (please explain)

12.14 Confirm that any and all charges for administering an Account Based Health Plan (ABHP) with combined accumulators is included in your base administrative fee.

○ Confirmed
○ Not confirmed (please explain)

12.15 Contractor must not assess charges for the: (a) Implementation to the Contractor (including, but not limited to ID cards, communications, postage for welcome packets/communication, and other materials) (b) Member services (c) Prospective DUR (d) Concurrent DUR (e) Retrospective and Advanced Retrospective DUR (f) Reporting, including ad hoc report requests (g) Communications development (h) Development of communications for new clinical programs implemented by MCHCP throughout the contract term (i) Access to the Contractor's on-line reporting tool for MCHCP and third-party consultant (j) Summary of Benefits and Coverage

○ Confirmed
○ Not confirmed (please explain)

12.16 Confirm that the pricing offer provided in this proposal is applicable to a broad retail network defined as that which includes all major chains (i.e. greater than 64,000 retail pharmacies) and must not require any copay incentives or differentials for any pharmacies.

○ Confirmed
○ Not confirmed (please explain)

12.17 Confirm that all claims, including any wrap or supplemental coverage claims are included in all discount and fee guarantee reconciliations at year end.

○ Confirmed
○ Not confirmed (please explain)

12.18 Confirm all EGWP generics and Rebates are included in the generic pricing guarantees, including generics and Rebates in the EGWP wrap/supplemental coverage.

○ Confirmed
○ Not confirmed (please explain)

Technology and Security

13.1 Describe your organization's IT infrastructure and development platform.

Response

13.2 When was the last system/platform upgrade or migrations for each of the following systems? If an upgrade is planned within the next 24 months for any of the systems listed, provide the projected date.

Customer Relation Management (CRM) (MM/YYYY)
Eligibility (MM/YYYY)
Claims (MM/YYYY)
Financial reporting (MM/YYYY)
Other (please describe)

13.3 What practices do you have in place to protect the confidentiality of individual information when electronically

storing and/or transferring information?

Response

13.4 Describe the HIPAA-compliant security measures you have in place.

Response

13.5 Describe your process for addressing security breaches.

Response

13.6 Have you ever experienced a security breach involving PHI?

- ○ Yes (provide details on when the breach occurred, actions taken and corrections implemented)
- ○ No

13.7 Are mobile apps available for use by your membership?

- ○ Yes (please describe)
- ○ No (please explain)

13.8 Do you support modern browsers/browser versions that support HTML5 and advanced security?

- ○ Yes (please describe)
- ○ No (please explain)

13.9 Does your web portal support single sign-on utilizing Security Assertion Markup Language version 2 (SAML 2.0)? If not, do you support single sign-on utilizing another standard? If so, please name the standard you support.

- ○ Support single sign-on using SAML
- ○ Support single sign-on using different standard (please list)
- ○ Do not support single sign-on (please explain)

13.10 Do you adhere to the latest approved accessibility guidelines developed by the Web Accessibility Initiative of World Wide Web Consortium (W3C)?

Yes (please describe)

No (please explain)

13.11 When was the last system/platform upgrade or migrations for each of the following systems? If an upgrade is planned within the next 24 months for any of the systems listed, provide the projected date.

Customer Relation Management (CRM) (MM/YYYY)

Eligibility (MM/YYYY)

Claims (MM/YYYY)

Financial reporting (MM/YYYY)

Other (please describe)

13.12 Provide the following statistics for the most recent plan year that demonstrate level of member utilization and engagement with your online resources.

Web - unique visitors

Mobile device app-based - unique downloads

Registrations - percentage of total enrolled that have registered for web-based online resources %

Web - average time spent (ATS) per visit (in minutes)

Web bounce rate percentage - percentage of logins that results in the member getting logged out %

Online account usage - percentage of total enrolled population who has used the online account two or three years after registering %

Email addresses - percentage of emails obtained from the total enrolled population %

13.13 Confirm you have uploaded metrics that demonstrate the reliability of your IT systems. Upload the file to the Reference Files from Vendor section, and name the file "Q13.13 Reliability Metrics".

- ○ Confirmed
- ○ Not confirmed (please explain)

13.14 Confirm you have uploaded an executive summary of your disaster recovery and business continuity plan in the Reference Files from Vendor section, and named the document "Q13.14 Disaster Recovery Plan".

- ○ Confirmed
- ○ Not confirmed (please explain)

13.15 Confirm you have uploaded a copy of the summary findings for your most recent testing exercise of your disaster recovery and business continuity plan. Upload the document to the Reference Files from Vendor section, and name the file "Q13.15 Disaster Recovery Plan Testing".

- ○ Confirmed
- ○ Not confirmed (please explain)

13.16 What assurances can you provide that your cybersecurity program is adequately designed and operating effectively?

Response

13.17 Do you have a SOC cybersecurity examination or other independent examination performed? If so, are you willing to provide a copy of the report if awarded the contract?

- ○ Yes (please describe)
- ○ No (please explain)

13.18 Will MCHCP have access to update member eligibility information online?

- ○ Yes, at no additional cost
- ○ Yes, at an additional cost (include the cost in Supplemental Pricingl)
- ○ No (please explain)

Audits

14.1 MCHCP requires the right to have a client representative or an independent client-specified third party audit PBM services, activities, records, claim data, mail order claim data, and specialty pharmacy claim data to the extent directly related to services provided to MCHCP and its members for performance and compliance with the terms of the contract between MCHCP and the PBM. Audits will be conducted no more than twice per year unless special circumstances require otherwise. Confirm your agreement with this requirement.

- ○ Confirmed
- ○ Not confirmed (please explain)

14.2 MCHCP reserves the right to audit any aspect of the performance guarantees either itself or through a third party. Confirm your agreement with this requirement.

- ○ Confirmed
- ○ Not confirmed (please explain)

14.3 Where are claim audits facilitated?

Response

14.4 Will MCHCP be able to audit a sampling of claims at its offices annually without additional charges?

- ○ Yes
- ○ No (please explain)

14.5 Describe the pharmacy desk audit process and frequency of pharmacy desk audits.

Response

14.6 What percentage of retail stores are included in your desk audits each year?

Percentage %

14.7 Describe the pharmacy field audit process and frequency of pharmacy field audits.

Response

14.8 What percentage of retail stores are field audited each year?

Percentage %

14.9 How will recoveries from pharmacy audits be shared with MCHCP?

Response

14.10 If you intend to retain a percentage of recoveries resulting from pharmacy audits, does this include recoveries generated from desk audits?

- ○ Yes (please describe)
- ○ No (please explain)
- ○ Not applicable

14.11 Provide the following information about your pharmacy audit program.

Total dollar value of claims audited in 2020

Total dollar value of audit recoveries in 2020

14.12 Are on-site audits performed at your mail service pharmacies?

- ○ Yes
- ○ No (please explain)

14.13 Would you allow an outside third party designated by MCHCP to audit your mail order pharmacy?

- ○ Yes
- ○ No (please explain)

14.14 Does your company engage an independent auditor to evaluate internal controls?

- ○ Yes (please describe)
- ○ No (please explain)

14.15 Confirm your willingness to provide your audited financial statements annually if requested.

- ○ Confirmed
- ○ Not confirmed (please explain)

14.16 Do you have a specific list of companies approved for auditing rebate agreements with pharmaceutical manufacturers? If yes, upload the listing to the Reference Files from Vendor section, and name the file "Q14.16 Approved Auditors".

- ○ Yes, and list has been uploaded
- ○ Yes, and list has not been uploaded (please explain)
- ○ No (please explain)

14.17 Do you utilize a Group Purchasing Organization (GPO) for rebate contracting?

- ○ Yes (please describe)
- ○ No (please explain)

14.18 If you use a GPO for rebate contracting, confirm that PBM will not allow GPO to retain any portion of current or future rebate revenue attributable to MCHCP's utilization as a fee and that MCHCP will receive 100 percent of all rebate revenue that is directly billed to and received from the manufacturer.

- ○ Confirmed
- ○ Not confirmed (please explain)

Communication Support

15.1 Can all letters, checks, and other forms generated by the system be customized for MCHCP for both the Commercial and EGWP plans?

	Yes, at no additional cost	Yes, at an additional cost (include additional cost in the pricing model included in DirectPath)	No (please explain)
Commercial	○	○	○
EGWP	○	○	○

15.2 Confirm that you have provided samples of all communication materials that are included in your financial proposal. Samples must be uploaded to the Reference Files from Vendor section and named "Q15.2 Sample Communication Materials".

- ○ Confirmed
- ○ Not confirmed (please explain)

15.3 Confirm that you have uploaded samples of the employee communications packet and identification card to the Reference Files from Vendor section and named the file "Q15.3 Employee Communications Packet".

- ○ Confirmed
- ○ Not confirmed (please explain)

15.4 In which of the following ways will you assist MCHCP at no additional cost in developing communication and education materials (check all that apply)?

	Commercial	EGWP
Drafting enrollment materials	☐	☐
Drafting employee level communication (e.g. change in carrier, vendor announcement letters)	☐	☐
Finalize and produce written materials for MCHCP	☐	☐
Provide claim forms and supporting information online for MCHCP	☐	☐
Provide supervisory/administrative manuals as reference	☐	☐
Assist MCHCP with internal training	☐	☐
Create and support customized or co-branded websites	☐	☐
Develop and conduct satisfaction surveys	☐	☐

15.5 List any additional ways you will assist MCHCP at no additional cost in developing communication and education materials.

Commercial

EGWP

15.6 Describe your method(s) for communicating updates such as new processing information and formulary updates to network pharmacies (i.e. blast faxes, etc.) for both the Commercial and EGWP plans.

Commercial

EGWP

Performance Guarantees - Commercial Plan

16.1 Account Management - Satisfaction. The following category will be measured and reported on Implementation, January, 2022, and annually beginning January, 2023.

	Guarantee	Will you guarantee this standard (Yes or No)	Describe your measurement process	Fees at risk (state as flat dollar amount at risk)	Maximum dollar amount at risk
Contractor guarantees MCHCP's satisfaction with account management services	Satisfactory or better				

16.2 Account Management - Responsiveness. The following category will be measured and reported quarterly beginning January, 2022.

	Guarantee	Will you guarantee this standard (Yes or No)	Describe your measurement process	Fees at risk (state as flat dollar amount at risk for each incident not acknowledged within 8 hours)	Maximum dollar amount at risk
Timely issues resolution by account management (e.g. issues resolvable by account management are acknowledged and responded to within 8 business hours and closed within a reasonable period of time)	Acknowledgement and response within 8 business hours				

16.3 Member Satisfaction - The member satisfaction survey will be conducted each year and be measured and reported annually beginning in January, 2023.

	Guarantee	Will you guarantee this standard (Yes or No)	Describe your measurement process	Fees at risk (state as flat dollar amount at risk for each full percentage point below 90 percent)	Maximum dollar amount at risk
One random sample survey of MCHCP members	90 percent				

will be completed annually. Percent of survey participants' responses to a question measuring overall satisfaction with the prescription benefit program will indicate "satisfied" or "very satisfied."	score satisfactory or better				

16.4 Member Service - Average response time. The following category will be measured and reported quarterly beginning in January, 2022.

	Guarantee	Will you guarantee this standard (Yes or No)	Describe your measurement process	Fees at risk (state as flat dollar amount at risk for each full second above 30 seconds)	Maximum dollar amount at risk
Average number of seconds for call to be answered by a live customer service representative	30 seconds or less				

16.5 Member Service - Average abandonment rate. The following category will be measured and reported quarterly beginning in January, 2022.

	Guarantee	Will you guarantee this standard (Yes or No)	Describe your measurement process	Fees at risk (state as flat dollar amount at risk for each full percentage point above 3 percent)	Maximum dollar amount at risk
Percent of calls abandoned	<3%				

16.6 Member Service - Call blockage rate. The following category will be measured and reported quarterly beginning in January, 2022.

	Guarantee	Will you guarantee this standard (Yes or No)	Describe your measurement process	Fees at risk (state as flat dollar amount at risk for each full percentage point above 1 percent)	Maximum dollar amount at risk
Percent of calls blocked (defined as callers receiving a busy signal)	<1%				

16.7 Member Service - First call resolution. The following category will be measured and reported quarterly beginning in January, 2022.

	Guarantee	Will you guarantee this standard (Yes or No)	Describe your measurement process	Fees at risk (state as flat dollar amount for each full percentage point below 94 percent)	Maximum dollar amount at risk
Percent of calls resolved on first call	94 percent of patient calls will be resolved on the first call				

16.8 Data Systems - System Availability. The following category will be measured and reported quarterly beginning January, 2022.

	Guarantee	Will you guarantee this standard (Yes or No)	Describe your measurement process	Fees at risk (state as flat dollar amount at risk for each full percentage point below 99 percent)	Maximum dollar amount at risk
Percent of time the point of sale adjudication system is available	99% of the time				

16.9 Eligibility - Timeliness of Installations. The following category will be reported and measured quarterly beginning in January, 2022.

	Guarantee	Will you guarantee this standard (Yes or No)	Describe your measurement process	Fees at risk (state as flat dollar amount at risk for each full hour beyond 24 hours)	Maximum dollar amount at risk)
Electronic eligibility files will be installed and eligibility status will be effective within an average of 24 hours of receipt.	95% loaded within 24 hours				

16.10 Eligibility - Accuracy of Installations. The following category will be reported and measured quarterly beginning in January, 2022.

	Guarantee	Will you guarantee this standard (Yes or No)	Describe your measurement process	Fees at risk (state as flat dollar amount at risk for each full percentage point below 99.5 percent)	Maximum dollar amount at risk)
Electronic eligibility records loaded with 99.5% accuracy. This standard is contingent upon receipt of clean eligibility data delivered in an agreed upon format.	99.5%				

16.11 ID Card Distribution - Initial. The following category will be measured on Implementation, January 2022.

	Guarantee	Will you guarantee this standard (Yes or No)	Describe your measurement process	Fees at risk (state as flat dollar amount at risk for each business day after December 20)	Maximum dollar amount at risk
ID cards mailed no later than December 20, 2021 for 1-1-22 effective date	All ID cards mailed no later than December 20, 2021				

16.12 ID Card Distribution - Ongoing. The following category will be reported and measured quarterly beginning January, 2022.

	Guarantee	Will you guarantee this standard (Yes or No)	Describe your measurement process	Fees at risk (state as flat dollar amount at risk for each day beyond the 15th day)	Maximum dollar amount at risk
ID cards mailed within 15 days of receipt of eligibility data (for monthly changes) or request for replacement card	All ID cards mailed within 15 days of receipt of eligibility file or request				

16.13 Implementation - Responsiveness. The following category will be measured at implementation, January 2022.

	Guarantee	Will you guarantee this standard (Yes or No)	Describe your measurement process	Fees at risk (state as flat dollar amount at risk for each incident not acknowledged within 8 hours)	Maximum dollar amount at risk
Phone calls and/or e-mails acknowledged and responded to within 8 business hours)	Acknowledgement and response within 8 business hours				

16.14 Clinical Programs - Prior Authorization Processing. The following category will be reported and measured quarterly beginning January, 2022.

	Guarantee	Will you guarantee this standard (Yes or No)	Describe your measurement process	Fees at risk (state as flat dollar amount at risk for each request not processed within 48 hours)	Maximum dollar amount at risk
Prior authorization requests will be processed within 48 hours of receipt of request. This includes all pertinent notification letters.	PA requests processed within 48 hours of receipt				

16.15 Formulary Maintenance - Advance Notice. The following category will be reported and measured quarterly beginning January, 2022.

	Guarantee	Will you guarantee this standard (Yes or No)	Describe your measurement process	Fees at risk (state as flat dollar amount for each incident where MCHCP was not notified)	Maximum dollar amount at risk
MCHCP will receive 60 days' notice of any formulary changes including additions, deletions, and revisions	Sixty (60) days' notice of formulary changes				

16.16 Implementation - Claim readiness. The following category will be measured at Implementation, January, 2022.

	Guarantee	Will you guarantee this	Describe your	Fees at risk (state as flat dollar amount at risk for	Maximum dollar amount

		standard (Yes or No)	measurement process	each day after December 15)	at risk
Claim Readiness - Benefit profile and eligibility information loaded and tested on claims processing system before plan effective date	No later than December 15, 2021				

16.17 Implementation - Member services center. The following category will be measured at Implementation, January, 2022.

	Guarantee	Will you guarantee this standard (Yes or No)	Describe your measurement process	Fees at risk (state as flat dollar amount at risk for each business day after October 1)	Maximum dollar amount at risk
Member Service Center ready to respond to member inquiries prior to open enrollment	No later than October 1, 2021				

16.18 Implementation - Specialty pharmacy transition. The following category will be measured at Implementation, January, 2022.

	Guarantee	Will you guarantee this standard (Yes or No)	Describe your measurement process	Fees at risk (state as flat dollar amount at risk)	Maximum dollar amount at risk
Specialty pharmacy seamless transition	Satisfactory or better as determined by MCHCP				

16.19 Implementation - Data Transfer Setup. The following category will be measured at Implementation, January, 2022.

	Guarantee	Will you guarantee this standard (Yes or No)	Measurement process	Fees at risk (state as flat dollar amount at risk for each day beyond 90 days from contract award)	Maximum dollar amount at risk
All data transfer setup requirements with MCHCP's data vendor (currently IBM Watson Health) completed within 90 days of contract award	Data transfer setup requirements completed within 90 days of contract award		MCHCP's data vendor will report to MCHCP		

16.20 Retail Claims Processing Accuracy - The following category will be reported and measured quarterly beginning January, 2022.

	Guarantee	Will you guarantee this standard (Yes or No)	Describe your measurement process	Fees at risk (state as flat dollar amount at risk for each full percentage point below 99.5%)	Maximum dollar amount at risk
Percent of all claims paid with no monetary errors	99.5%				

16.21 Mail Order Claims Processing - Turnaround time for routine prescriptions. The following category will be measured and reported quarterly beginning January, 2022.

	Guarantee	Will you guarantee this standard (Yes or No)	Describe your measurement process	Fees at risk (state as flat dollar amount at risk for each day above two days)	Maximum dollar amount at risk
Average turnaround time for Rxs requiring no intervention (as measured from date order received at the mail order facility to date order shipped)	Average of 2 business days or less				

16.22 Mail Order Claims Processing - Turnaround time for prescriptions subject to intervention. The following category will be measured and reported quarterly beginning January, 2022.

	Guarantee	Will you guarantee this standard (Yes or No)	Describe your measurement process	Fees at risk (state as flat dollar amount at risk for each day beyond 5 days)	Maximum dollar amount at risk
Average turnaround time for Rxs requiring	Average of				

intervention (as measured from date order received at the mail order facility to date order shipped)	5 business days or less				

16.23 Mail Order Claims Processing - Dispensing accuracy. The following category will be reported and measured quarterly beginning January, 2022.

	Guarantee	Will you guarantee this standard (Yes or No)	Describe your measurement process	Fees at risk (state as flat dollar amount at risk for each full percentage point below 99.5%)	Maximum dollar amount at risk
Percentage of claims paid with no errors (incorrect drug, incorrect dosage, incorrect strength or wrong patient)	99.5%				

16.24 Pharmacy Network Access - The following categories will be reported and measured quarterly beginning January, 2022.

	Guarantee	Will you guarantee this standard (Yes or No)	Describe your measurement process	Fees at risk (state as flat dollar amount at risk for each full percentage point below standard)	Maximum dollar amount at risk
Percent of all MCHCP members within 5 miles of 1 pharmacy	>= 95%				
Percent of Missouri pharmacies available in the network	80%				

16.25 Reporting - The following categories will be reported and measured quarterly beginning January, 2022. Penalties will be applied for each month the contractor fails to meet these standards.

	Guarantee	Will you guarantee this standard (Yes or No)	Measurement process	Fees at risk (state as flat dollar amount at risk per incident)	Maximum dollar amount at risk
Data must be submitted to MCHCP's data vendor no later than 15th of the month for prior month's services	Each monthly file submitted by 15th of the month for prior month's services		MCHCP's data vendor will report to MCHCP		
Data must be submitted to MCHCP's data vendor in proper format on first submission of the month	File submitted correctly on first submission each month		MCHCP's data vendor will report to MCHCP		
Data submission to MCHCP's data vendor must include 99 percent of all required financial fields	File contains 99 percent of all required financial fields		MCHCP's data vendor will report to MCHCP		
Data submission to MCHCP's data vendor must include all required key fields (subscriber SSN, member DOB, member gender, and NDC)	File contains all required key fields		MCHCP's data vendor will report to MCHCP		

Performance Guarantees - EGWP

17.1 Account Management - Satisfaction. The following category will be measured and reported on Implementation, January, 2022, and annually beginning January, 2023.

	Guarantee	Will you guarantee this standard (Yes or No)	Describe your measurement process	Fees at risk (state as flat dollar amount at risk)	Maximum dollar amount at risk
Contractor guarantees MCHCP's satisfaction with account management services	Satisfactory or better				

17.2 Account Management - Responsiveness. The following category will be measured and reported quarterly beginning January, 2022.

	Guarantee	Will you guarantee this	Describe your	Fees at risk (state as flat dollar amount at risk for	Maximum dollar amount at risk

		standard (Yes or No)	measurement process	each incident not acknowledged within 8 hours)	
Timely issues resolution by account management (e.g. issues resolvable by account management are acknowledged and responded to within 8 business hours and closed within a reasonable period of time)	Acknowledgement and response within 8 business hours				

17.3 Member Satisfaction - The member satisfaction survey will be conducted each year and be measured and reported annually beginning in January, 2023.

	Guarantee	Will you guarantee this standard (Yes or No)	Describe your measurement process	Fees at risk (state as flat dollar amount at risk for each full percentage point below 90 percent)	Maximum dollar amount at risk
One random sample survey of MCHCP members will be completed annually. Percent of survey participants' responses to a question measuring overall satisfaction with the prescription benefit program will indicate "satisfied" or "very satisfied."	90 percent score satisfactory or better				

17.4 Member Service - Average response time. The following category will be measured and reported quarterly beginning in January, 2022.

	Guarantee	Will you guarantee this standard (Yes or No)	Describe your measurement process	Fees at risk (state as flat dollar amount at risk for each full second above 30 seconds)	Maximum dollar amount at risk
Average number of seconds for call to be answered by a live customer service representative	30 seconds or less				

17.5 Member Service - Average abandonment rate. The following category will be measured and reported quarterly beginning in January, 2022.

	Guarantee	Will you guarantee this standard (Yes or No)	Describe your measurement process	Fees at risk (state as flat dollar amount at risk for each full percentage point above 3 percent)	Maximum dollar amount at risk
Percent of calls abandoned	<3%				

17.6 Member Service - Call blockage rate. The following category will be measured and reported quarterly beginning in January, 2022.

	Guarantee	Will you guarantee this standard (Yes or No)	Describe your measurement process	Fees at risk (state as flat dollar amount at risk for each full percentage point above 1 percent)	Maximum dollar amount at risk
Percent of calls blocked (defined as callers receiving a busy signal)	<1%				

17.7 Member Service - First call resolution. The following category will be measured and reported quarterly beginning in January, 2022.

	Guarantee	Will you guarantee this standard (Yes or No)	Describe your measurement process	Fees at risk (state as flat dollar amount for each full percentage point below 94 percent)	Maximum dollar amount at risk
Percent of calls resolved on first call	94 percent of patient calls will be resolved on the first call				

17.8 Data Systems - System Availability. The following category will be measured and reported quarterly beginning January, 2022.

	Guarantee	Will you guarantee this	Describe your measurement process	Fees at risk (state as flat dollar amount at risk for each full percentage point below 99 percent)	Maximum dollar amount at risk

		standard (Yes or No)			
Percent of time the point of sale adjudication system is available	99% of the time				

17.9 Eligibility - Timeliness of Installations. The following category will be reported and measured quarterly beginning in January, 2022.

	Guarantee	Will you guarantee this standard (Yes or No)	Describe your measurement process	Fees at risk (state as flat dollar amount at risk for each full hour beyond 24 hours)	Maximum dollar amount at risk)
Electronic eligibility files will be installed and eligibility status will be effective within an average of 24 hours of receipt.	95% loaded within 24 hours				

17.10 Eligibility - Accuracy of Installations. The following category will be reported and measured quarterly beginning in January, 2022.

	Guarantee	Will you guarantee this standard (Yes or No)	Describe your measurement process	Fees at risk (state as flat dollar amount at risk for each full percentage point below 99.5 percent)	Maximum dollar amount at risk)
Electronic eligibility records loaded with 99.5% accuracy. This standard is contingent upon receipt of clean eligibility data delivered in an agreed upon format.	99.5%				

17.11 ID Card Distribution - Initial. The following category will be measured on Implementation, January 2022.

	Guarantee	Will you guarantee this standard (Yes or No)	Describe your measurement process	Fees at risk (state as flat dollar amount at risk for each business day after December 20)	Maximum dollar amount at risk
ID cards mailed no later than December 20, 2021 for 1-1-22 effective date	All ID cards mailed no later than December 20, 2021				

17.12 ID Card Distribution - Ongoing. The following category will be reported and measured quarterly beginning January, 2022.

	Guarantee	Will you guarantee this standard (Yes or No)	Describe your measurement process	Fees at risk (state as flat dollar amount at risk for each day beyond the 15th day)	Maximum dollar amount at risk
ID cards mailed within 15 days of receipt of eligibility data (for monthly changes) or request for replacement card	All ID cards mailed within 15 days of receipt of eligibility file or request				

17.13 Implementation - Responsiveness. The following category will be measured at implementation, January 2022.

	Guarantee	Will you guarantee this standard (Yes or No)	Describe your measurement process	Fees at risk (state as flat dollar amount at risk for each incident not acknowledged within 8 hours)	Maximum dollar amount at risk
Phone calls and/or e-mails acknowledged and responded to within 8 business hours)	Acknowledgement and response within 8 business hours				

17.14 Clinical Programs - Prior Authorization Processing. The following category will be reported and measured quarterly beginning January, 2022.

	Guarantee	Will you guarantee this standard (Yes or No)	Describe your measurement process	Fees at risk (state as flat dollar amount at risk for each request not processed within 48 hours)	Maximum dollar amount at risk

Prior authorization requests will be processed within 48 hours of receipt of request. This includes all pertinent notification letters.	PA requests processed within 48 hours of receipt				

17.15 Formulary Maintenance - Advance Notice. The following category will be reported and measured quarterly beginning January, 2022.

	Guarantee	Will you guarantee this standard (Yes or No)	Describe your measurement process	Fees at risk (state as flat dollar amount for each incident where MCHCP was not notified)	Maximum dollar amount at risk
MCHCP will receive 60 days' notice of any formulary changes including additions, deletions, and revisions	Sixty (60) days' notice of formulary changes				

17.16 Implementation - Claim readiness. The following category will be measured at Implementation, January, 2022.

	Guarantee	Will you guarantee this standard (Yes or No)	Describe your measurement process	Fees at risk (state as flat dollar amount at risk for each day after December 15)	Maximum dollar amount at risk
Claim Readiness - Benefit profile and eligibility information loaded and tested on claims processing system before plan effective date	No later than December 15, 2021				

17.17 Implementation - Member services center. The following category will be measured at Implementation, January, 2022.

	Guarantee	Will you guarantee this standard (Yes or No)	Describe your measurement process	Fees at risk (state as flat dollar amount at risk for each business day after October 1)	Maximum dollar amount at risk
Member Service Center ready to respond to member inquiries prior to open enrollment	No later than October 1, 2021				

17.18 Implementation - Specialty pharmacy transition. The following category will be measured at Implementation, January, 2022.

	Guarantee	Will you guarantee this standard (Yes or No)	Describe your measurement process	Fees at risk (state as flat dollar amount at risk)	Maximum dollar amount at risk
Specialty pharmacy seamless transition	Satisfactory or better as determined by MCHCP				

17.19 Implementation - Data Transfer Setup. The following category will be measured at Implementation, January, 2022.

	Guarantee	Will you guarantee this standard (Yes or No)	Measurement process	Fees at risk (state as flat dollar amount at risk for each day beyond 90 days from contract award)	Maximum dollar amount at risk
All data transfer setup requirements with MCHCP's data vendor (currently IBM Watson Health) completed within 90 days of contract award	Data transfer setup requirements completed within 90 days of contract award		MCHCP's data vendor will report to MCHCP		

17.20 Retail Claims Processing Accuracy - The following category will be reported and measured quarterly beginning January, 2022.

	Guarantee	Will you guarantee this standard (Yes or No)	Describe your measurement process	Fees at risk (state as flat dollar amount at risk for each full percentage point below 99.5%)	Maximum dollar amount at risk
Percent of all claims paid with no monetary errors	99.5%				

17.21 Mail Order Claims Processing - Turnaround time for routine prescriptions. The following category will be measured and reported quarterly beginning January, 2022.

	Guarantee	Will you guarantee this standard (Yes or No)	Describe your measurement process	Fees at risk (state as flat dollar amount at risk for each day above two days)	Maximum dollar amount at risk
Average turnaround time for Rxs requiring no intervention (as measured from date order received at the mail order facility to date order shipped)	Average of 2 business days or less				

17.22 Mail Order Claims Processing - Turnaround time for prescriptions subject to intervention. The following category will be measured and reported quarterly beginning January, 2022.

	Guarantee	Will you guarantee this standard (Yes or No)	Describe your measurement process	Fees at risk (state as flat dollar amount at risk for each day beyond 5 days)	Maximum dollar amount at risk
Average turnaround time for Rxs requiring intervention (as measured from date order received at the mail order facility to date order shipped)	Average of 5 business days or less				

17.23 Mail Order Claims Processing - Dispensing accuracy. The following category will be reported and measured quarterly beginning January, 2022.

	Guarantee	Will you guarantee this standard (Yes or No)	Describe your measurement process	Fees at risk (state as flat dollar amount at risk for each full percentage point below 99.5%)	Maximum dollar amount at risk
Percentage of claims paid with no errors (incorrect drug, incorrect dosage, incorrect strength or wrong patient)	99.5%				

17.24 Pharmacy Network Access - The following categories will be reported and measured quarterly beginning January, 2022.

	Guarantee	Will you guarantee this standard (Yes or No)	Describe your measurement process	Fees at risk (state as flat dollar amount at risk for each full percentage point below standard)	Maximum dollar amount at risk
Percent of all MCHCP members within 5 miles of 1 pharmacy	Standard will be agreed to prior to contract award				
Percent of Missouri pharmacies available in the network	80%				

17.25 Reporting - The following categories will be reported and measured quarterly beginning January, 2022. Penalties will be applied for each month the contractor fails to meet these standards.

	Guarantee	Will you guarantee this standard (Yes or No)	Measurement process	Fees at risk (state as flat dollar amount at risk per incident)	Maximum dollar amount at risk
Data must be submitted to MCHCP's data vendor no later than 15th of the month for prior month's services	Each monthly file submitted by 15th of the month for prior month's services		MCHCP's data vendor will report to MCHCP		
Data must be submitted to MCHCP's data vendor in proper format on first submission of the month	File submitted correctly on first submission each month		MCHCP's data vendor will report to MCHCP		
Data submission to MCHCP's data vendor must include 99 percent of all required financial fields	File contains 99 percent of all required financial fields		MCHCP's data vendor will report to MCHCP		
Data submission to MCHCP's data	File contains all		MCHCP's		

vendor must include all required key fields (subscriber SSN, member DOB, member gender, and NDC)	required key fields		data vendor will report to MCHCP		

Performance Guarantees - General

18.1 Data Systems - Transaction time. The following category will be measured and reported quarterly beginning January, 2022.

	Guarantee	Will you guarantee this standard (Yes or No)	Describe your measurement process	Fees at risk (state as flat dollar amount at risk for each full second above 3 seconds)	Maximum dollar amount at risk
Average number of seconds for POS transactions to be completed	3 seconds or less				

18.2 Reporting - Online reporting tool. The following category will be measured and reported quarterly beginning January, 2022. Penalties will be applied for each month the contractor fails to meet these standards.

	Guarantee	Will you guarantee this standard (Yes or No)	Describe your measurement process	Fees at risk (state as flat dollar amount at risk for each day beyond 10 business days)	Maximum dollar amount at risk
Availability of online reporting data	Online reporting data available within 10 business days after month-end.		MCHCP will determine availability of data		

18.3 Retail Paper Claims Processing Time - The following category will be reported and measured quarterly beginning January, 2022.

	Guarantee	Will you guarantee this standard (Yes or No)	Describe your measurement process	Fees at risk (state as flat dollar amount at risk for each full business day above standard)	Maximum dollar amount at risk
Average number of days to respond to member requests for reimbursement	10 business days or less				

18.4 Pharmacy Audits - The following category will be reported and measured annually beginning January, 2023 for the prior year's services.

	Guarantee	Will you guarantee this standard (Yes or No)	Describe your measurement process	Fees at risk (state as flat dollar amount at risk for each full percentage point below 3 percent)	Maximum dollar amount at risk
Percent of network pharmacies audited on-site each year	3% of pharmacies filling over 300 Rxs per year				

18.5 Indicate your willingness to submit your performance metrics results via an online tool.

- ○ Confirmed
- ○ Not confirmed (please explain)

References

19.1 Provide references for three current Commercial clients. If possible, use companies of similar size and needs as MCHCP. The proposed account manager for MCHCP should have responsibility for at least one of the references. We will not contact these references without discussing it with you first; however, having information on references is critical.

	Name of Company	Services received by your organization	Number of Covered Lives	Number of years working with your organization
Current Client #1				
Current Client #2				
Current Client #3				

19.2 Provide references for three current EGWP clients. If possible, use companies of similar size and needs as MCHCP. The proposed account manager for MCHCP should have responsibility for at least one of the references. We will not contact these references without discussing it with you first; however, having information on references is critical.

	Name of Company	Services received by your organization	Number of Covered Lives	Number of years working with your organization
Current Client #1				
Current Client #2				
Current Client #3				

19.3 Provide references for two clients who have terminated your Commercial services. If possible, list companies of similar size and needs as MCHCP. We will not contact these references without discussing it with you first; however, having information on references is critical.

	Name or Industry	Services received by your organization	Number of Covered Lives	Number of years working with your organization	Reason for termination of relationship
Terminated Client #1					
Terminated Client #2					

19.4 Provide references for two clients who have terminated your EGWP services. If possible, list companies of similar size and needs as MCHCP. We will not contact these references without discussing it with you first; however, having information on references is critical.

	Name or Industry	Services received by your organization	Number of Covered Lives	Number of years working with your organization	Reason for termination of relationship
Terminated Client #1					
Terminated Client #2					

MBE-WBE Participation Commitment

If the bidder is committing to participation by or if the bidder is a qualified MBE/WBE, the bidder must provide the required information in the appropriate table(s) below for the organization proposed and must submit the completed Exhibit A-6 with the bidder's proposal. For Minority Business Enterprise (MBE) and/or Woman Business Enterprise (WBE) Participation, if proposing an entity certified as both MBE and WBE, the bidder must either (1) enter the participation percentage under MBE or WBE, or must (2) divide the participation between both MBE and WBE. If dividing the participation, do not state the total participation on both the MBE and WBE Participation Commitment tables below. Instead, divide the total participation as proportionately appropriate between the tables below.

20.1 MBE Participation Commitment Table

	Name of Qualified Minority Business Enterprise (MBE) Proposed	Committed Percentage of Participation for MBE	Description of Products/Services to be Provided by MBE
Company 1		%	
Company 2		%	
Company 3		%	
Company 4		%	
Total MBE Percentage		%	

20.2 WBE Participation Commitment Table

	Name of Qualified Women Business Enterprise (WBE) Proposed	Committed Percentage of Participation for WBE	Description of Products/Services to be Provided by WBE
Company 1		%	
Company 2		%	
Company 3		%	
Company 4		%	
Total WBE Percentage		%	

Scope of Work

21.1 Confirm that you agree to and will meet all General Requirements as stated in Exhibit B, Section B1.

○ Confirmed

○ Not confirmed (please explain)

21.2 Confirm that you agree to and will meet all Eligibility Requirements as stated in Exhibit B, Section B2.

○ Confirmed
○ Not confirmed (please explain)

21.3 Confirm that you agree to and will meet all Pharmacy Network requirements as stated in Exhibit B, Section B3.

○ Confirmed
○ Not confirmed (please explain)

21.4 Confirm that you agree to and will meet all Benefit Administration requirements as stated in Exhibit B, Section B4.

○ Confirmed
○ Not confirmed (please explain)

21.5 Confirm that you agree to and will meet all Implementation requirements as stated in Exhibit B, Section B5.

○ Confirmed
○ Not confirmed (please explain)

21.6 Confirm that you agree to and will meet all Customer Service requirements as stated in Exhibit B, Section B6.

○ Confirmed
○ Not confirmed (please explain)

21.7 Confirm that you agree to and will meet all Account Management requirements as stated in Exhibit B, Section B7.

○ Confirmed
○ Not confirmed (please explain)

21.8 Confirm that you agree to and will meet the Coordination with Business Associates requirements as stated in Exhibit B, Section B8.

○ Confirmed
○ Not confirmed (please explain)

21.9 Confirm that you agree to and will meet all Reporting requirements as stated in Exhibit B, Section B9.

○ Confirmed
○ Not confirmed (please explain)

21.10 Confirm that you agree to and will meet all Payment requirements as stated in Exhibit B, Section B10.

○ Confirmed
○ Not confirmed (please explain)

21.11 Confirm that you agree to and will meet all Information Technology and Eligibility File requirements as stated in Exhibit B, Section B11.

○ Confirmed
○ Not confirmed (please explain)

21.12 Confirm that you agree to and will meet all Clinical Management requirements as stated in Exhibit B, Section B12.

○ Confirmed
○ Not confirmed (please explain)

21.13 Confirm that you agree to and will meet all Quality Assurance Program requirements as stated in Exhibit B, Section B13.

○ Confirmed
○ Not confirmed (please explain)

21.14 Confirm that you agree to and will meet all General Service Requirements as stated in Exhibit B, Section B14.

○ Confirmed
○ Not confirmed (please explain)

21.15 Confirm that you agree to and will meet all Claim Payments requirements as stated in Exhibit B, Section B15.

○ Confirmed

○ Not confirmed (please explain)

21.16 Confirm that you agree to and will meet all Contract Renewal requirements as stated in Exhibit B, Section B16.

○ Confirmed
○ Not confirmed (please explain)

21.17 Confirm that you agree to and will meet all Contract Termination requirements as stated in Exhibit B, Section B17.

○ Confirmed
○ Not confirmed (please explain)

21.18 Confirm that you agree to and will meet all Performance Standards requirements as stated in Exhibit B, Section B18.

○ Confirmed
○ Not confirmed (please explain)

Attachment Checklist

22.1 Confirm the following have been provided with your proposal. A check mark below indicates they have been uploaded to the Reference Files from Vendor section of the RFP and named appropriately.

☐ Litigation (Q2.10)
☐ E&O Insurance (Q2.13)
☐ State of Missouri License (Q2.14)
☐ Economic Impact (Q2.17)
☐ Network Summary - Commercial and EGWP (Q3.1)
☐ Participating Pharmacies - Commercial and EGWP (Q3.2)
☐ Chain Pharmacy List - Commercial and EGWP (Q3.3)
☐ Chains Not Participating - Commercial and EGWP (Q3.4)
☐ Access reports - Commercial and EGWP (Q3.7)
☐ Specialty Rx Pricing (Q5.5)
☐ Specialty Rx Medications - Commercial and EGWP (Q5.6)
☐ Specialty Reporting (Q5.11)
☐ Implementation plan (Q6.1)
☐ Satisfaction survey results (Q7.30)
☐ Sample Reports - Commercial and EGWP (Q8.1)
☐ Trend Reporting (Q8.2)
☐ Performance Analysis (Q8.3)
☐ Financial Reports - Commercial and EGWP (Q8.6)
☐ Online Reporting Tool (Q8.10)
☐ Pharmacy Claim File Layout (Q8.23)
☐ POS Message Tracking (Q9.7)
☐ Quantity Level Limit Drugs - Commercial and EGWP (Q9.10)
☐ Prior Auth Drugs - Commercial and EGWP (Q9.19)
☐ Prior Authorization Reporting (Q9.26)
☐ Step Therapy Programs - Commercial and EGWP (Q9.27)
☐ Formularies - Commercial and EGWP (Q10.1)
☐ Sample EOB (Q11.25)
☐ Reliability Metrics (Q13.13)
☐ Disaster Recovery Plan (Q13.14)
☐ Disaster Recovery Plan Testing (Q13.15)
☐ Approved Auditors (Q14.16)
☐ Sample Communication Materials (Q15.2)
☐ Employee Communications Packet (Q15.3)

Mandatory Contract Provisions Questionnaire

Mandatory Contract Provisions

Bidders are expected to closely read the Mandatory Contract Provisions. Rejection of these provisions may be cause for rejection of a bidder's proposal. MCHCP requires that you provide concise responses to questions requiring explanation. Please note, there is a 1,000 character limit on all textual responses. MCHCP expects that you will provide all explanations within the parameters of this questionnaire.

1.1 Term of Contract: The term of this contract is for a period of one (1) year from January 1, 2022 through December 31, 2022. This contract may be renewed for four (4) additional one-year periods at the sole option of the MCHCP Board of Trustees. The submitted pricing arrangements for the first calendar year period (January 1, 2022 through December 31, 2022) is a firm, fixed price. The submitted prices for the subsequent (2nd - 5th) years of the contract period (January 1, 2023 through December 31, 2023, January 1, 2024 through December 31, 2024, January 1, 2025 through December 31, 2025, and January 1, 2026 through December 31, 2026 respectively) are guaranteed not-to-exceed maximum prices and are subject to negotiation. Pricing for the one-year renewal periods are due to MCHCP by May 15 for the following year's renewal. All prices are subject to best and final offer which may result from subsequent negotiation.

- ○ Confirmed
- ○ Not confirmed (please explain)

1.2 Contract Documents: The following documents will be hereby incorporated by reference as if fully set forth within the contract entered into by MCHCP and the Contractor: (1) Written and duly executed contract (form of which will be provided and negotiated if necessary prior to award); (2) amendments to the executed contract; (3) The Report and Data provisions set forth in the Exhibits of this RFP (subject to change in format, as needed and as mutually agreed upon by both parties); (4) The completed and uploaded Exhibits set forth in this RFP; and (5) This Request for Proposal. The contract is expected to be finalized and signed by a duly authorized representative of Contractor in less than fifteen (15) days from MCHCP's initial contact to negotiate a contract. An award will not be made until all contract terms have been accepted.

- ○ Confirmed
- ○ Not confirmed (please explain)

1.3 Audit Rights: The Contractor must allow MCHCP the right to audit all aspects of the pharmacy program managed by the Contractor including financial terms, the specialty program, service agreements, administration, guarantees and all transparent and pass through components at no cost to MCHCP. The review of all aspects of the pharmacy program May include but must not be limited to: paid claims, the claim processing system, Rebate agreements, rebate aggregators, performance guarantees, pricing guarantees, retail network, Medicare Part D reconciliations, transparency, pricing benchmarks (e.g., AWP source), onsite assessments, operational assessments, clinical assessments and customer service call monitoring for both the commercial plan and EGWP plan, if applicable. Audits must be conducted by a firm selected by MCHCP.

- ○ Confirmed
- ○ Not confirmed (please explain)

1.4 Breach and Waiver: Waiver or any breach of any contract term or condition shall not be deemed a waiver of any prior or subsequent breach. No contract term or condition shall be held to be waived, modified, or deleted except by a written instrument signed by the parties thereto. If any contract term or condition or application thereof to any person(s) or circumstances is held invalid, such invalidity shall not affect other terms, condition or application. To this end, the contract terms and conditions are severable.

- ○ Confirmed
- ○ Not confirmed (please explain)

1.5 Confidentiality: Contractor will have access to private and/or confidential data maintained by MCHCP to the extent necessary to carry out its responsibilities under this Contract. No private or confidential data received, collected, maintained, transmitted, or used in the course of performance of this Contract shall be disseminated by Contractor except as authorized by MCHCP, either during the period of this Contract or thereafter. Contractor must agree to return any or all data furnished by MCHCP promptly at the request of MCHCP in whatever form it is maintained by Contractor. On the termination or expiration of this Contract, Contractor will not use any of such data or any material derived from the data for any purpose and, where so instructed by MCHCP, will destroy or render it unreadable.

- ○ Confirmed
- ○ Not confirmed (please explain)

1.6 Electronic Transmission Protocols: Contractor and all subcontractors will maintain encryption standards

of 2048 bit encryption or higher for the encryption of confidential information for transmission via non secure methods including File Transfer Protocol or other use of the Internet.

- ○ Confirmed
- ○ Not confirmed (please explain)

1.7 Eligibility: All determinations for coverage eligibility will be made by MCHCP. Effective and termination dates of plan participants will be determined by MCHCP. Contractor will be notified of enrollment changes through the carrier enrollment eligibility file, by telephone or by written notification from MCHCP.

- ○ Confirmed
- ○ Not confirmed (please explain)

1.8 Force Majeure: Neither party will incur any liability to the other if its performance of any obligation under this Contract is prevented or delayed by causes beyond its control and without the fault or negligence of either party. Causes beyond a party's control may include, but aren't limited to, acts of God or war, changes in controlling law, regulations, orders or the requirements of any governmental entity, severe weather conditions, civil disorders, natural disasters, fire, epidemics and quarantines, and strikes other than by Contractor's or its subcontractor's employees.

- ○ Confirmed
- ○ Not confirmed (please explain)

1.9 Governing Law: This Contract shall be governed by the laws of the State of Missouri and shall be deemed executed at Jefferson City, Cole County, Missouri. All contractual agreements shall be subject to, governed by, and construed according to the laws of the State of Missouri.

- ○ Confirmed
- ○ Not confirmed (please explain)

1.10 Jurisdiction: All legal proceedings arising hereunder shall be brought in the Circuit Court of Cole County in the State of Missouri.

- ○ Confirmed
- ○ Not confirmed (please explain)

1.11 Independent Contractor: Contractor represents itself to be an independent contractor offering such services to the general public and shall not represent itself or its employees to be an employee of MCHCP. Therefore, Contractor shall assume all legal and financial responsibility for taxes, FICA, employee fringe benefits, worker's compensation, employee insurance, minimum wage requirements, overtime, etc. and agrees to indemnify, save, and hold MCHCP, its officers, agents, and employees, harmless from and against, any and all loss; cost (including attorney fees); and damage of any kind related to such matters. Contractor assumes sole and full responsibility for its acts and the acts of its personnel.

- ○ Confirmed
- ○ Not confirmed (please explain)

1.12 Injunctions: Should MCHCP be prevented or enjoined from proceeding with this Contract before or after contract execution by reason of any litigation or other reason beyond the control of MCHCP, Contractor shall not be entitled to make or assess claim for damage by reason of said delay.

- ○ Confirmed
- ○ Not confirmed (please explain)

1.13 Integration: This Contract, in its final composite form, shall represent the entire agreement between the parties and shall supersede all prior negotiations, representations or agreements, either written or oral, between the parties relating to the subject matter hereof. This Contract between the parties shall be independent of and have no effect on any other contracts of either party.

- ○ Confirmed
- ○ Not confirmed (please explain)

1.14 Modification of the Contract: This Contract shall be modified only by the written agreement of the parties. No alteration or variation in terms and conditions of the Contract shall be valid unless made in writing and signed by the parties. Every amendment shall specify the date on which its provisions shall be effective.

- ○ Confirmed

○ Not confirmed (please explain)

1.15 Notices: All notices, demands, requests, approvals, instructions, consents or other communications (collectively "notices") which may be required or desired to be given by either party to the other during the course of this contract shall be in writing and shall be made by personal delivery or by overnight delivery, prepaid, to the other party at a designated address or to any other persons or addresses as may be designated by notice from one party to the other. Notices to MCHCP shall be addressed as follows: Missouri Consolidated Health Care Plan, ATTN: Executive Director, P.O. Box 104355, Jefferson City, MO 65110-4355.

○ Confirmed
○ Not confirmed (please explain)

1.16 Ownership: All data developed or accumulated by Contractor under this Contract shall be owned by MCHCP. Contractor may not release any data without the written approval of MCHCP. MCHCP shall be entitled at no cost and in a timely manner to all data and written or recorded material pertaining to this Contract in a format acceptable to MCHCP. MCHCP shall have unrestricted authority to reproduce, distribute, and use any submitted report or data and any associated documentation that is designed or developed and delivered to MCHCP as part of the performance of this Contract.

○ Confirmed
○ Not confirmed (please explain)

1.17 Payment: Upon implementation of the undertaking of this Contract and acceptance by MCHCP, Contractor shall be paid as stated in this Contract.

○ Confirmed
○ Not confirmed (please explain)

1.18 Rights and Remedies: If this Contract is terminated, MCHCP, in addition to any other rights provided for in this Contract, may require Contractor to deliver to MCHCP in the manner and to the extent directed, any completed materials. In the event of termination, Contractor shall receive payment prorated for that portion of the contract period services were provided to and/or goods were accepted by MCHCP subject to any offset by MCHCP for actual damages. The rights and remedies of MCHCP provided for in this Contract shall not be exclusive and are in addition to any other rights and remedies provided by law.

○ Confirmed
○ Not confirmed (please explain)

1.19 Solicitation of Members: Contractor shall not use the names, home addresses or any other information contained about members of MCHCP for the purpose of offering for sale any property or services which are not directly related to services negotiated in this RFP without the express written consent of MCHCP's Executive Director.

○ Confirmed
○ Not confirmed (please explain)

1.20 Statutes: Each and every provision of law and clause required by law to be inserted or applicable to the services provided in the Contract shall be deemed to be inserted herein and the Contract shall be read and enforced as though it were included herein. If through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then on the application of either party the Contract shall be amended to make such insertion or correction.

○ Confirmed
○ Not confirmed (please explain)

1.21 Termination Right: Notwithstanding any other provision, MCHCP reserves the right to terminate this Contract at the end of any month by giving thirty (30) days notice, without penalty.

○ Confirmed
○ Not confirmed (please explain)

1.22 Off-shore Services: All services under this Contract shall be performed within the United States. Contractor shall not perform, or permit subcontracting of services under this Contract, to any off-shore companies or locations outside of the United States. Any such actions shall result in the Contractor being in breach of this Contract.

○ Confirmed

○ Not confirmed (please explain)

1.23 Compliance with Laws: Contractor shall comply with all applicable federal and state laws and regulations and local ordinances in the performance of this Contract, including but not limited to the provisions listed below.

○ Confirmed
○ Not confirmed (please explain)

1.24 Non-discrimination, Sexual Harassment and Workplace Safety: Contractor agrees to abide by all applicable federal, state and local laws, rules and regulations prohibiting discrimination in employment and controlling workplace safety. Contractor shall establish and maintain a written sexual harassment policy and shall inform its employees of the policy. Contractor shall include the provisions of this Nondiscrimination/Sexual Harassment Clause in every subcontract so that such provisions will be binding upon each subcontractor. Any violations of applicable laws, rules and regulations may result in termination of the Contract.

○ Confirmed
○ Not confirmed (please explain)

1.25 Americans with Disabilities Act (ADA): Pursuant to federal regulations promulgated under the authority of The Americans with Disabilities Act (ADA), Contractor understands and agrees that it shall not cause any individual with a disability to be excluded from participation in this Contract or from activities provided for under this Contract on the basis of such disability. As a condition of accepting this Contract, Contractor agrees to comply with all regulations promulgated under ADA which are applicable to all benefits, services, programs, and activities provided by MCHCP through contracts with outside contractors.

○ Confirmed
○ Not confirmed (please explain)

1.26 Patient Protection and Affordable Care Act (PPACA): If applicable, Contractor shall comply with the Patient Protection and Affordable Care Act (PPACA) and all regulations promulgated under the authority of PPACA, including any future regulations promulgated under PPACA, which are applicable to all benefits, services, programs, and activities provided by MCHCP through contracts with outside contractors.

○ Confirmed
○ Not confirmed (please explain)

1.27 Health Insurance Portability and Accountability Act of 1996 (HIPAA): Contractor shall comply with the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and implementing regulations, as amended, including compliance with the Privacy, Security and Breach Notification regulations and the execution of a Business Associate Agreement with MCHCP.

○ Confirmed
○ Not confirmed (please explain)

1.28 Genetic Information Nondiscrimination Act of 2008: Contractor shall comply with the Genetic Information Nondiscrimination Act of 2008 (GINA) and implementing regulations, as amended.

○ Confirmed
○ Not confirmed (please explain)

1.29 Contractor shall be responsible for and agrees to indemnify and hold harmless MCHCP from all losses, damages, expenses, claims, demands, suits, and actions brought by any party against MCHCP as a result of Contractor's, or any associate's or subcontractor's of Contractor, failure to comply with paragraphs 1.24, 1.25, 1.26, 1.27, and 1.28 above.

○ Confirmed
○ Not confirmed (please explain)

1.30 Prohibition of Gratuities: Neither Contractor nor any person, firm or corporation employed by Contractor in the performance of this Contract shall offer or give any gift, money or anything of value or any promise for future reward or compensation to any employee of MCHCP at any time.

○ Confirmed
○ Not confirmed (please explain)

1.31 Subcontracting; Subject to the terms and conditions of this section, this Contract shall be binding upon the parties and their respective successors and assigns. Contractor shall not subcontract with any person or entity to perform all or any part of the work to be performed under this Contract without the prior written consent of MCHCP. Contractor may not assign, in whole or in part, this Contract or its rights, duties, obligations, or responsibilities hereunder without the prior written consent of MCHCP. Contractor agrees that any and all subcontracts entered into by Contractor for the purpose of meeting the requirements of this Contract are the responsibility of Contractor. MCHCP will hold Contractor responsible for assuring that subcontractors meet all the requirements of this Contract and all amendments thereto. Contractor must provide complete information regarding each subcontractor used by Contractor to meet the requirements of this Contract.

- ○ Confirmed
- ○ Not confirmed (please explain)

1.32 Industry Standards: If not otherwise provided, materials or work called for in this Contract shall be furnished and performed in accordance with best established practice and standards recognized by the contracted industry and comply with all codes and regulations which shall apply.

- ○ Confirmed
- ○ Not confirmed (please explain)

1.33 Hold Harmless: Contractor shall hold MCHCP harmless from and indemnify against any and all claims for injury to or death of any persons; for loss or damage to any property; and for infringement of any copyright or patent to the extent caused by Contractor or Contractor's employee or its subcontractor. MCHCP shall not be precluded from receiving the benefits of any insurance Contractor may carry which provides for indemnification for any loss or damage to property in Contractor's custody and control, where such loss or destruction is to MCHCP's property. Contractor shall do nothing to prejudice MCHCP's right to recover against third parties for any loss, destruction or damage to MCHCP's property.

- ○ Confirmed
- ○ Not confirmed (please explain)

1.34 Insurance and Liability: Contractor must maintain sufficient liability insurance, including but not limited to general liability, professional liability, and errors and omissions coverage, to protect MCHCP against any reasonably foreseeable recoverable loss, damage or expense under this engagement. Contractor shall provide proof of such insurance coverage upon request from MCHCP. MCHCP shall not be required to purchase any insurance against loss or damage to any personal property to which this Contract relates. Contractor shall bear the risk of any loss or damage to any personal property in which Contractor holds title.

- ○ Confirmed
- ○ Not confirmed (please explain)

1.35 Financial Record Audit and Retention: Contractor agrees to maintain, and require its subcontractors to maintain, supporting financial information and documents that are adequate to ensure that claims are made in accordance with applicable federal and state requirements and are sufficient to ensure the accuracy and validity of Contractor invoices. Such documents will be maintained and retained by Contractor or its subcontractors for a period of ten (10) years after the date of submission of the final billing or until the resolution of all audit questions, whichever is longer. Contractor agrees to timely repay any undisputed audit exceptions taken by MCHCP in any audit of this Contract.

- ○ Confirmed
- ○ Not confirmed (please explain)

1.36 Retention of Records: Unless MCHCP specifies in writing a shorter period of time, Contractor agrees to preserve and make available all of its books, documents, papers, records and other evidence involving transactions related to this contract for a period of ten (10) years from the date of the expiration or termination of this contract. Matters involving litigation shall be kept for one (1) year following the termination of litigation, including all appeals, if the litigation exceeds ten (10) years. Contractor agrees that authorized federal representatives, MCHCP personnel, and independent auditors acting on behalf of MCHCP and/or federal agencies shall have access to and the right to examine records during the contract period and during the ten (10) year post contract period. Delivery of and access to the records shall be at no cost to MCHCP.

- ○ Confirmed
- ○ Not confirmed (please explain)

1.37 Access to Records: Upon reasonable notice, Contractor must provide, and cause its subcontractors to

provide, the officials and entities identified in this Section with prompt, reasonable, and adequate access to any records, books, documents, and papers that are directly pertinent to the performance of the services. Such access must be provided to MCHCP and, upon execution of a confidentiality agreement, to any independent auditor or consultant acting on behalf of MCHCP; and any other entity designated by MCHCP. Contractor agrees to provide the access described wherever Contractor maintains such books, records, and supporting documentation. Further, Contractor agrees to provide such access in reasonable comfort and to provide any furnishings, equipment, or other conveniences deemed reasonably necessary to fulfill the purposes described in this section. Contractor shall require its subcontractors to provide comparable access and accommodations. MCHCP shall have the right, at reasonable times and at a site designated by MCHCP, to audit the books, documents and records of Contractor to the extent that the books, documents and records relate to costs or pricing data for this Contract. Contractor agrees to maintain records which will support the prices charged and costs incurred for performance of services performed under this Contract. To the extent described herein, Contractor shall give full and free access to all records to MCHCP and/or their authorized representatives.

- ○ Confirmed
- ○ Not confirmed (please explain)

1.38 Response/Compliance with Audit or Inspection Findings: Contractor must take action to ensure its or its subcontractors' compliance with or correction of any finding of noncompliance with any law, regulation, audit requirement, or generally accepted accounting principle relating to the services or any other deficiency contained in any audit, review, or inspection. This action will include Contractor's delivery to MCHCP, for MCHCP's approval, a corrective action plan that addresses deficiencies identified in any audit(s), review(s), or inspection(s) within thirty (30) calendar days of the close of the audit(s), review(s), or inspection(s).

- ○ Confirmed
- ○ Not confirmed (please explain)

1.39 Inspections: Upon notice from MCHCP, Contractor will provide, and will cause its subcontractors to provide, such auditors and/or inspectors as MCHCP may from time to time designate, with access to Contractor service locations, facilities, or installations. The access described in this section shall be for the purpose of performing audits or inspections of the Services and the business of MCHCP. Contractor must provide as part of the services any assistance that such auditors and inspectors reasonably may require to complete such audits or inspections.

- ○ Confirmed
- ○ Not confirmed (please explain)

1.40 Acceptance: No contract provision or use of items by MCHCP shall constitute acceptance or relieve Contractor of liability in respect to any expressed or implied warranties.

- ○ Confirmed
- ○ Not confirmed (please explain)

1.41 Termination for Cause: MCHCP may terminate this contract, or any part of this contract, for cause under any one of the following circumstances: 1) Contractor fails to make delivery of goods or services as specified in this Contract; 2) Contractor fails to satisfactorily perform the work specified in this Contract; 3) Contractor fails to make progress so as to endanger performance of this Contract in accordance with its terms; 4) Contractor breaches any provision of this Contract; 5) Contractor assigns this Contract without MCHCP's approval; or 6) Insolvency or bankruptcy of the Contractor. MCHCP shall have the right to terminate this Contract, in whole or in part, if MCHCP determines, at its sole discretion, that one of the above listed circumstances exists. In the event of termination, Contractor shall receive payment prorated for that portion of the contract period services were provided to and/or goods were accepted by MCHCP, subject to any offset by MCHCP for actual damages including loss of any federal matching funds. Contractor shall be liable to MCHCP for any reasonable excess costs for such similar or identical services included within the terminated part of this Contract.

- ○ Confirmed
- ○ Not confirmed (please explain)

1.42 Arbitration, Damages, Warranties: Notwithstanding any language to the contrary, no interpretation shall be allowed to find MCHCP has agreed to binding arbitration, or the payment of damages or penalties upon the occurrence of a contingency. Further, MCHCP shall not agree to pay attorney fees and late payment charges beyond those available under this Contract, and no provision will be given effect which attempts to exclude, modify, disclaim or otherwise attempt to limit implied warranties of merchantability and fitness for a particular purpose.

- ○ Confirmed

○ Not confirmed (please explain)

1.43 Assignment: Contractor shall not assign, convey, encumber, or otherwise transfer its rights or duties under this Contract without prior written consent of MCHCP. This Contract may terminate in the event of any assignment, conveyance, encumbrance or other transfer by Contractor made without prior written consent of MCHCP. Notwithstanding the foregoing, Contractor may, without the consent of MCHCP, assign its rights to payment to be received under this Contract, provided that Contractor provides written notice of such assignment to MCHCP together with a written acknowledgment from the assignee that any such payments are subject to all of the terms and conditions of this Contract. For the purposes of this Contract, the term "assign" shall include, but shall not be limited to, the sale, gift, assignment, pledge, or other transfer of any ownership interest in the Contractor provided, however, that the term shall not apply to the sale or other transfer of stock of a publicly traded company. Any assignment consented to by MCHCP shall be evidenced by a written assignment agreement executed by Contractor and its assignee in which the assignee agrees to be legally bound by all of the terms and conditions of this Contract and to assume the duties, obligations, and responsibilities being assigned. A change of name by Contractor, following which Contractor's federal identification number remains unchanged, shall not be considered to be an assignment hereunder. Contractor shall give MCHCP written notice of any such change of name.

○ Confirmed
○ Not confirmed (please explain)

1.44 Compensation/Expenses: Contractor shall be required to perform the specified services at the price(s) quoted in this Contract. All services shall be performed within the time period(s) specified in this Contract. Contractor shall be compensated only for work performed to the satisfaction of MCHCP. Contractor shall not be allowed or paid travel or per diem expenses except as specifically set forth in this Contract.

○ Confirmed
○ Not confirmed (please explain)

1.45 Contractor Expenses: Contractor will pay and will be solely responsible for Contractor's travel expenses and out-of-pocket expenses incurred in connection with providing the services. Contractor will be responsible for payment of all expenses related to salaries, benefits, employment taxes, and insurance for its staff.

○ Confirmed
○ Not confirmed (please explain)

1.46 Conflicts of Interest: Contractor shall not knowingly employ, during the period of this Contract or any extensions to it, any professional personnel who are also in the employ of the State of Missouri or MCHCP and who are providing services involving this Contract or services similar in nature to the scope of this Contract to the State of Missouri. Furthermore, Contractor shall not knowingly employ, during the period of this Contract or any extensions to it, any employee of MCHCP who has participated in the making of this Contract until at least two years after his/her termination of employment with MCHCP.

○ Confirmed
○ Not confirmed (please explain)

1.47 Patent, Copyright, and Trademark Indemnity: Contractor warrants that it is the sole owner or author of, or has entered into a suitable legal agreement concerning either: a) the design of any product or process provided or used in the performance of this Contract which is covered by a patent, copyright, or trademark registration or other right duly authorized by state or federal law or b) any copyrighted matter in any report document or other material provided to MCHCP under this Contract. Contractor shall defend any suit or proceeding brought against MCHCP on account of any alleged patent, copyright or trademark infringement in the United States of any of the products provided or used in the performance of this Contract. This is upon condition that MCHCP shall provide prompt notification in writing of such suit or proceeding; full right, authorization and opportunity to conduct the defense thereof; and full information and all reasonable cooperation for the defense of same. As principles of governmental or public law are involved, MCHCP may participate in or choose to conduct, in its sole discretion, the defense of any such action. If information and assistance are furnished by MCHCP at the Contractor's written request, it shall be at Contractor's expense, but the responsibility for such expense shall be only that within Contractor's written authorization. Contractor shall indemnify and hold MCHCP harmless from all damages, costs, and expenses, including attorney's fees that the Contractor or MCHCP may pay or incur by reason of any infringement or violation of the rights occurring to any holder of copyright, trademark, or patent interests and rights in any products provided or used in the performance of this Contract. If any of the products provided by Contractor in such suit or proceeding are held to constitute infringement and the use is enjoined, Contractor shall, at its own expense and at its option, either procure the right to continue use of such infringement products, replace them with non-infringement equal performance products or modify them so that they are no longer infringing. If Contractor is unable to do any of the preceding, Contractor agrees to remove all

the equipment or software which are obtained contemporaneously with the infringing product, or, at the option of MCHCP, only those items of equipment or software which are held to be infringing, and to pay MCHCP: 1) any amounts paid by MCHCP towards the purchase of the product, less straight line depreciation; 2) any license fee paid by MCHCP for the use of any software, less an amount for the period of usage; and 3) the pro rata portion of any maintenance fee presenting the time remaining in any period of maintenance paid for. The obligations of Contractor under this paragraph continue without time limit. No costs or expenses shall be incurred for the account of Contractor without its written consent.

- ○ Confirmed
- ○ Not confirmed (please explain)

1.48 Tax Payments: Contractor shall pay all taxes lawfully imposed on it with respect to any product or service delivered in accordance with this Contract. MCHCP is exempt from Missouri state sales or use taxes and federal excise taxes for direct purchases. MCHCP makes no representation as to the exemption from liability of any tax imposed by any governmental entity on Contractor.

- ○ Confirmed
- ○ Not confirmed (please explain)

1.49 Disclosure of Material Events: Contractor agrees to immediately disclose any of the following to MCHCP to the extent allowed by law for publicly traded companies: (*) Any material adverse change to the financial status or condition of Contractor; (*) Any merger, sale or other material change of ownership of Contractor; (*) Any conflict of interest or potential conflict of interest between Contractor's engagement with MCHCP and the work, services or products that Contractor is providing or proposes to provide to any current or prospective customer; and (1) Any material investigation of Contractor by a federal or state agency or self-regulatory organization; (2) Any material complaint against Contractor filed with a federal or state agency or self-regulatory organization; (3) Any material proceeding naming Contractor before any federal or state agency or self-regulatory organization; (4) Any material criminal or civil action in state or federal court naming Contractor as a defendant; (5) Any material fine, penalty, censure or other disciplinary action taken against Contractor by any federal or state agency or self-regulatory organization; (6) Any material judgment or award of damages imposed on or against Contractor as a result of any material criminal or civil action in which Contractor was a party; or (7) Any other matter material to the services rendered by Contractor pursuant to this Contract. For the purposes of this paragraph, "material" means of a nature or of sufficient monetary value, or concerning a subject which a reasonable party in the position of and comparable to MCHCP would consider relevant and important in assessing the relationship and services contemplated by this Contract. It is further understood that in fulfilling its ongoing responsibilities under this paragraph, Contractor is obligated to make its best faith efforts to disclose only those relevant matters which to the attention of or should have been known by Contractor's personnel involved in the engagement covered by this Contract and/or which come to the attention of or should have been known by any individual or office of Contractor designated by Contractor to monitor and report such matters. Upon learning of any such actions, MCHCP reserves the right, at its sole discretion, to terminate this Contract.

- ○ Confirmed
- ○ Not confirmed (please explain)

1.50 CMS Requirements for EGWP: Contractor agrees to perform their obligations involving the EGWP plan in a manner that is consistent with and complies with the Medicare Drug Rules and with Contractor's contractual obligations under its contract with CMS concerning the approved EGWP plan.

- ○ Confirmed
- ○ Not confirmed (please explain)

1.51 MCHCP's rights Upon Termination or Expiration of Contract: If this Contract is terminated, MCHCP, in addition to any other rights provided under this Contract, may require Contractor to transfer title and deliver to MCHCP in the manner and to the extent directed, any completed materials. MCHCP shall be obligated only for those services and materials rendered and accepted prior to termination.

- ○ Confirmed
- ○ Not confirmed (please explain)

1.52 Termination by Mutual Agreement: The parties may mutually agree to terminate this Contract or any part of this Contract at any time. Such termination shall be in writing and shall be effective as of the date specified in such agreement.

- ○ Confirmed
- ○ Not confirmed (please explain)

1.53 Change in Laws: Contractor agrees that any state and/or federal laws and applicable rules and regulations enacted during the terms of the contract which are deemed by MCHCP to necessitate a change in the contract shall be incorporated into the contract automatically. MCHCP will review any request for additional fees resulting from such changes and retains final authority to make any changes. A consultant may be utilized to determine the cost impact.

- ○ Confirmed
- ○ Not confirmed (please explain)

1.54 Relationship of the Parties: This Contract does not create a partnership, franchise, joint venture, agency, or employment relationship between the parties.

- ○ Confirmed
- ○ Not confirmed (please explain)

1.55 No Implied Authority: The authority delegated to Contractor by MCHCP is limited to the terms of this Contract. MCHCP is a statutorily created body corporate multi-employer group health plan and trust fund designated by the Missouri Legislature to administer health care services to eligible State of Missouri and public entity employees, and no other agency or entity may grant Contractor any authority related to this Contract except as authorized in writing by MCHCP. Contractor may not rely upon implied authority, and specifically is not delegated authority under this Contract to: (1) Make public policy; (2) Promulgate, amend, or disregard administrative regulations or program policy decisions made by MCHCP; and/or (3) Unilaterally communicate or negotiate with any federal or state agency, the Missouri Legislature, or any MCHCP vendor on behalf of MCHCP regarding the services included within this Contract.

- ○ Confirmed
- ○ Not confirmed (please explain)

1.56 Third Party Beneficiaries: This Contract shall not be construed as providing an enforceable right to any third party.

- ○ Confirmed
- ○ Not confirmed (please explain)

1.57 Survival of Terms: Termination or expiration of this Contract for any reason will not release either party from any liabilities or obligations set forth in this Contract that: (i) the parties expressly agree will survive any such termination or expiration; or (ii) remain to be performed or by their nature would be intended to apply following any such termination or expiration.

- ○ Confirmed
- ○ Not confirmed (please explain)

Missouri Consolidated Health Care Plan
Responses to Vendor Questions
2022 Pharmacy Benefit Manager RFP
March 1, 2021

These responses are provided by MCHCP to questions received from potential bidders for the 2022 Pharmacy Benefit Manager RFP.

	General	Response
1	Does MCHCP currently utilize a custom EGWP base formulary or Wrap? Is MCHCP's intention to match this current formulary going forward? If so, and to provide the most accurate and aggressive proposal possible, can MCHCP please provide the following: • A complete formulary Excel file at the NDC level identified with: ❍ Current Tier beyond formulary indicator of "Y" or "N" ❍ Step Therapy ▪ An indicator is at a minimum necessary. Detailed UM Criteria recommended (see note below) ❍ Prior Authorizations ▪ An Indicator is at a minimum necessary. Detailed UM Criteria recommended (see note below) ❍ Exclusions • Plan Design ❍ The most common Copay Differential between Preferred Brands and non-Preferred Brands ❍ Tier Definitions ▪ Example: Tier 1 = Generics. Tier 2 = Preferred Brands. Tier 3 = Non-Preferred Brands. Tier 4 = Preferred Specialty. Tier 5 = Non-Preferred Specialty • Utilization Management Criteria (UM Criteria) ❍ Example: Trial and Failure of Drug A and/or Drug B before taking Drug C. ❍ UM criteria specifically for the following classes: ▪ Immunomodulators ▪ Multiple Sclerosis ▪ Hepatitis-C ▪ Diabetes Classes o SGLT2 Inhibitors and Combinations o DPP4 Inhibitors and Combinations o GLP1 o Basal Insulins	A complete formulary Excel file at the NDC level is not available. The EGWP formulary is available on MCHCP's website at http://www.mchcp.org/documents/vendor/medicareFormulary_2021.pdf?zoom_highlight=formulary . A EGWP benefit chart is available at http://www.mchcp.org/stateMembers/medicare/benefitChart.asp that explains the tiers and associated copayments.
2	Does MCHCP's current network exclude any pharmacies? If so, which chains? Does MCHCP wish to see proposals with a similar network construct?	MCHCP's current network does not exclude any pharmacies that would like to contract with the PBM.
3	Are vendors able to attach reference documents and supporting exhibits?	Bidders may upload additional reference documents, though there is no guarantee they will be considered when evaluating your proposal response.

Missouri Consolidated Health Care Plan
Responses to Vendor Questions
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March 1, 2021

4	Are vendors able to respond to and upload the Exhibit B Scope of Work and Exhibit C General Provisions?	All proposed changes to the Scope of Work or General Provisions must be listed on Exhibit A-3 Proposed Bidder Modifications.
5	Confirm how coupons and copay assistance will be evaluated.	MCHCP does not have a coupon program in place and the offer should not assume a different program than what is in place. MCHCP is looking to understand your capabilities in this area.
6	Please confirm what the expectations are for retail days' supply separately for the Commercial and EGWP business.	For both Commercial and EGWP, Retail 30 Financial Guarantees should apply to claims with up to 30 days of supply whereas Retail 90 Financial Guarantees should apply to claims with greater than 30 days of supply.
7	Please confirm the EGWP Formulary request of "Standard Formulary without Exclusions".	Confirmed.
8	Please confirm what drug classes are or are not covered on the EGWP Commercial Wrap.	A response to this question will be provided when available.
9	Please provide additional details on the clinical programs, prior authorization, step therapy, and quantity level limits that are required to remain in place?	MCHCP has provided a new Reference File as Attachment 7.
10	Please describe how MCHCP intends to align to the new PBM's formulary and keep existing clinical programs, including PA, Step, QL in place? Will the Plan allow flexibility for UM program edits to align with the PBM formulary?	MCHCP intends to work with the new PBM to identify areas where flexibility is needed and would make sense, but the new PBM must have clinical programs in place including PA, Step and QL.

Exhibit C - General Provisions		**Response**
1	In the event of a discrepancy between the definitions within the Willis Towers Watson Financial Worksheets and the General Provisions document, please confirm that the General Provisions document will take precedence.	General Provisions document will take precedence and it has been updated to resolve discrepancy. A revised Exhibit C has been provided as a Reference File in the DirectPath system. The items that have changed have been highlighted in the revised Exhibit C.
2	Please confirm the Average Wholesale Price or AWP definition, as there is a discrepancy between the General Provisions document and the Willis Towers Watson Financial Worksheet.	Please reference the definition within the General Provisions document.
3	Please confirm the Generic Drug definition, as there is a discrepancy between the General Provisions document and the Willis Towers Watson Financial Worksheet.	Please reference the following definition: "Generic Drug means a legend drug or OTC that is identified by its chemical, proprietary, or non-proprietary name that is accepted by the U.S. Food and Drug Administration as therapeutically equivalent and interchangeable with drugs having an identical amount of the same active ingredient and so indicated by Medi-Span© (or mutually agreed upon nationally recognized publication if unavailable). Generic Drugs include all products involved in patent litigation, Single-Source Generic Drugs, Multi-Source Generic Drugs, Multi-Source Brand Name drugs subject to MAC, House Generics, DAW 0 claims, DAW 9 claims, Authorized Generics and Generic drugs that may only be available in a limited supply."

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4	Please confirm the Participating Pharmacy definition, as there is a discrepancy between the General Provisions document and the Willis Towers Watson Financial Worksheet.	Please reference the following definition: "Participating Pharmacy is a contracted retail, mail, or specialty network pharmacy (or Pharmacy Provider) which has agreed to provide pharmaceutical services to all MCHCP members and to be reimbursed at an agreed upon rate by PBM."

Introduction and Instructions		**Response**
1	On page 1 of the RFP Introduction and Instructions, the Selection Criteria lists the bidder's ability to contract on an "administrative services only" basis. The definition of Transparency on pages 7 and 8 of the RFP Introduction and Instructions indicates that a PBM that owns its own mail and specialty pharmacies would be permitted to make a profit on the drugs dispensed from such facilities. Can MCHCP please confirm that this is not inconsistent with the "administrative services only" basis expected?	The two statements are not inconsistent.
2	On page 6 of the RFP Introduction and Instructions, MCHCP instructs that, pursuant to 610.021 RSMo, proposals will not be available for public review until a contract has been awarded, but proposals are subject to public release after the award of a contract under the Missouri Sunshine Law. Bidder anticipates that certain of its responses to the RFP will contain Bidder's confidential and proprietary trade secrets, as defined in the Missouri Uniform Trade Secrets Act, 417.453 RSMo. Please confirm that, as contemplated in 610.021(14) RSMo, should MCHCP receive a request for Bidder's proposal under the Missouri Sunshine Law, MCHCP would not publicly release any portions of Bidder's proposal expressly identified as containing protected trade secret information without first notifying Bidder and permitting Bidder an opportunity to seek legal protection of such information from public disclosure.	Chapter 610 requires MCHCP, as a public government body, to liberally construe the law in favor of openness and to strictly construe all exceptions, such as might be applicable under the Missouri Uniform Trade Secrets Act. MCHCP will construe all documents submitted in response to this RFP accordingly. A bidder's characterization of any submitted material as protected will not be dispositive, although MCHCP will take the bidder's characterization and any legal arguments in support of closing any particular records into consideration before publicly disclosing such information. Sunshine law requests can be received at any time and under many different circumstances. Therefore, MCHCP cannot confirm it will notify bidder prior to releasing public information. MCHCP suggests bidders include the legal basis for closing particular information if a bidder chooses to submit documents that it believes may contain information protected from disclosure. In addition, bidders should specify the information at issue if a document includes both information that the bidder believes may be closed as well as information the bidder acknowledges to be public.

Attachment 4 - MCHCP Region Map		**Response**
1	Please provide a zip code list by region to accompany the "Reference_State of Missouri_Attachment 4 - MCHCP Region Map_563422_Attachment 4 - MCHCP Region Map" document provided.	This information is not available.

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	Mandatory Contract Provisions Questionnaire	Response
1	Section 1.3 (Audit Rights) of the Mandatory Contract Provisions questionnaire states that "Audits must be conducted by a firm selected by MCHCP." Section 14.16 on the Audits Tab of the PBM questionnaire asks for a "specific list of companies approved for auditing rebate agreements with pharmaceutical manufacturers". Can MCHCP confirm that, to the extent Bidder provides a list of approved rebate auditors that is acceptable to MCHCP, that MCHCP would agree to select the rebate auditor from Bidder's list?	MCHCP will not confirm that rebate auditors will be selected from the Bidder's list.
2	Section 1.5 (Confidentiality) of the Mandatory Contract Provisions questionnaire states that "[o]n the termination or expiration of th[e] Contract, Contractor will not use any [confidential] data or any material derived from the data for any purpose and, where so instructed by MCHCP, will destroy or render it unreadable." Can MCHCP confirm that it would allow an exception to the prohibition on use of such data in cases where, for example, Contractor may have legal obligations to retain such data, or where Contractor has obligations to complete provision of services (collection of rebates, pharmacy auditing, etc.).	Any variations in terms and definitions should be explained in Exhibit A-3. Any proposed variations will be considered when evaluating the proposals, but are not automatically accepted by MCHCP
3	Section 1.16 (Ownership) of the Mandatory Contract Provisions questionnaire provides that "[a]ll data developed or accumulated by Contractor under this Contract shall be owned by MCHCP"; that "Contractor may not release any data without the written approval of MCHCP"; and that "MCHCP shall have unrestricted authority to reproduce, distribute, and use any submitted report or data and any associated documentation that is designed or developed and delivered to MCHCP as part of the performance of this Contract." Can MCHCP confirm that these provisions do not apply to materials not produced specifically for MCHCP but offered to Bidder's book of clients, which material shall remain Bidder's property?	Any variations in terms and definitions should be explained in Exhibit A-3. Any proposed variations will be considered when evaluating the proposals, but are not automatically accepted by MCHCP

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4	Section 1.16 (Ownership) of the Mandatory Contract Provisions questionnaire provides that "MCHCP shall have unrestricted authority to reproduce, distribute, and use any submitted report or data and any associated documentation that is designed or developed and delivered to MCHCP as part of the performance of this Contract." There may be information contained in claims data that is considered confidential and proprietary to Contractor and exempt from disclosure under applicable public records law, including costs and pricing information. Can MCHCP confirm that MCHCP's authority to distribute information pursuant to this section would not apply to information that Contractor considers (and has clearly labeled and designated) proprietary and confidential, and to condition its ability to distribute such information on the third party recipient's execution of a suitable confidentiality agreement prior to receipt?	Any variations in terms and definitions should be explained in Exhibit A-3. Any proposed variations will be considered when evaluating the proposals, but are not automatically accepted by MCHCP
5	Section 1.33 (Hold Harmless) of the Mandatory Contract Provisions questionnaire requires that "Contractor shall hold MCHCP harmless from and indemnify against any and all claims for injury to or death of any persons; for loss or damage to any property; and for infringement of any copyright or patent to the extent caused by Contractor or Contractor's employee or its subcontractor." Among the Contractor's obligations under the resulting contract will be to deny certain member claims as required by the plan design, and in such cases, members may allege that claims were denied improperly, even where denial was mandated under the Plan. Accordingly, please confirm that the indemnification requirements under the contract will extend only to claims and/or losses arising out of the Contractor's negligent act or omission, or breach of a contractual obligation?	Any variations in terms and definitions should be explained in Exhibit A-3. Any proposed variations will be considered when evaluating the proposals, but are not automatically accepted by MCHCP
6	Section 1.41 (Termination for Cause) of the Mandatory Contract Provisions questionnaire provides certain circumstances in which MCHCP may terminate the contract. Would MCHCP be willing to include in this provision a reasonable cure period that would allow Contractor to cure any of the enumerated defects after receiving notice of the defect, in order to avoid termination?	Any variations in terms and definitions should be explained in Exhibit A-3. Any proposed variations will be considered when evaluating the proposals, but are not automatically accepted by MCHCP
7	In reference to Mandatory Contract Requirement 1.1 and with regard to the five years of pricing requested in the Financial Worksheets, please confirm if all five years of pricing will be modeled by Willis Towers Watson when reviewing RFP submissions.	Confirmed.

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	Exhibit A-5 Contractor Certification	**Response**
1	Exhibit A-5 (Contractor Certification of Compliance with Federal Employment Laws) requires that bidders acknowledge that MCHCP is entitled to receive all records or documentation requested in order to determine that the Contractor is in compliance with federal law concerning eligibility of its staff to work in the United States. Bidder fully complies with applicable law regarding the eligibility of its staff to work in the United States and is willing to work with MCHCP to provide reasonable documentation of its compliance, however, Bidder is not domiciled in Missouri and its employee files for its full organization would not generally be subject to a compliance review by the State of Missouri. To ensure we remain compliant with all applicable law and regulation in all jurisdictions where we operate, including obligations to maintain the security and privacy of certain employee information, Bidder is not able to agree to provide unrestricted access to such employee records. Please advise, if a bidder modifies Exhibit A-5 to certify compliance with federal law concerning the eligibility of its staff to work in the United States and to provide reasonable documentation of its compliance, will that bidder be excluded from consideration in this procurement?	Any variations in contractor certifications should be explained in Exhibit A-3. Any proposed variations will be considered when evaluating the proposals, but are not automatically accepted by MCHCP.

	Exhibit B - Scope of Work	**Response**
1	Scope of Work Section B1.4 specifies a requirement for a performance security deposit. Will MCHCP accept a performance bond issued by a reputable insurer in lieu of the cash/letter of credit deposit specified?	The contractor must furnish a performance security deposit in the form of an original bond issued by a surety company authorized to do business in the State of Missouri (no copy or facsimile is acceptable), check, cash, bank draft, or irrevocable letter of credit.
2	Scope of Work Section B3.1 seems to indicate that notice is required for any change in retail pharmacy network access. Given the size of Bidder's retail network, minor changes are quite common. Is there a minimum threshold of access change that MCHCP requires notice of or is the expectation to provide notice of every change?	Please provide notification on a quarterly basis of any network pharmacy changes via a report. There is no required change percentage; however, the plan would prefer to be notified if significant member disruption exists.
3	Scope of Work Section B3.6 refers to a "substantial number of scripts". Bidder's volume is high enough that almost any pharmacy could be considered to fill a substantial number of scripts. Is there a minimum size, for instance, in terms of percentage of bidder's total claims, that would trigger this notice requirement?	There is no required change percentage in number of scripts; however, the plan would prefer to be notified if significant disruption exists.

Drug Quantity Management Categories	
HPMS Submitted Therapeutic_Category_Name	**HPMS Submitted Therapeutic_Class_Name**
ANTI - INFECTIVES	ANTIFUNGAL AGENTS
ANTI - INFECTIVES	ANTIVIRALS
ANTI - INFECTIVES	ERYTHROMYCINS / OTHER MACROLIDES
ANTI - INFECTIVES	MISCELLANEOUS ANTIINFECTIVES
ANTINEOPLASTIC / IMMUNOSUPPRESSANT DRUGS	ANTINEOPLASTIC / IMMUNOSUPPRESSANT DRUGS
AUTONOMIC / CNS DRUGS, NEUROLOGY / PSYCH	ANTICONVULSANTS
AUTONOMIC / CNS DRUGS, NEUROLOGY / PSYCH	ANTIPARKINSONISM AGENTS
AUTONOMIC / CNS DRUGS, NEUROLOGY / PSYCH	MIGRAINE / CLUSTER HEADACHE THERAPY
AUTONOMIC / CNS DRUGS, NEUROLOGY / PSYCH	MISCELLANEOUS NEUROLOGICAL THERAPY
AUTONOMIC / CNS DRUGS, NEUROLOGY / PSYCH	NARCOTIC ANALGESICS
AUTONOMIC / CNS DRUGS, NEUROLOGY / PSYCH	NON-NARCOTIC ANALGESICS
AUTONOMIC / CNS DRUGS, NEUROLOGY / PSYCH	PSYCHOTHERAPEUTIC DRUGS
CARDIOVASCULAR, HYPERTENSION / LIPIDS	ANTIHYPERTENSIVE THERAPY
CARDIOVASCULAR, HYPERTENSION / LIPIDS	COAGULATION THERAPY
CARDIOVASCULAR, HYPERTENSION / LIPIDS	LIPID/CHOLESTEROL LOWERING AGENTS
CARDIOVASCULAR, HYPERTENSION / LIPIDS	MISCELLANEOUS CARDIOVASCULAR AGENTS
DERMATOLOGICALS/TOPICAL THERAPY	ANTIPSORIATIC / ANTISEBORRHEIC
DERMATOLOGICALS/TOPICAL THERAPY	MISCELLANEOUS DERMATOLOGICALS
DERMATOLOGICALS/TOPICAL THERAPY	THERAPY FOR ACNE
DERMATOLOGICALS/TOPICAL THERAPY	TOPICAL ANTIBACTERIALS
DERMATOLOGICALS/TOPICAL THERAPY	TOPICAL ANTIFUNGALS
DERMATOLOGICALS/TOPICAL THERAPY	TOPICAL ANTIVIRALS
DERMATOLOGICALS/TOPICAL THERAPY	TOPICAL CORTICOSTEROIDS
DIAGNOSTICS / MISCELLANEOUS AGENTS	MISCELLANEOUS AGENTS
EAR, NOSE / THROAT MEDICATIONS	MISCELLANEOUS AGENTS
ENDOCRINE/DIABETES	DIABETES THERAPY
ENDOCRINE/DIABETES	MISCELLANEOUS HORMONES
GASTROENTEROLOGY	MISCELLANEOUS GASTROINTESTINAL AGENTS
GASTROENTEROLOGY	ULCER THERAPY
IMMUNOLOGY, VACCINES / BIOTECHNOLOGY	BIOTECHNOLOGY DRUGS
MUSCULOSKELETAL / RHEUMATOLOGY	OSTEOPOROSIS THERAPY
MUSCULOSKELETAL / RHEUMATOLOGY	OTHER RHEUMATOLOGICALS
OBSTETRICS / GYNECOLOGY	ESTROGENS / PROGESTINS
OPHTHALMOLOGY	ANTIBIOTICS
OPHTHALMOLOGY	MISCELLANEOUS OPHTHALMOLOGICS
OPHTHALMOLOGY	STEROIDS
RESPIRATORY AND ALLERGY	ANTIHISTAMINE / ANTIALLERGENIC AGENTS
RESPIRATORY AND ALLERGY	PULMONARY AGENTS
UROLOGICALS	ANTICHOLINERGICS / ANTISPASMODICS
UROLOGICALS	MISCELLANEOUS UROLOGICALS

Prior Authorization Categories	
HPMS Submitted Therapeutic_Category_Name	**HPMS Submitted Therapeutic_Class_Name**
ANTI - INFECTIVES	ANTIFUNGAL AGENTS
ANTI - INFECTIVES	ANTIVIRALS
ANTI - INFECTIVES	CEPHALOSPORINS
ANTI - INFECTIVES	ERYTHROMYCINS / OTHER MACROLIDES
ANTI - INFECTIVES	MISCELLANEOUS ANTIINFECTIVES
ANTI - INFECTIVES	PENICILLINS
ANTI - INFECTIVES	QUINOLONES
ANTI - INFECTIVES	TETRACYCLINES
ANTINEOPLASTIC / IMMUNOSUPPRESSANT DRUGS	ADJUNCTIVE AGENTS
ANTINEOPLASTIC / IMMUNOSUPPRESSANT DRUGS	ANTINEOPLASTIC / IMMUNOSUPPRESSANT DRUGS
AUTONOMIC / CNS DRUGS, NEUROLOGY / PSYCH	ANTICONVULSANTS
AUTONOMIC / CNS DRUGS, NEUROLOGY / PSYCH	ANTIPARKINSONISM AGENTS
AUTONOMIC / CNS DRUGS, NEUROLOGY / PSYCH	MIGRAINE / CLUSTER HEADACHE THERAPY
AUTONOMIC / CNS DRUGS, NEUROLOGY / PSYCH	MISCELLANEOUS NEUROLOGICAL THERAPY
AUTONOMIC / CNS DRUGS, NEUROLOGY / PSYCH	MUSCLE RELAXANTS / ANTISPASMODIC THERAPY
AUTONOMIC / CNS DRUGS, NEUROLOGY / PSYCH	NARCOTIC ANALGESICS
AUTONOMIC / CNS DRUGS, NEUROLOGY / PSYCH	NON-NARCOTIC ANALGESICS
AUTONOMIC / CNS DRUGS, NEUROLOGY / PSYCH	PSYCHOTHERAPEUTIC DRUGS
CARDIOVASCULAR, HYPERTENSION / LIPIDS	ANTIHYPERTENSIVE THERAPY
CARDIOVASCULAR, HYPERTENSION / LIPIDS	COAGULATION THERAPY
CARDIOVASCULAR, HYPERTENSION / LIPIDS	LIPID/CHOLESTEROL LOWERING AGENTS
CARDIOVASCULAR, HYPERTENSION / LIPIDS	MISCELLANEOUS CARDIOVASCULAR AGENTS
DERMATOLOGICALS/TOPICAL THERAPY	ANTIPSORIATIC / ANTISEBORRHEIC
DERMATOLOGICALS/TOPICAL THERAPY	MISCELLANEOUS DERMATOLOGICALS
DERMATOLOGICALS/TOPICAL THERAPY	THERAPY FOR ACNE
DERMATOLOGICALS/TOPICAL THERAPY	TOPICAL ANTIVIRALS
DIAGNOSTICS / MISCELLANEOUS AGENTS	MISCELLANEOUS AGENTS
ENDOCRINE/DIABETES	ADRENAL HORMONES
ENDOCRINE/DIABETES	DIABETES THERAPY
ENDOCRINE/DIABETES	MISCELLANEOUS HORMONES
GASTROENTEROLOGY	MISCELLANEOUS GASTROINTESTINAL AGENTS
IMMUNOLOGY, VACCINES / BIOTECHNOLOGY	BIOTECHNOLOGY DRUGS
IMMUNOLOGY, VACCINES / BIOTECHNOLOGY	VACCINES / MISCELLANEOUS IMMUNOLOGICALS
MUSCULOSKELETAL / RHEUMATOLOGY	OSTEOPOROSIS THERAPY
MUSCULOSKELETAL / RHEUMATOLOGY	OTHER RHEUMATOLOGICALS
OBSTETRICS / GYNECOLOGY	ESTROGENS / PROGESTINS
OBSTETRICS / GYNECOLOGY	MISCELLANEOUS OB/GYN
OPHTHALMOLOGY	MISCELLANEOUS OPHTHALMOLOGICS
OPHTHALMOLOGY	STEROIDS
RESPIRATORY AND ALLERGY	ANTIHISTAMINE / ANTIALLERGENIC AGENTS
RESPIRATORY AND ALLERGY	PULMONARY AGENTS
UROLOGICALS	MISCELLANEOUS UROLOGICALS
VITAMINS, HEMATINICS / ELECTROLYTES	MISCELLANEOUS NUTRITION PRODUCTS

Step Therapy Categories	
HPMS Submitted Therapeutic_Category_Name	**HPMS Submitted Therapeutic_Class_Name**
ANTI - INFECTIVES	TETRACYCLINES
AUTONOMIC / CNS DRUGS, NEUROLOGY / PSYCH	NON-NARCOTIC ANALGESICS
CARDIOVASCULAR, HYPERTENSION / LIPIDS	ANTIHYPERTENSIVE THERAPY
CARDIOVASCULAR, HYPERTENSION / LIPIDS	LIPID/CHOLESTEROL LOWERING AGENTS
DERMATOLOGICALS/TOPICAL THERAPY	MISCELLANEOUS DERMATOLOGICALS
DERMATOLOGICALS/TOPICAL THERAPY	THERAPY FOR ACNE
DIAGNOSTICS / MISCELLANEOUS AGENTS	MISCELLANEOUS AGENTS
ENDOCRINE/DIABETES	DIABETES THERAPY
GASTROENTEROLOGY	MISCELLANEOUS GASTROINTESTINAL AGENTS
MUSCULOSKELETAL / RHEUMATOLOGY	GOUT THERAPY
MUSCULOSKELETAL / RHEUMATOLOGY	OSTEOPOROSIS THERAPY
OPHTHALMOLOGY	OTHER GLAUCOMA DRUGS
RESPIRATORY AND ALLERGY	PULMONARY AGENTS
UROLOGICALS	BENIGN PROSTATIC HYPERPLASIA(BPH) THERAPY

EXHIBIT C (revised)
GENERAL PROVISIONS

C1. TERMINOLOGY AND DEFINITIONS

Whenever the following words and expressions appear in this Request for Proposal (RFP) document or any amendment thereto, the definition or meaning described below shall apply. The definitions below apply to all questions, grids and other requests in this RFP. Unless noted otherwise, these definitions will be included as part of MCHCP's contract should you be selected as the contractor. Confirm your agreement with the definitions below, and succinctly explain any deviations in Exhibit A-3 Bidder's Proposed Modifications to the RFP.

C1.1 **Administration Fee** means the agreed upon amount that will be paid to the Contractor by MCHCP for administration of the pharmacy benefit Plan.

C1.2 **Amendment** means a written, official modification to an RFP or to a contract.

C1.3 **Average Wholesale Price or AWP** means the "average wholesale price" for the actual package size of the legend drug dispensed as set forth in the most current pricing list in Medi-Span's® Prescription Pricing Guide (with supplements). Contractor must use a single nationally recognized reporting service of pharmaceutical prices for MCHCP and such source will be mutually agreed upon by Contractor and MCHCP. Contractor must use the manufacturer's full actual 11-digit NDC to determine AWP for the actual package size on the date the drug is dispensed for all legend drugs dispensed through retail pharmacies, mail service pharmacies and specialty pharmacies. Repackaging which has the effect of inflating AWP is explicitly prohibited. "Price shopping", meaning the Contractor's use of multiple AWP reporting services in order to select the most advantageous AWP price as a means to inflate discount calculations, is prohibited**.**

The parties understand there are extra-market industry, legal, government, and regulatory activities which may lead to changes relating to, or elimination of, the AWP pricing index that could alter the pricing intent under the Agreement. If the pricing source changes the methodology for calculating AWP or replaces AWP, or if, as a result of such change Contractor utilizes another recognized pricing benchmark other than AWP (e.g., to Wholesale Acquisition Cost), then participating pharmacy, and mail service pharmacy rates, rebates, and guarantees, as applicable, will be modified as reasonably and equitably necessary to maintain the pricing intent under the Agreement. Contractor shall provide MCHCP with at least ninety (90) days' notice of the change (or if such notice is not practicable, as much notice as is reasonable under the circumstances), and written illustration of the financial impact of the pricing source or index change (e.g., specific drug examples). If MCHCP disputes the illustration or the financial impact of the pricing source, the parties agree to cooperate in good faith to resolve such disputes.

C1.4 **Authorized Generic** means prescription drugs that are produced by brand companies and marketed as generics under private label.

C1.5 **Bidder** means a person or organization who submitted an offer in response to this RFP.

C1.6 **Biosimilar Drug** or **Biosimilars** means a drug that is approved by the Food and Drug Administration as a "biosimilar" product, as such term is defined at 42 U.S.C. §262(i)(2), pursuant to the provisions of 42 U.S.C. §262(k), or pursuant to any successor legislative provision relating to expedited approval of biological products which are highly similar to a reference biological product.

C1.7 **Brand Name Drug** means a legend drug or OTC with a proprietary name assigned to it by the manufacturer and distributor and so indicated by Medi-span® (or mutually agreed upon nationally recognized publication if unavailable). Brand Drugs include Single-Source Brand Drugs and non-MAC Multi-Source Brand Drugs.

C1.8 **Breach** shall mean the acquisition, access, use or disclosure of PHI in a manner not permitted by the Privacy Rule that compromises the security or privacy of the PHI as defined, and subject to the exceptions set forth, in 45 C.F.R. 164.402.

C1.9 **Compound** means a prescription that meets the following criteria: two or more solid, semi-solid, or liquid ingredients, at least one of which is a covered drug that are weighed or measured then prepared according to the Prescriber's order and the pharmacist's art.

C1.10 **Coinsurance** is the shared portion of payment between the plan and the member where each pays a percentage of pharmaceutical expenses.

C1.11 **Commercial Wrap** means the self-insured, commercial wrap-around coverage for members supplemented by the Employer Group Waiver Program.

C1.12 **Contract** means a legal and binding agreement between two or more competent parties, in consideration for the procurement of services as described in this RFP.

C1.13 **Contractor** means a person or organization who is a successful bidder as a result of an RFP and/or who enters into a contract or any subcontract of a successful bidder.

C1.14 **Co-payment** is the fixed dollar payment for specific pharmaceutical services that the covered individual must pay.

C1.15 **Covered Drug(s)** means those prescription drugs, supplies, Specialty Drugs and other items that are covered under the Plan, each as indicated on the Set-Up Forms.

C1.16 **Dispensing Fee** means an amount paid to a pharmacy for providing professional services necessary to dispense a Covered Drug to a Member.

C1.17 **Disruption Analysis** means a review of where Members are obtaining their prescriptions under the current program, followed by a review to determine if any of them will no longer have the same access under the new Contract. It also includes the identification of any Members so affected, along with proposed remediation.

C1.18 **Employee** means any person employed in a benefit-eligible position by the State of Missouri or a participating member agency, or a person eligible for coverage by a state-sponsored retirement system or by a retirement system sponsored by a participating member agency.

C1.19 **Formulary or Preferred Drug List** means the list of FDA-approved prescription drugs and supplies developed by the Contractor's Pharmacy and Therapeutics Committee and/or customized by MCHCP, and which is selected and/or adopted by MCHCP. Routine additions and/or deletions to the Formulary are hereby adopted by MCHCP, subject to MCHCP's discretion to elect not to implement any such additions or deletion through the Set-Up Form process.

C1.20 **Generic Drug** means a legend drug or OTC that is identified by its chemical, proprietary, or non-proprietary name that is accepted by the U.S. Food and Drug Administration as therapeutically equivalent and interchangeable with drugs having an identical amount of the same active ingredient and so indicated by Medi-Span© (or mutually agreed upon nationally recognized publication if unavailable). Generic Drugs include all products involved in patent litigation, Single-Source Generic Drugs, Multi-Source Generic Drugs, Multi-Source Brand Name drugs subject to MAC, House Generics, DAW 0 claims, DAW 9 claims, Authorized Generics and Generic drugs that may only be available in a limited supply.

C1.21 **House Generic** means those Brand Drugs submitted with DAW 5 code in place of their generic equivalent(s) and for which, therefore, pharmacies are reimbursed at Generic Drug rates, including MAC, as applicable, for these drugs (*e.g.*, Amoxil v. amoxicillin).

C1.22 **Limited Distribution** means limited distribution and exclusive distribution Specialty Drugs which are only available through no more than two pharmacy providers due to exclusive or preferred vendor arrangements with drug manufacturers.

C1.23 **MAC** means the Maximum Allowable Cost for a drug. This will be the amount of the ingredient cost charged to the plan/member and also be the amount paid to the pharmacy (MAC spread is not allowed).

C1.24 **MAC List** means the list of drugs designated from lists established by PBM for which reimbursement to a pharmacy shall be paid according to the MAC price established by PBM for such list.

C1.25 **May** means that a certain feature, component, or action is permissible, but not required.

C1.26 **Medicare member** means an MCHCP member who is eligible for Medicare.

C1.27 **Member** means any person who is a participant in Missouri Consolidated Health Care Plan (MCHCP).

C1.28 **Must** means that a certain feature, component, or action is a mandatory condition. Failure to provide or comply may result in a proposal being considered non-responsive.

C1.29 **Multi-Source** means a legend drug or OTC that is manufactured by more than one labeler.

C1.30 **Non-duplication Coordination of Benefits (COB)** means the coordination method utilized by MCHCP and further defined at 22 CSR 10-2.070. A complete description can be found at http://s1.sos.mo.gov/cmsimages/adrules/csr/current/22csr/22c10-2.pdf.

C1.31 **Off-shore** means outside of the United States.

C1.32 **Participant** means eligible members identified for a program.

C1.33 **Participating Pharmacy** means a contracted retail, mail, or specialty network pharmacy (or Pharmacy Provider) which has agreed to provide pharmaceutical services to all MCHCP members and to be reimbursed at an agreed upon rate by PBM.

C1.34 **Pass through Pricing** means that the full value of all retail pharmacy discounts and dispensing fees (including specialty drugs) negotiated between Contractor and the pharmacies shall accrue to MCHCP at the point of sale and that MCHCP will not be obligated to reimburse Contractor for an amount greater than such contracted rates.

C1.35 **PHI** shall mean Protected Health Information, as defined in 45 C.F.R. 160.103, and is limited to the Protected Health Information received from, or received or created on behalf of, MCHCP by contractor pursuant to performance of services under the contract.

C1.36 **Pricing Pages** apply to the form(s) on which the bidder must state the price(s) applicable for the services required in the RFP. The pricing pages must be completed and uploaded by the bidder prior to the specified proposal filing date and time.

C1.37 **Privacy Regulations** shall mean the federal privacy regulations issued pursuant to the Health Insurance Portability and Accountability Act of 1996, as amended from time to time, codified at 45 C.F.R. Parts 160 and 164 (Subparts A & E).

C1.38 **Proposal Filing Date and Time** and similar expressions mean the exact deadline required by the RFP for the receipt of proposals by DirectPath system.

C1.39 **Provider** means a licensed health care practitioner, hospital or care giver who by law and by contract may receive reimbursement for services rendered.

C1.40 **Rebate(s)** mean all drug company revenues associated with other pharmaceutical manufacturer or third-party payments, including, but not limited to, base, formulary, incentive and market share rebates, payments related to administrative fees, data fees, aggregate utilization rebates (e.g., “book of business”), purchase discounts, payments due to inflation caps or other performance arrangements, educational payments, information sales, specialty rebates and all other revenues from pharmaceutical manufacturers or other third-parties.

C1.41 **Request for Proposal (RFP)** means the solicitation document issued by MCHCP to potential bidders for the purchase of services as described in the document. The definition includes these Terms and Conditions as well as all Pricing Pages, Exhibits, Attachments, and Amendments thereto.

C1.42 **Respondent** means any party responding in any way to this RFP.

C1.43 **Retiree** means a person who is not an employee and is receiving or is entitled to receive a retirement benefit from the State of Missouri or a retirement system of a participating member agency of the plan.

C1.44 **RSMo (Revised Statutes of Missouri)** refers to the body of laws enacted by the Legislature, which govern the operations of all agencies of the State of Missouri. Chapter 103 of the statutes is the primary chapter governing the operations of MCHCP.

C1.45 **Set-Up Form** means any standard Contractor document or form, which when completed and signed by MCHCP, will describe the essential benefit elements and coverage rules adopted by MCHCP for its plan.

C1.46 **Shall** has the same meaning as the word must.

C1.47 **Should** means that certain feature, component and/or action is desirable but not mandatory.

C1.48 **Single-Source** means a legend drug manufactured by one labeler.

C1.49 **Single-Source Generic Drug** means a new Generic Drug introduction manufactured by one labeler during the exclusivity period, not to exceed six (6) months.

C1.50 **Specialty Drugs** means drugs that meet a minimum of three or more of the following characteristics: (a) produced through DNA technology or biological processes; (b) target chronic or complex disease; (c) route of administration could be inhaled, infused or injected; (d) unique handling, distribution and/or administration requirements; (e) are only available via limited distribution model to Specialty Pharmacy provider(s), per manufacturer requirements; and (f) require a customized medication management program that includes medication use review, patient training, coordination of care and adherence management for successful use such that more frequent monitoring and training may be required.

C1.51 **Subscriber** means eligible members, excluding spouses and dependents.

C1.52 **Transparency** means the full disclosure by the Contractor as to all of its sources of revenue that enables the Plan Sponsor (and its agents), to have complete and full access to all information necessary to determine and verify that the Contractor has met all terms of this Contract and satisfied all Pass-Through Pricing requirements.

C1.53 **Usual and Customary Price** (**U&C)** means the retail price charged by a Participating Pharmacy for a Covered Drug in a cash transaction on the date the drug is dispensed as reported to Contractor by the Participating Pharmacy.

The following definitions shall apply to EGWP only, and do not replace definitions for commercial population benefits:

C1.54 **Copayment** or **Copay** means that portion of the charge for each Covered Product dispensed to an EGWP Enrollee that is the responsibility of such EGWP Enrollee (e.g., copayment,

coinsurance, cost sharing, and/or deductibles under initial coverage limits and up to annual out-of-pocket thresholds) as provided under the EGWP Benefit.

C1.55 **Coverage Gap** means the stage of the benefit between the initial coverage limit and the catastrophic coverage threshold, as described in the Medicare Part D prescription drug program administered by the United States federal government.

C1.56 **Coverage Gap Discount** means the manufacturer discounts available to eligible Medicare beneficiaries receiving applicable, covered Medicare Part D drugs, while in the Coverage Gap.

C1.57 **Coverage Gap Discount Program** means the Medicare program that makes manufacturer discounts available to eligible Medicare beneficiaries receiving applicable, covered Medicare Part D drugs, while in the Coverage Gap.

C1.58 **Enrollee Submitted Claim** means (a) a claim submitted by an Enrollee for Covered Drugs dispensed by a pharmacy other than a Participating Pharmacy, (b) a claim submitted by an Enrollee for a vaccination, or (c) a claim for Covered Drugs filled at a Participating Pharmacy for which the Enrollee paid the entire cost of the Covered Product.

C1.59 **EGWP Benefit** means the prescription drug benefit to be administered by Contractor under the Agreement.

C1.60 **EGWP Enrollee** means each Part D Eligible Retiree who is enrolled in the EGWP Benefit in accordance with the terms of the Agreement.

C1.61 **EGWP Plus** means a prescription drug benefit plan design that provides coverage beyond the standard Part D benefit, and is defined by CMS as other health or prescription drug coverage, and as such, the Coverage Gap Discount is applied before any additional coverage beyond the standard Part D benefit.

C1.62 **Late Enrollment Penalty** or **LEP** means the financial penalty incurred under the Medicare Drug Rules by Medicare Part D beneficiaries who have had a continued gap in creditable coverage of sixty-three (63) days or more after the end of the beneficiary's initial election period, adjusted from time to time by CMS.

C1.63 **Medicare Formulary** means the list of prescription drugs and supplies developed, implemented and maintained in accordance with the Medicare Drug Rules for the EGWP Benefit.

C1.64 **Medicare Rebate Program** means Contractor's or its Affiliate's manufacturer rebate program under which Contractor or its Affiliate contracts with pharmaceutical manufacturers for Rebates payable on selected Covered Drugs that are reimbursed, in whole or in part, through Medicare Part D, as such program may change from time to time.

C1.65 **Part D** or **Medicare Part D** means the Voluntary Prescription Drug Benefit Program set forth in Part D of the Act.

C1.66 **Part D Eligible Retiree** means an individual who is (a) eligible for Part D in accordance with the Medicare Drug Rules, (b) not enrolled in a Part D plan (other than the EGWP Benefit), and (c) eligible to participate in MCHCP's Current Benefit.

C1.67 **True Out-of-Pocket Costs** or **TrOOP** means costs incurred by an EGWP Enrollee or by another person on behalf of an EGWP Enrollee, such as a deductible or other cost-sharing amount, with respect to Covered Drugs, as further defined in the Medicare Drug Rules.

C1.68 **Vaccine Claim** means (i) a Medicare Part D covered vaccine claim for reimbursement submitted by a Participating Pharmacy, mail order Pharmacy, Contractor specialty pharmacy, physician, or other entity and (ii) a Medicare Part B covered vaccine claim submitted by a Participating Pharmacy. Vaccine Claim is a Prescription Drug Claim for purposes of this Agreement.

C2. GENERAL BIDDING PROVISIONS

C2.1 It shall be the bidder's responsibility to ask questions, request changes or clarification, or otherwise advise MCHCP if any language, specifications or requirements of an RFP appear to be ambiguous, contradictory, and/or arbitrary, or appear to inadvertently restrict or limit the requirements stated in the RFP to a single source. Any and all communication from bidders regarding specifications, requirements, competitive procurement process, etc., must be directed to MCHCP via the messaging tool on the DirectPath web site, as indicated on the last page of the *Introduction and Instructions* document of the RFP. Such communication must be received no later than Tuesday, February 18, 2021, 4 p.m. CT (5 p.m. ET).

Please contact Tyler Hoefinghoff (tyler.hoefinghoff@willistowerswatson.com) at Willis Towers Watson with any questions regarding the Financial Worksheets.

Every attempt shall be made to ensure that the bidder receives an adequate and prompt response. However, in order to maintain a fair and equitable procurement process, all bidders will be advised, via the issuance of an amendment or other official notification to the RFP, of any relevant or pertinent information related to the procurement. Therefore, bidders are advised that unless specified elsewhere in the RFP, any questions received by MCHCP after the date noted above might not be answered.

It is the responsibility of the bidder to identify and explain any part of their response that does not conform to the requested services described in this document. Without documentation provided by the bidder, it is assumed by MCHCP that the bidder can provide all services as described in this document.

C2.2 Bidders are cautioned that the only official position of MCHCP is that position which is stated in writing and issued by MCHCP in the RFP or an amendment thereto. No other means of communication, whether oral or written, shall be construed as a formal or official response or statement. Please contact Tyler Hoefinghoff (***tyler.hoefinghoff@willistowerswatson.com)*** at Willis Towers Watson with any questions regarding the Financial Worksheets.

C2.3 MCHCP monitors all procurement activities to detect any possibility of deliberate restraint of competition, collusion among bidders, price-fixing by bidders, or any other anticompetitive

conduct by bidders, which appears to violate state and federal antitrust laws. Any suspected violation shall be referred to the Missouri Attorney General's Office for appropriate action.

C3. PREPARATION OF PROPOSALS

C3.1 Bidders must examine the entire RFP carefully. Failure to do so shall be at the bidder's risk.

C3.2 Unless otherwise specifically stated in the RFP, all specifications and requirements constitute minimum requirements. All proposals must meet or exceed the stated specifications and requirements.

C3.3 Unless otherwise specifically stated in the RFP, any manufacturer's names, trade names, brand names, and/or information listed in a specification and/or requirement are for informational purposes only and are not intended to limit competition. Proposals that do not comply with the requirements and specifications are subject to rejection without clarification.

C3.4 Unless specifically stated, responses to the questionnaire are assumed to apply to both the Commercial and EGWP populations.

C4. DISCLOSURE OF MATERIAL EVENTS

C4.1 The bidder agrees that from the date of the bidder's response to this RFP through the date for which a contract is awarded, the bidder shall immediately disclose to MCHCP:

C4.1.1 Any material adverse change to the financial status or condition of the bidder;

C4.1.2 Any merger, sale or other material change of ownership of the bidder;

C4.1.3 Any conflict of interest or potential conflict of interest between the bidder's engagement with MCHCP and the work, services or products that the bidder is providing or proposes to provide to any current or prospective customer; and

C4.1.4 (1) Any material investigation of the bidder by a federal or state agency or self-regulatory organization; (2) Any material complaint against the bidder filed with a federal or state agency or self-regulatory organization; (3) Any material proceeding naming the bidder before any federal or state agency or self-regulatory organization; (4) Any material criminal or civil action in state or federal court naming the bidder as a defendant; (5) Any material fine, penalty, censure or other disciplinary action taken against the bidder by any federal or state agency or self-regulatory organization; (6) Any material judgment or award of damages imposed on or against the bidder as a result of any material criminal or civil action in which the bidder was a party; or (7) Any other matter material to the services rendered by the bidder pursuant to this RFP.

C4.1.4.1 For the purposes of this paragraph, "material" means of a nature, or of sufficient monetary value, or concerning a subject which a reasonable party in the position of and comparable to MCHCP would consider relevant and important in assessing the relationship and services

contemplated by this RFP. It is further understood that in fulfilling its ongoing responsibilities under this paragraph, the bidder is obligated to make its best faith efforts to disclose only those relevant matters which come to the attention of or should have been known by the bidder's personnel involved in the engagement covered by this RFP and/or which come to the attention of or should have been known by any individual or office of the bidder designated by the bidder to monitor and report such matters.

C4.2 Upon learning of any such actions, MCHCP reserves the right, at its sole discretion, to either reject the proposal or continue evaluating the proposal.

C5. COMPLIANCE WITH APPLICABLE FEDERAL LAWS

C5.1 In connection with the furnishing of equipment, supplies, and/or services under the contract, the contractor and all subcontractors shall comply with all applicable requirements and provisions of the Health Insurance Portability and Accountability Act (HIPAA) and The Patient Protection and Affordable Care Act (PPACA), as amended.

C5.2 Any bidder offering to provide services must be able to sign a Business Associate Agreement (BAA) (see Exhibit A-8) due to the provisions of HIPAA. Any requested changes shall be noted and returned with the RFP**. The changes are accepted only upon MCHCP signing a revised BAA after contract award.**

C5.3 Upon awarding of the contract by the Board, the BAA shall be signed by both parties within five (5) working days of the request to sign, or the award of the contract may be rescinded.

Missouri Consolidated Health Care Plan
Response to Vendor Question
2022 Pharmacy Benefit Manager RFP
March 3, 2021

This response is provided by MCHCP to a question received from a potential bidder for the 2022 Pharmacy Benefit Manager RFP.

	General	Response
1	Will you please confirm your response to a previous question, provided below? *Q: Please confirm what the expectations are for retail days' supply separately for the Commercial and EGWP business.* *A: For both Commercial and EGWP, Retail 30 Financial Guarantees should apply to claims with up to 30 days of supply whereas Retail 90 Financial Guarantees should apply to claims with greater than 30 days of supply.*	The response regarding Retail 30 and Retail 90 guarantees is MCHCP's preference for this RFP. If the bidder is proposing a different guarantee regarding Retail 30 and Retail 90, please indicate the difference in the proposal, but that does not mean that MCHCP will agree to the proposed difference.

Missouri Consolidated Health Care Plan
Response to Vendor Question
2022 Pharmacy Benefit Manager RFP
March 8, 2021

This response is provided by MCHCP to a previously-submitted question received from a potential bidder for the 2022 Pharmacy Benefit Manager RFP.

General		Response
1	Please confirm what drug classes are or are not covered on the EGWP Commercial Wrap.	Please see table below.

Covered Name	Not Covered Name
Medicare Part D Indicator 1	Medicare Part B List
Diabetic Supplies/Insulin Needles, Syringes (Std)	BoB Std COVID-19 Active Infection & Antibodies Testing Kits
Diabetic Supplies wo Insulin Needles & Syringes, Glucowatch	EBD FERTILITY REGULATORS - ALL
Peak Flow Meters (Std)	ESI West Insulin Pump Pended NDC Block
RESPIRATORY THERAP SUPPL	ESI BOB REPACKAGE LIST
EBD: SYRINGES, NEEDLES & DEVICES	EBD: OSTOMY SUPPLIES
ACA Merged Offering Contraceptives - OTC , W/ X / Y	MEDD NON-ELIG MED PART A&B
Lancets (Std)	
Lancet Devices (Std)	
Std. Medicare Part D Device Inclusion List	
EBD: BLOOD GLUCOSE MNTRS & KITS	
BLOOD TEST STRIPS	
BLOOD GLUCOSE CALIB SOLNS	

Missouri Consolidated Health Care Plan
Response to Vendor Question
2022 Pharmacy Benefit Manager RFP
March 11, 2021

This response is provided by MCHCP to a question received from a potential bidder for the 2022 Pharmacy Benefit Manager RFP.

	General	Response
1	How would MCHCP/WTW like to see the credit for DIR payments from the EGWP network? Through a separate DIR guarantee or through the NED?	Please provide through a separate guarantee as well as through the NED. MCHCP/WTW would like to see this through both methods. Please also provide an estimate as well as additional background on PBM's structure/methodology for calculating this, plus overall background on this program.