



City of Euless Q & A for RFP Effective October 1, 2016

Q1: The RFP mentions the population includes 50 retiree units. What are "units"? Are these contracts?

A1: A unit equates to a retiree (whether the retiree has single coverage and covers his/her spouse and/or children).

Q2: Do all retirees have the same benefits?

A2: Yes, offered same benefits as active employees (dual options).

Q3: Are we able to get a census of the active and retiree population?

Qa. With zip codes?

A3: Information provided upon request.

Q4: Under addendum #2, it mentions two proposals.

Qa. Is it possible that a PBM will be awarded the business for Option #1 (retail) and a different PBM will be awarded the business for Option #2 (mail order)?

Qb. Confirm a PBM can provide a bid for both Options.

A4: a. The City prefers to work with one PBM for both retail and mail order. However, this does not disqualify you should you not be able to provide a proposal for one or the other.

b. See above.

Q5: How long has LDI been the incumbent PBM?

Qa. Do they provide mail order services for the City?

Qb. Do they provide specialty pharmacy services for the City?

A5: Since October 2010.

Aa. Yes.

Ab. Yes.

Q6: How many Prior Authorizations did the City have in 2015?

A6: Data requested from incumbent PBM.

Q7: How many Reversal claims did the City have in 2015?

A7: Data requested from incumbent PBM.

Q8: In the pricing tables the mail order claims are listed to have days supplies less than 34, will the City require mail order also be available to client for claims under 90 days?

A8: No. Mail order prescriptions will require a 90 day supply.

Q9: Can you provide additional detail about the generic incentive program offered to the employees through Super Value Pharmacy?

Qa. Are there other special or custom programs that are currently in place?

A9: Please refer to page 13 of the Medical/Dental Plan Document. It outlines the City's \$4/\$10 Generic Reimbursement Program. Just like other pharmacies, SuperValue provides a \$4 and \$10 generic drug list. The only difference is that the City does not reimburse the employee after their purchase, rather the employee pays \$0 at the point of purchase, and the City provides SuperValue their \$4 or \$10 payment via the City's PBM LDI.

Aa. Other than Super Value, no.

Q10: Are we able to receive a claims run for the last six months of 2015?

A10: Data provided upon request.

Q11: What percentage of claims are currently filled Super Value Pharmacy?

Qa. Is there a special discount arrangement between LDI and Super Value Pharmacy on behalf of the City's members?

A11: Data requested from incumbent PBM.

Aa. Yes. LDI contracted with Super Value specifically for the City of Eules.

Q12: How much customization of the formulary does the City have with their incumbent PBM?

A12: In the past years, the formulary was customized based on the City's utilization. However, today, it is closer to LDI's normal formulary.

Q13: Are there current pain points of deficiencies in service (i.e. reporting, metrics, customer service, etc.) that the City is experiencing today?

A13: Not that we are aware of.

Q14: We would like to request the additional exhibits as they are not listed on the City's website.

A14: See attached/provided in the original RFP.

Q15: Will a full claims data for pharmacy be offered for this solicitation?

A15: Data provided upon request.

Q16: Is there a way to get the RFP/exhibits in an Excel document?

A16: Questionnaire and pricing charts attached in Word.

Guaranteed Financial Rate Sheet

Please base your rates on an October 1, 2016-September 30, 2018 Plan Year contract.

*All Pricing Below MUST be **Guaranteed and included in contract***

RETAIL NETWORK	
Guaranteed Minimum Brand Discount off AWP to include U&C. Savings for DUR; Formulary; and/or Clinical Programs will not be incorporated into the Retail Brand discount quoted. Specialty claims; compounds, OTCs are to be excluded from the Retail Brand discount.	
Maximum Brand Dispensing Fee	
Minimum Generic Overall Discount off AWP –includes MAC and Non-MAC discounts.	
Guaranteed Minimum Generic Effective Rate Discount – The rate will be “ALL-in” to include single source generics. Claims may be priced as brands but must be included in the Overall Generic Effective Rate (OGER) guarantee). The guarantee will exclude compounds; OTCs; ancillary claims; and specialty.	
Maximum Generic Dispensing Fee	
Admin Fee/Electronic (per net paid claim)	
Admin Fee/Manual (paper claim)	
100-DAY RETAIL NETWORK	
Minimum Brand Discount off AWP; - to include U&C. No savings for DUR; Formulary; and/or Clinical Programs will be allowed to be incorporated into the 90 day Retail Brand discount quoted. Specialty claims; compounds, OTCs are to be excluded from the 90 day Retail Brand discount.	
Maximum Brand Dispensing Fee	
Minimum Generic Overall Discount off AWP includes MAC and Non-MAC discounts.	
Guaranteed Minimum Generic Effective Rate Discount – The rate will be ALL-in to include single source generics. Claims may be priced as brands but must be included in the Overall Generic Effective Rate (OGER) guarantee). The guarantee will exclude compounds; OTCs; ancillary claims; and specialty.	
Maximum Generic Dispensing Fee	
Administrative Fee / Electronic (per net paid claim)	
Administrative Fee / Manual (paper claim)	

MAIL SERVICE	
Guaranteed Minimum Brand Discount off AWP. Savings for DUR; Formulary; and/or Clinical Programs will not be incorporated into the Mail Brand discount quoted. Specialty claims; compounds, OTCs are to be excluded from the Mail Brand discount.	
Maximum Brand Dispensing Fee	
Minimum Generic Overall Discount off AWP includes MAC and Non-MAC	
Guaranteed Minimum Generic Overall Discount – includes MAC & Non-MAC discounts	
Maximum Generic Dispensing Fee	
Administrative Fee / Electronic (per net paid claim)	
Administrative Fee / Manual (paper claim)	
FORMULARY REBATES	
<i>2-Tier Formulary</i>	
Retail – Guarantee Per ALL Brand Claims (\$)	
Mail – Guarantee Per ALL Brand Claims (\$)	
100 Day Retail – Guarantee Per ALL Brand Claims (\$)	
<i>3-Tier Formulary (Minimum \$15, 20%)</i>	
Retail – Guarantee Per ALL Brand Claims(\$)	
Mail – Guarantee Per ALL Brand Claims (\$)	
100 Day Retail – Guarantee Per ALL Brand Claims(\$)	

SPECIALTY DRUG PRICING	
Specialty Brand Drug Pricing AWP-%	
Include Specialty Drug list that this Discount applies	
Specialty Generic Drug Pricing AWP-%	
Specialty Drug Dispensing Fees \$0.00	
Rebates per Specialty Brand Claim \$0.00	
MISCELLANEOUS	
Ad Hoc Reports	
Case Management	
Coordination of Benefits	
Custom Formulary Materials	
Medication Management Programs	
Drug Utilization Review Programs	
Eligibility – Direct Access	
Explanation of Benefits (EOB)	
Formulary Management Fee	
Group Set Up Fees	
ID Cards – Initial	
ID Cards – Customized	
ID Cards – Replacements	
ID Cards for College Dependents (additional cards)	
ID Cards – Charge for Mailing to Employee’s Address	
Implementation Allowance	
Manual Eligibility Maintenance	
Member Communication – Printing	
Member Communication – Mailing	
Paid Claims Files weekly	
Invoice file for each payment cycle	
Physician education	
Prior Authorization Administrative Overrides	
Prior Authorization Clinical Overrides	
On-line Access / Query	
On-line Access / Reports	

CITY OF EULESS COST
OPTION 1 – PARTICIPATING RETAIL PHARMACY PROGRAM
QUOTATION SHEET – BRAND NAME DRUGS
(All Rx's filled at participating pharmacy)

AWP Discount	
Dispensing Fee	
Rx Administration Fee	

2 YEAR PRICE GUARANTEE
YES _____ NO _____

NDC	Drug	Metric Quantity	Days Supply	Cost exclusive of Co-pay	Dispensing Fee	Total Cost
00008084181	Protonix 40 mg Tablet EC	30	30			
00071015623	Lipitor 20 mg Tablet	30	30			
00085128801	Nasonex 50 mcg Nasal Spray	17	30			
00186504031	Nexium 40 mg Capsule	30	30			
00002323730	Cymbalta 60 mg Capsule	30	30			
00071015523	Lipitor 10 mg Tablet	90	90			
00074612390	Tricor 145 mg Tablet	30	30			
00300304613	Prevacid 30 mg Capsule DR	30	30			
00456201001	Lexapro 10 mg Tablet	30	30			
00173069500	Advair 100-50 Diskus	60	30			
00091044723	Trilyte with Flavor Packets	8000	3			
50419040203	Yasmin 28 Tablet	28	28			
00173093308	Valtrex 500 mg Caplet	30	30			
00078035934	Diovan 160 mg Tablet	30	30			
8083622	Effexor XR 150 mg Capsule SA	60	30			
173073101	Wellbutrin XL 300 mg Tablet	30	30			
310075190	Crestor 10 mg Tablet	30	30			
6007744	Fosamax 35 mg Tablet	4	28			
44087004403	Rebif 44 mcg/.05 ml Syringe	6	28			
77551825881	Seroquel 200 mg Tablet	120	30			
45064065	Topomax 50 mg Tablet	30	30			
173073701	Imitrex 100 mg Tablet	18	9			

Notes: Seroquel NDC provided was invalid, NDC of 00310027210 was utilized for pricing purposes. NDCs were priced as provided, even if generics are now available (i.e. Lipitor). No substitution of generics for brands occurred. AWP as of 01/01/2016; no impact for U&C, clinical programs, or rebates was included.

The Proposer hereby declares understanding, agreement and certification of compliance to provide the items quoted, in accordance with all terms and conditions, requirements and specifications of the original Request for Proposal (RFP) and as modified by any addendum thereto.

SIGNATURE REQUIRED

Authorized Signature:	Date:
Printed Name:	Title:
Company Name:	Phone:
Mailing Address:	Fax:
City, State Zip:	Email:

CITY OF EULESS COST

OPTION 1 – PARTICIPATING RETAIL PHARMACY PROGRAM

QUOTATION SHEET – GENERIC DRUGS

(All Rx's filled at participating pharmacy)

AWP Discount	
Lower of AWP Discount or MAC	YES or NO
Dispensing Fee	
Rx Administration Fee	

2 YEAR PRICE GUARANTEE

YES _____ NO _____

NDC	Drug	Metric Quantity	Days Supply	Cost exclusive of Copay	Dispensing Fee	Total Cost
00406035705	Hydrocodone-APAP 5-500 Tablet	330	5			
59310057920	Proair HFA 90 mcg Inhaler – THIS IS A BRAND	8.5	16			
49884039877	Fluticasone 50 mcg Nasal Spray	16	30			
00591034905	Hydrocodone-APAP 5-500 Tablet	40	10			
50111078766	Azithromycin 250 mg Tablet	6	5			
00093714618	Azithromycin 250 mg Tablet	6	5			
00093550201	Budeprion SR 150 mg Tablet	60	30			
00093310905	Amoxicillin 500 mg Capsule	30	7			
00093535156	Budeprion XL 300 mg Tablet	30	30			
00781502207	Methylprednisolone 4 mg Tablet	21	6			
00603258228	Carisoprodol 350 mg Tablet	30	10			
172444460	Gabapentin 800 mg Tablet	100	4			
63304065701	Cephalexin 500 mg Capsule	30	10			
143314205	Doxycycline 100 mg Capsule	10	10			
591505210	Prednisone 5 mg Tablet	30	30			
406202210	Atenolol 25 mg Tablet	30	30			
378181701	Levothyroxine 175 mcg Tablet	30	30			
185079930	Rifampin 300 mg Capsule	20	10			
63304086001	Metformin HCL ER 500 mg Tablet	400	100			
55111019930	Simvastatin 20 mg Tablet	14	14			

Notes: NDCs were priced as provided, even if generics are now available (i.e. Lipitor). No substitution occurred. AWP as of 01/01/2016; no impact for U&C, clinical programs, or rebates was included.

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Authorized Signature:	Date:
Printed Name:	Title:
Company Name:	Phone:
Mailing Address:	Fax:
City, State Zip:	Email:

**CITY OF EULESS COST
 OPTION 2 – COMBINED RETAIL PHARMACY/MAIL ORDER
 QUOTATION SHEET – BRAND NAME DRUGS**

RETAIL PHARMACY		MAIL ORDER	
AWP Discount		AWP Discount	
Dispensing Fee		Dispensing Fee	
Rx Administration Fee		Rx Administration Fee	

2 YEAR PRICE GUARANTEE

YES _____ NO _____

RETAIL

NDC	Drug	Metric Quantity	Days Supply	Cost exclusive of Co-pay	Dispensing Fee	Total Cost
00008084181	Protonix 40 mg Tablet EC	30	30			
00071015623	Lipitor 20 mg Tablet	30	30			
00085128801	Nasonex 50 mcg Nasal Spray	17	30			
00186504031	Nexium 40 mg Capsule	30	30			
00002323730	Cymbalta 60 mg Capsule	30	30			
00071015523	Lipitor 10 mg Tablet	90	90			
00074612390	Tricor 145 mg Tablet	30	30			
00300304613	Prevacid 30 mg Capsule DR	30	30			
00456201001	Lexapro 10 mg Tablet	30	30			
00173069500	Advair 100-50 Diskus	60	30			
00091044723	Trilyte with Flavor Packets	8000	3			
50419040203	Yasmin 28 Tablet	28	28			
00173093308	Valtrex 500 mg Caplet	30	30			
00078035934	Diovan 160 mg Tablet	30	30			
8083622	Effexor XR 150 mg Capsule SA	60	30			
173073101	Wellbutrin XL 300 mg Tablet	30	30			
310075190	Crestor 10 mg Tablet	30	30			
6007744	Fosamax 35 mg Tablet	4	28			
44087004403	Rebif 44 mcg/.05 ml Syringe	6	28			
77551825881	Seroquel 200 mg Tablet	120	30			
45064065	Topomax 50 mg Tablet	30	30			
173073701	Imitrex 100 mg Tablet	18	9			

Mail Order

NDC	Drug	Metric Quantity	Days Supply	Cost exclusive of Co-pay	Dispensing Fee	Total Cost
00008084181	Protonix 40 mg Tablet EC	30	30			
00071015623	Lipitor 20 mg Tablet	30	30			
00085128801	Nasonex 50 mcg Nasal Spray	17	30			
00186504031	Nexium 40 mg Capsule	30	30			
00002323730	Cymbalta 60 mg Capsule	30	30			
00071015523	Lipitor 10 mg Tablet	90	90			
00074612390	Tricor 145 mg Tablet	30	30			
00300304613	Prevacid 30 mg Capsule DR	30	30			
00456201001	Lexapro 10 mg Tablet	30	30			
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Notes: Seroquel NDC provided was invalid, NDC of 00310027210 was utilized for pricing purposes. NDCs were priced as provided, even if generics are now available (i.e. Lipitor). No substitution of generics for brands occurred. AWP as of 01/01/2016; no impact for U&C, clinical programs, or rebates was included. Mail Order pricing applies to claims for 35+ day supplies only; retail pricing would apply for 30 day supplies filled at mail order.

The Proposer hereby declares understanding, agreement and certification of compliance to provide the items quoted, in accordance with all terms and conditions, requirements and specifications of the original Request for Proposal (RFP) and as modified by any addendum thereto.

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Authorized Signature:	Date:
Printed Name:	Title:
Company Name:	Phone:

Mailing Address:	Fax:
City, State Zip:	Email:

**CITY OF EULESS COST
 OPTION 2 – COMBINED RETAIL PHARMACY/MAIL ORDER
 QUOTATION SHEET – GENERIC DRUGS**

PHARMACY		MAIL ORDER	
AWP Discount		AWP Discount	
Lower of AWP Discount or MAC	YES or NO	Lower of AWP Discount or MAC	YES or NO
Dispensing Fee		Dispensing Fee	
Rx Administration Fee		Rx Administration Fee	

2 YEAR PRICE GUARANTEE

YES _____ NO _____

Retail

NDC	Drug	Metric Quantity	Days Supply	Cost exclusive of Copay	Dispensing Fee	Total Cost
00406035705	Hydrocodone-APAP 5-500 Tablet	330	5			
59310057920	Proair HFA 90 mcg Inhaler	8.5	16			
49884039877	Fluticasone 50 mcg Nasal Spray	16	30			
00591034905	Hydrocodone-APAP 5-500 Tablet	40	10			
50111078766	Azithromycin 250 mg Tablet	6	5			
00093714618	Azithromycin 250 mg Tablet	6	5			
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00093310905	Amoxicillin 500 mg Capsule	30	7			
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00781502207	Methylprednisolone 4 mg Tablet	21	6			
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172444460	Gabapentin 800 mg Tablet	100	4			
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378181701	Levothyroxine 175 mcg Tablet	30	30			
185079930	Rifampin 300 mg Capsule	20	10			
63304086001	Metformin HCL ER 500 mg Tablet	400	100			
55111019930	Simvastatin 20 mg Tablet	14	14			

Mail Order

NDC	Drug	Metric Quantity	Days Supply	Cost exclusive of Copay	Dispensing Fee	Total Cost
00406035705	Hydrocodone-APAP 5-500 Tablet	330	5			
59310057920	Proair HFA 90 mcg Inhaler	8.5	16			
49884039877	Fluticasone 50 mcg Nasal Spray	16	30			
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185079930	Rifampin 300 mg Capsule	20	10			
63304086001	Metformin HCL ER 500 mg Tablet	400	100			
55111019930	Simvastatin 20 mg Tablet	14	14			

Notes: NDCs were priced as provided, even if generics are now available (i.e. Lipitor). No substitution occurred. AWP as of 01/01/2016; no impact for U&C, clinical programs, or rebates was included. Mail Order pricing applies only to claims for 35+ day supplies; retail pricing applies to claims for 30 day supplies.

The Proposer hereby declares understanding, agreement and certification of compliance to provide the items quoted, in accordance with all terms and conditions, requirements and specifications of the original Request for Proposal (RFP) and as modified by any addendum thereto.

SIGNATURE REQUIRED

Authorized Signature:	Date:
Printed Name:	Title:
Company Name:	Phone:
Mailing Address:	Fax:
City, State Zip:	Email:

ADDENDUM #3 QUESTIONNAIRE

Please fully answer all of the following questions that apply to the Option you are quoting.

1. Confirm that your organization can fully duplicate the City's existing Plan. A copy of the current Rx Schedule is included in this RFP.
2. Explain how out-of-network claims are processed.
3. Can pharmacies access your representatives 24 hours a day? If not, what hours are available?
4. Can certain drugs be limited to a specific diagnosis, specific specialty, or require pre-authorization or step-therapy? Please describe.
5. Is your pre-authorization process administered in-house or by a third party? Is there an additional charge?
6. Will you allow the city to audit your records as it pertains to our utilization?
7. Describe the process by which medical necessity is determined and then managed.
8. What is the fee per claim for paper claim filing? Describe the process.
9. How many clients do you currently have?
10. How many prescriptions were filled by your pharmacies in the past 12 months?
11. Explain your procedures for the initial enrollment of employees/retirees/dependents and continual enrollment of new employees or termination of coverage.
12. The PBM must have the technological capability to accept electronic file feeds from the TPA. Note: The City is currently contracted with an online enrollment vendor (THE*benefits*HUB) for online enrollments and eligibility and the TPA coordinates all transactions including eligibility/EDI files with THE*benefits*HUB. It is required that the PBM be able to track and calculate Maximum Out-of-Pocket (MOOP) expenses with the TPA.
13. Do you provide online access to covered members of the City to access claims information, re-order mail-order prescription refills and/or review the preferred drug list?
14. Can the City's employees access your website to determine Rx benefits and/or ask claims/benefits questions?

15. Can you provide a customized preferred drug list and post it specifically for the City in the event the City elects to deviate from your standard preferred drug list?
16. How do you communicate any changes/updates in the marketplace regarding prescription drugs to the City's employees?
17. Will you provide a customized toll-free number for the City of Euless?
18. In the event of critical issues, do you have a 24-hour number that the City's employees can access? Please describe or identify how critical issues are handled.
19. What services have additional fees?

❖ **Mail Services**

1. How many mail order prescription clients do you currently have?
2. How many prescriptions have you filled in the last 12 months?
3. Will order forms and business reply (postage paid) envelopes be pre-addressed for employees' usage?
4. Who will be responsible for the cost of replacing prescriptions lost in the mail?
5. If you subcontract with an outside mail service vendor, which mail service vendor do you use and how is mail order integrated with your retail program?
6. Where are the mail service facilities located?
7. What is the guaranteed turn around time for mail order prescriptions?
8. Please provide prescription accuracy percentages for the mail order program (please provide for the past year).
9. Describe your Specialty Pharmacy Program including its integration with your traditional mail and retail programs. How would you integrate with the City's medical plan?

❖ **Pricing**

1. Provide a listing of standard programs and services that are included in the base pricing arrangement.

2. Provide a listing of additional services and their applicable costs.
3. Please address the following questions regarding your organization's Maximum Allowable Cost (MAC) Program:
 - a) How is MAC Pricing established?
 - b) Are various MAC pricing levels available or do you only have one set of MAC pricing?
 - c) What is your average percent of generics that are priced at the MAC level?
 - d) Are various MAC lists available or do you only have one MAC list?
 - e) How large is the MAC list? Provide specific number and percentage of generics in MAC list.
 - f) How is it updated? How frequently?
 - g) What is your company's MAC program ingredient cost baseline? Do you guarantee?
 - h) How often does the MAC pricing baseline change?
 - i) What is your average percentage MAC for generics on a number of prescriptions dispensed basis and as of a percentage of all generics?
4. Do you charge an administrative fee each time a claim is rejected?
5. Does your organization provide pharmacists with incentives to dispense generics? If so, please describe.
6. In the MAC program, please explain how DAW prescriptions are expensed to the member under:
 - a) A mandatory generic program.
 - b) A non-mandatory generic program.
7. Are plan participants penalized if a mandatory generic program is in place and the pharmacy is out of generic stock?

8. Which pricing guideline do you use for brand AWP? How often do you update pricing in your system?
9. Does the contract pricing negotiated with pharmacies allow you to keep the differential between the contracted amount and the amount billed to the City (spread pricing)?
10. Do you employ any negative spread in your retail brand discounts or retail dispensing fees?
11. Do you use an 11 digit NDC?
12. Do you repackage mail service Rx sizes to use different package size pricing?
13. Discuss your organization's generic strategy and specific programs to encourage the use of generic medications.
14. Will you guarantee a generic utilization percentage? If so, for how many years?
15. Do you have ability to negotiate pricing with Retail pharmacies within the network?
16. Describe the basis upon which prescription drugs are priced AWP, WAC, AAC, or AMP? What is your current average discount on that pricing basis on brand name retail, generic retail, and mail order drugs?
17. Describe any and all programs that you as a PBM provide to assist Clients and Members with lowering their prescription drug costs.
18. Describe any programs in place that manage costs for specialty drugs.

❖ **Formularies and Rebates**

1. How is your prescription formulary developed and administered?
2. Are the formularies based on the lowest cost prescriptions available?
3. What types of open or closed formularies are available to the City?
4. Do all drug manufacturers whose products are included in your formulary provide your network with rebates?
 - a) If so, how are the rebates shared with the City?

- b) If so, are the rebate dollars paid to the City or are credits given prospectively?
5. Explain the structure and function of your Pharmacy and Therapeutics (P&T) Committee. How often does your P&T Committee conduct formulary reviews?
 6. Are copies of rebate contracts available for audit?
 7. Who is the formulary manager?
 8. How long after plan inception is the first rebate share paid and in what intervals thereafter (if the City elects this option)?
 9. If a mail order program is offered in conjunction with your retail program, does the formulary rebate program apply to the mail order program?
 10. Can specific formularies be developed for the City?
 11. Do you share rebates on specialty (injectable) medications?
 12. Provide your guaranteed rebates (i.e. \$xx.xx per claim) for both retail and mail order program.
 13. Do you allow clients to customize your formulary? Please describe the level of customization clients are allowed in the formulary design?
 14. What flexibility does the Client have with the formulary medications? If the Client's Clinical staff develops a formulary for its employee pharmacy, are you able to administer this for the Client?
 15. Indicate how often the formulary is updated and how changes are communicated to the members.
 16. What criteria are considered to add or remove a drug from the formulary or change from preferred to non-preferred?

❖ **Pharmacy Contracting**

1. Do you maintain the same pricing contracts for all network pharmacies? If not, please explain.
2. Are all pharmacies in your network on-line?

3. What is the percentage of claims processed on-line?
4. In calendar year 2015, what percent of claims were rejected? Please give historic data on rejected claims for the last two years by category and give the percentage for each as a percent of all claims submitted.
5. What is the normal time it takes you, as a PBM, to contract with a pharmacy? Describe how a participant can nominate a prospective pharmacy, and the timing to add the prospective pharmacy to the network.
6. Explain how you maintain quality control with your network pharmacies.
7. How frequently are pharmacies paid?
8. Are pharmacies paid what the City is billed?
9. How often do you renegotiate pharmacy contracts?
10. Do you participate in pharmacy withholds? If so, are copies of pharmacy remittances available for audit?
11. Describe your corporate philosophy to delivering prescription benefit programs.

❖ **Third Party Fees**

1. Do you pay fees or provide reimbursement to any of the following:
 - a) Physicians?
 - b) General Agents?
 - c) Insurance agents/brokers/consultants?
 - d) Marketers?
 - e) Pharmaceutical manufacturers?
 - f) Pharmacies?
 - g) Insurers, Third Party Administrators?
 - h) Switch operators?
 - i) Electronic Processors?

If so, please explain the fee/reimbursement structure.

2. Is your pharmacy program self-managed or is it managed by a third party?
3. Do you have the ability to receive and process daily eligibility files from the TPA?

❖ **Member Services**

1. Is an Internet pharmacy available through your PBM? If so, please describe.
2. Can members review their preferred drug listing (formulary) on-line?
3. Please provide your 2016 performance standards and 2015 actual results. Please provide the standard performance guarantees your Company will offer the City.
4. Discuss your willingness and ability to assign a dedicated member service representative to the City's account.
5. Describe the resources for the Client to obtain information relating to a pharmacy claims issue.
6. Describe the process for a member to get pre-authorization.
7. What is your customer service availability?
8. What communication materials are provided for members for initial enrollment?
9. What ongoing communication is provided to members?
10. What are your pharmacy and call center hours of availability?

❖ **Eligibility/Maintenance Services**

1. Do you offer on-line eligibility maintenance for all clients?
 - a) If so, is there a charge?
 - b) Is there a charge for hard copy maintenance?
 - c) Will you accept full-file transfers from the third party administrator (TPA) that the City selects to administer the Medical/Rx Plan?
2. Describe procedures used to terminate plan member eligibility.
3. Can you maintain membership by employee and dependent?
4. How are twins (multiple dependents with same date of birth and/or name) maintained?
5. How is eligibility determined at the point of sale? Are dependents listed by name on the pharmacy card?
6. How often is membership updated?

7. Does the City retain any liability for post termination utilization by former plan participants?
8. Do you charge a fee for card preparation or replacement cards?
9. Can you provide a combination Medical/Rx card? Is there an additional charge for this?
10. Can you put the City's name and logo on the Rx card? Is there an additional charge for this?
11. What is the maximum number of Rx cards allowed per family without any additional card production charges?
12. Can total plan savings be included on each month's billing?

❖ **Reporting Services**

1. What are your online reporting capabilities? Please attach a portfolio of all available reports, indicating which reports are standard.
2. Is there a fee for non-standard report production? Is this fee generated on a fixed cost per report or billed on an hourly basis?
3. Do you have the ability to provide ad hoc reports? If so, please clearly indicate any additional charges associated with providing these reports?
4. How long does it take to get requested reports both standard and non-standard?
5. If you have online reports, who is offered access?
6. How often are reports provided and can they be reported by division, location or department within a single employer group at no additional charge?
7. What management information reports would you be able to generate?
8. Does the City have the ability to access your database in real time for purposes of adds/deletes, tracking plan experience, utilization patterns, and other available plan information (if we choose this option)?
9. How is this ability provided? Is there an additional charge to the City?
10. Can you provide the City reports on a CD? How often? Is there any additional charge for this?

11. Are industry and regional benchmarks available as a comparison?
12. Is your reporting system capable of reporting single/couple/family membership participation on a month-to-month basis?
13. Does your network reporting capability include tracking for plan expenses associated with brand (single, vs. multi source, preferred vs. non-preferred) name and generic drugs, including the number of claims paid, claim costs, and average cost per claim?
14. Do you own your electronic claims adjudication system or do you contract with an outside vendor? If so, whom?
15. What EDI system is utilized?
16. Describe how you identify, manage, and monitor high utilizing members. Does this include controlled substance usage?
17. Please describe the process that occurs when high utilizing members are identified or members fill a high cost specialty drug. Does this drug get flagged for review/follow-up with theprescriber?

❖ **Drug Utilization Review**

1. Please describe your clinical cost management programs, differentiating between your "standard" programs, and programs available at an additional cost. Describe how your programs encourage appropriate OTC usage. In describing your clinical programs, be sure to touch on the following specifics:
 - a) Formulary Management and Updates
 - b) Appropriateness of Use for medications
 - c) Over/Under consumption of medications
 - d) Quantity Limits
 - e) Generic Solutions
 - f) Waste, Abuse and Fraud Monitoring
 - g) Programs in place to monitor controlled substances
 - h) Targeted drug classes to control spend
 - i) Direct to member communications
2. Do you guarantee clinical program savings?
3. Do you conduct pharmacy audits? If so, what percent of claims and/or pharmacies are audited on an annual basis?

4. Do you hire external auditors? If so, do they work on a percentage of recovered claims dollars? If so, please provide details.
5. How are recovered claim dollars distributed?
6. Discuss how your company manages the cost of injectable drugs.
7. Do you have an OTC program? If so, please discuss.

❖ **Implementation and Administration**

1. Please indicate how your Company intends to guarantee the City's satisfaction with the overall Account Management.
2. Please provide an overview of the Account Management team assigned to the City. Please include a brief résumé, and indicate how many clients each team member currently supports. Describe the proposed team's experience in working with municipalities.
3. Please confirm that the Account Manager will be available to meet in person with the City on a quarterly basis.
4. Provide a detailed transition plan (in plan year/timeline format) and outline the procedures necessary to implement the services required within the time frame specified as follows: Describe the specific activities for which the City and Company would be responsible specifying the information that the City must provide. The Company shall provide all necessary transition period services at its own expense.
5. Describe your ability to work effectively with a third party administrator for eligibility purposes. The City currently utilizes a third party administrator (currently WEB-TPA). Please describe any experience your organization has specifically with WEB-TPA.
6. Please explain the billing procedures and attach a sample list billing.
7. Your proposal must identify your billing procedures and remittance deadlines. The City prefers semi-monthly account statements which shall include: (i) the cost of claims for prescriptions approved for payment under the Plan, and (ii) the amount due to your organization for processing and paying claims during the preceding period. Payment will be made within thirty (30) days from date of receipt of your

invoice. Please clearly indicate your procedures if they deviate from the City's preference.

8. Please explain how you will accomplish a seamless transition during implementation with both the City and the respective TPA. Provide a timeline and a detailed description of any costs associated.
9. Selected vendor will be required to participate in the City's Annual Wellness Fair. Participation will include but not be limited to attendance, promotional materials, and other sponsorship activities.
10. The City wishes to have representatives available at each of the open enrollment meetings to assist attendees with their questions. Historically the City holds multiple meetings per day over several days. Further, the City wishes to have the selected vendor assist in developing new hire orientation benefit information. Please confirm your acceptance regarding this provision.
11. Are IT resources internal or external?
12. Which office locations do the key personnel who would be assigned to this account work from?
13. Detail Implementation Support provided to a Client and the Implementation Process noting required deadlines in terms of days for a successful implementation.

❖ **Network Management**

1. Please provide a copy of your most recent annual report.
2. In what state are you domiciled?
3. Are any drug manufacturers, distributors, or pharmacy organizations in an ownership, day-to-day management, or board of director positions with your organization?
4. What individuals maintain equity in your organization?
5. How long have you as a PBM been in the business of managing a prescription drug benefit?
6. Is your organization for-profit or not-for-profit? If not-for-profit, under which IRS code do you operate?

7. Will the City be held harmless for negligence on the part of the participating pharmacy?
 8. With which organization does your network contract?
 - a) ENVOI
 - b) NDC
 - c) GCC
 - d) Argus
 - e) Other
 9. What switching fee are you charged? Is it paid by your organization from the administration fee or charged to the pharmacy by the switch operator?
 10. Do you sell or distribute any claims data and client information to outside vendors? If so, please describe.
 11. Is your PBM or any part of your PBM in the process of being sold, merged or disbanded?
 12. Provide a copy of your Errors & Omissions policy face sheet.
 13. Provide a copy of your comprehensive general liability policy face sheet.
 14. Provide a copy of your fidelity bond face sheet.
 15. Have claims been made against any of these policies within the past two years?
 16. Please provide a copy of the service fee agreement.
 17. Do you maintain a proprietary Retail Pharmacy network or do you access a non-proprietary Retail Pharmacy network?
 18. If non-proprietary, what is the network?
 19. Do you have ability to make determinations of which Retail pharmacies are in or out of the network?
 20. Can you support a customized, closed network? Are there additional fees?
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