

1. Can the State provide a copy of the RFP document in Word as opposed to a PDF?

In order to protect the integrity of the RFP process, the Request for Proposal may only be issued in a non-editable format; a Word document cannot be posted.

2. Please confirm the time the RFP is due on Feb. 4.

Responses to the RFP are due no later than 3:00 PM. February 4th.

3. Will the State accept different pricing scenarios if deemed more beneficial to overall plan costs?

The State is open to creative pricing scenarios so long as the plan designs, maintenance drug network, access to pharmacies is not compromised.

4. In order for vendors to provide a thorough formulary analysis, can a copy of the current formulary(ies) be provided in Excel or another manipulative format?

The available formulary is posted on the State's website. See <http://www.osc.ct.gov/empref/indxhlth.htm> for the formulary and other related information.

5. On page 15, question 24, the RFP requests a side by side formulary comparison; can you please provide the State's current formulary?

The available formulary is posted on the State's website. See <http://www.osc.ct.gov/empref/indxhlth.htm> for the formulary and other related information.

6. On page 16, question 40, a network disruption analysis is requested on the Maintenance Drug Network. In order for vendors to provide a thorough network analysis, can a copy of the Maintenance Drug Network be provided in Excel?

The pharmacies in the Maintenance Drug Network are posted on the State's Website. See <http://www.osc.ct.gov/empref/indxhlth.htm> for the formulary and other related information.

7. On page 16, question 41, the RFP notes the State would prefer to receive a guaranteed rebate for each script dispensed. As you are aware, rebates are only paid on brand name medications; as such, will the State accept a per brand rate guarantee? This would also enable the PBM selected to increase generic utilization without potential financial penalty.

The state is amenable to a guarantee on brand name medications only so long as you can demonstrate that the State's overall total costs will be favorably affected by an increased movement toward generics, with the attendant reduction in the amounts of rebates received on brand drugs.

8. Please provide the complete list of all pharmacies utilized by State of Connecticut members in Excel as referenced in question 47 on page 17.

The data was provided in an Excel workbook to each vendor upon receipt of the signed NDA.

- 9. Regarding Requirement 2 on page 18, can the State provide further direction on the parameters around the reprice requested (i.e., date drug dispensed, Medi-Span AWP, etc.)?**

Prospective bidders that signed the required nondisclosure agreement have been sent a data package containing the claims for a recent 12 month period. We expect you to be able to use that data to develop the financial proposal required with each submission (shown on page 27 of the RFP). The data includes AWP, date dispensed, and other essential information needed for generating a financial proposal.

- 10. Regarding Requirement 3 on page 18, should the preferred/non-preferred designation be provided as part of the reprice referenced in Requirement 2?**

The objective of Requirement 3 on page 18 is to confirm that the States existing formulary can be replicated by the bidder.

- 11. We acknowledge the Selection and Evaluation Criteria on pages 12 and 13, but could you please elaborate on any pharmacy benefit challenges – whether it be in account management, member services, reporting, pricing, Part D, or clinical – the State is currently experiencing?**

Challenges typically relate to changes in programs, introductions of new drugs, drugs moving to generic, etc. Keep in mind that the State's program is collectively bargained. Any administrative changes must be clearly communicated to all parties. Any proposed plan changes must be approved by all parties.

- 12. Due to the time and process needed to receive and analyze claims data, would it be possible to get an extension on the due date?**

The RFP is due February 4th, 3:00 PM, EST

- 13. Will the State provide its current formulary and network listing in excel or some other workable format so that we can perform the requested formulary disruption and network disruption?**

The available formulary is posted on the State's website. See <http://www.osc.ct.gov/empref/indxhlth.htm> for the formulary and other related information.

- 14. Regarding Question 27, will the State provide details on any current clinical programs in place?**

The clinical rules referred to include prior authorizations, step edits and quantity limits that are currently in place with the existing formulary used by the State for the EGWP plan. We are asking if the PBM can administer the current formulary as it exists today (but subject to any existing or future CMS requirements on Part D plans).

- 15. What vendor is managing the State's Health Enhancement program?**

To date, Vendors have included UnitedHealth, Anthem and CVS/Caremark with Milliman as consultants. Beginning March 1, 2013, InforMed will be providing data warehousing,

analytic programming, and member and physician portals which will include member claims, lab, and self-reported data. In addition, a team of twelve nurse coordinators from Connecticare will provide HEP management services and chronic care education and counseling programs.

16. What percent or how many employees + dependents are enrolled in both the Health Enhancement program, basic and chronic?

Over 99% of employees and dependents are enrolled in HEP. The number of enrollees in chronic condition programs is currently being evaluated.

17. Does the State currently participate in the CVS Maintenance Choice program?

The State's Maintenance Drug Network is an expansion of the CVS Maintenance Choice Program. The State does not limit 90 day fills or typical mail order refills to just CVS pharmacies. The State's Maintenance Network includes 90 day fills and typical mail order refills at all network pharmacies.

18. Regarding Requirement 11c, what is included in the State's definition of "provider records"?

Any records available to the selected vendor used to administer the State's benefit.

19. Question #40 of the RFP questionnaire refers to the State's Maintenance Drug Network. Will you be providing the list of pharmacies in this network and the list of maintenance drugs covered in an Excel document for us perform a comparison analysis?

The available information for formulary and maintenance drug network is posted on the State's website. See <http://www.osc.ct.gov/empref/indxhlth.htm> for the formulary, maintenance drug network, and other related information.

20. Will you provide a list of pharmacies utilized by State of Connecticut's members? Will census data also be released?

The data is provided in an Excel workbook that was provided upon receipt of the signed NDA.

21. For pricing and other confidential and proprietary information from our proposal that is submitted separately, do you also want one (1) original and ten (10) copies, and two (2) CD-ROM-based electronic copies?

Yes. In addition, please submit one CD-ROM from which all material claimed to be confidential, proprietary or a trade secret has been redacted. This should be identified as your REDACTED CD-ROM

22. Question #24 of the questionnaire requests a copy of our Medicare D formulary. In what format would you like to receive it (Excel, PDF, etc.)?

Please provide your response in an Excel spreadsheet.

23. Will the State's current EGWP formulary be released? Can this be provided in an Excel document for us to perform a comparison analysis?

The available formulary data is provided on the State's website. See <http://www.osc.ct.gov/empret/indxhlth.htm> for the formulary and other related information.

24. Will detailed claims with formulary indicators be provided?

Detailed claims have been provided in an Excel format to bidders upon receipt of a signed NDA.

25. May the PBM use its own formulary in the pricing or does the State expect to use its current formulary in both the EGWP and Commercial quotes? If so, please provide these formularies.

Proposals may include your own formularies. However, formularies that result in significant member disruption (i.e. required members to change prescriptions) will be scored lower. See <http://www.osc.ct.gov/empret/indxhlth.htm> for the formulary and other related information.

26. Can you please provide additional information on what the guaranteed pricing is/ how it works from this statement in the RFP?

- a. **"The State establishes a fully insured equivalent rate for each municipality based on the group's census and historical experience. Rates for participating municipalities are guaranteed not to change by more than three points from the State employee rate change each year."**

The comment mentioned above refers to the State Partnership Plan. This is a plan, established by the CT General Assembly that allows municipalities to participate in the State employee benefit program. Each participating municipality receives the State employee POS benefit plan, administered by United Healthcare, at rates that are established for that municipality based on the demographic and experience characteristics of that municipality. The annual change in rates for a participating municipality is limited no more than three points more or less than the rate change for the State Employee benefit plan. The pharmacy benefit is a component of this rate determination for each municipality participating in the Partnership Plan.

27. Total lives were provided; but how many subscribers (employees) are there for EGWP and Commercial?

The number of subscribers has been added to the data files that have been provided to all prospective bidders that have signed the nondisclosure agreement.

28. The active member benefit design is stated for maintenance and non-maintenance. Should we assume that maintenance = Retail 90 or mail, and non-maintenance = retail 30?

Yes. There is no specific definition for maintenance drugs, but a reasonable assumption for which drugs are considered maintenance would be retail 90 or mail order.

- 29. There are multiple benefits for retirees: 1) Retirement Date before 7/1/2009, between 7/1/2009 and 10/1/2011, and after 10/2/2011. What are the membership levels associated with each? Which plan has the most membership?**

It is acknowledged that there are different benefit levels associated with the date of retirement; the chief variables are co-payments, a two versus a three-tier structure for pharmacy benefits, and whether utilization of mail order or the Maintenance Drug Network is mandatory or voluntary. For post 10/2/2011 retirees, co-payments are also affected by participation or non-participation in the Health Enhancement Program. There are no differences in coverage under the pharmacy benefit plan.

- 30. On this statement in the RFP: “We also request that you contemplate and provide more cost effective pricing if the covered membership were to grow. For example; please illustrate how the proposed financial arrangement will improve with each additional 10,000 members covered under this offering.” Is more cost effective pricing expected for Commercial and EGWP?**

Additional municipalities may decide to participate in the State’s Partnership Plan, described in the response to an earlier question, We are interested in understanding how pharmacy pricing will change if the State is successful in adding additional local municipalities to the pharmacy benefit plan or to the Partnership Plan and, hence, to the State’s risk pool. Target membership for lower price points may also assist in recruiting additional membership for the Partnership Plan.

- 31. To provide you the best quote possible for EGWP, can you please provide the following:**

- a. An Excel census of all eligible post-65 retirees that includes member date of birth, 5-digit zip, plan election, employer subsidy, spouse date of birth, spouse plan election.**
- b. The most recent 24 months of prescription drug claim experience (on a monthly basis) for post-65 retirees- containing allowed, retiree cost share (copays, ded, etc.) by month and plan paid claims with corresponding monthly membership. Please include plan design changes and dates of plan design changes.**

Data sufficient for a detailed analysis is available in Excel format that was provided to each bidder upon receipt of a signed NDA.

- c. Current value of the RDS subsidy amounts on a PMPM basis.**

RDS subsidy was replaced by the EGWP arrangement on January 1, 2012. Please price according to this arrangement.

- d. Member-level claim line detail report for post-65 retirees that contains the following information: member ID, script count, days supply, NDC code, formulary tier, prescription filled date, generic/brand indicator, retail/mail indicator, ingredient cost, dispensing fee, member cost share, quantity dispensed.**

Data sufficient for a detailed analysis is available in Excel format that was provided to each bidder upon receipt of a signed NDA.

e. A description of employer subsidy for post-65 retirees (subsidy formula).

Post-65 retirees are covered under an EGWP arrangement. The State provides close to 100% subsidy of the cost of the retiree medical program.

f. Detailed pharmacy benefit summary for post-65 that explains how pharmacy copays work (member material).

All member material is posted on the State's Website. See <http://www.osc.ct.gov/empret/indxhlth.htm> for a description of the benefit program and other material.

g. Current pharmacy equivalent rates for post-65 retirees.

Claims experience and enrollment information for the post-65 retirees was provided in Excel format to bidders that completed an NDA.

32. The Financial Proposals section indicates that, "*The generic discount guarantee should be inclusive of MAC'd scripts, generic scripts processed using a discount off of AWP and scripts where the discounted ingredient cost is determined by using the "lesser than" logic involving usual and customary pricing.*" We are assuming that this means we should include single source generics in the generic discount guarantee. Is that correct?

Yes

33. Aside from the price points identified in the Financial Proposals section tables, a PBM may choose to provide value to the State by offering clinical programs at no cost. Should the PBM choose to do that, will the dollar value of those programs be included in the financial evaluation? In other words, will the PBM get spreadsheet credit when its offer is compared to other PBMs?

The State will consider all innovative cost savings measures made in the proposal. Consideration will also be subject to the degree changes in the benefits require members to change prescriptions.

34. In order to maintain the integrity and continuity of our proposal, which will have confidential responses interspersed throughout every section, would the State of CT accept a redacted copy of the proposal submitted outside of a sealed envelope and an un-redacted, confidentially marked copy of the proposal submitted within a sealed envelope?

Yes; please see response to question 21 above.

35. We have found that subrogation services are performed by medical insurance carrier and or third party service providers. Because pharmacy claims do not typically include diagnosis codes or other relevant information, there is no reliable way for a PBM to identify claims appropriate for subrogation investigation. Please confirm we will be adhering to the requirements if we confirm our agreement to work cooperatively to provide appropriate claims records to the medical carriers or to a third party subrogation service provider to support subrogation services?

Yes – although we will need to see the specifics of the intended cooperation. Generally, an agreement to share data is sufficient.

- 36. Would it be acceptable for bidders to submit any exceptions related to the draft contract provided in Section VI of the RFP in the form of a redline, so that the exceptions can be reviewed in context?**

Yes; however, bidders should be advised that inclusion of many contractual provisions is either governed by statute or required by the Office of the Attorney General, and a bidder's unwillingness to consent to the provisions of the sample contract will affect the scoring of its bid and/or lead to its elimination from further consideration.

- 37. Requirement 4.i on page 19 of the RFP indicates that during open enrollment periods all general media advertising in the State of Connecticut media markets must be approved by the State. Bidder would not advertise related to enrollment in the State's Plan, but through its affiliates may advertise from time to time for services not directly related to enrollment in the State's Plan. Can the State please elaborate on what the intent and expectation of this requirement is?**

The State reviews and approves all written material and advisements directed towards its employees and their dependents.

- 38. Requirement 10 on page 24 states that the Performance Standards identified in the RFP are for illustrative purposes only and the State may expand the Standards at its option. It is obviously challenging for a bidder to commit to the final Performance Standards without knowing what they will be. Whereas a bidder may be able to conform to a Standard stated in the RFP at no additional cost, that same bidder may be required to allocate significant resources at a significant cost to conform to a more stringent Standard. In the event that the State expands a stated Standard to require a higher level of performance than the Standard stated in the RFP would require, will the bidder be permitted to adjust its financial offer to offset the increased cost to attain that standard, if any?**

Please provide your best response to performance standards in the RFP. If selected as a finalist, it is possible there may be an opportunity to further clarify standards during the finalist interviews.

- 39. Requirement 13.e on page 25 specifies that the vendor must provide certain "provider" information on a scheduled basis as determined by the State. Are the "providers" retail pharmacies for purposes of this requirement? If not, who does this refer to?**

The State requires detailed claims data be shared with the state and other selected vendors for analytical purposes. 'Providers' in this context include pharmacy identifiers and prescribing physician identifiers.

- 40. Requirement 11.c on page 24 specifies that "provider records" be available for audit by the State or its representatives. This provision seems appropriate to a medical benefits contract. Can the State advise if this Requirement is accurately stated? If so, who are the "providers" referred to in the Requirement?**

Providers' in this context include pharmacy identifiers and prescribing physician identifiers as it relates to the pharmacy claim.

- 41. As stated in the RFP, "Successful proposers are encouraged to utilize minority business enterprises as subcontractors and suppliers for the work of the contract –Good Faith Effort"**

Would the State take Indirect/Direct spend?

Please submit your best response to your use of minority business enterprises.

- 42. Are there any particular instructions for completing the re-pricing analysis?**

No

- 43. Can claim level data be provided? The data provided does not allow for tying the NABP down to the specific claim. With this information we are normally able to provide our most competitive pricing by limiting necessary assumptions. Additionally, the incumbent PBM will be advantaged by having this data where competing PBMs do not.**

We have modified the data provided to include utilization by provider.

- 44. If claim level data is not provided could more specific instructions on the Re-pricing reports (Requirements #2) be provided?**

We believe that all prospective bidders now have sufficient data at this time to produce the re-pricing reports.

- 45. Can we receive a claim level file for the re-pricing? The summarized data set is missing many of the attributes (date of fill, quantity, etc) which we commonly receive for an RFP re-pricing request. Without these data elements, we expect this could lead to many different approaches, varying baselines and interpretations in completing this exercise.**

We have modified the data provided to include utilization by provider.

- 46. The claims data that was provided does not include quantity dispensed. Can we have an updated data set with this included?**

We have modified the data provided to include quantity dispensed.

- 47. Does the State's pharmacy benefit plan cover administration of flu vaccines?**

Yes, flu vaccines administered at in-network pharmacies or at workplace clinics by the pharmacy benefit manager are covered under the pharmacy benefit plan. Vendors that offer this service should include a pricing proposal for flu vaccine administration as an optional element.