

County of Mercer

McDade Administration Building, 640 South Broad Street, P.O. Box 8068, Trenton, NJ 08650-0068

**REQ UEST FO R PRO PO SAL FO R
PHARMA C EU TIC AL BENEFIT S MANA GEM EN T FO R
THE O FFIC E O F INSURAN CE AN D PRO PERY MANA GEM EN T**



TO BE RECEIVED ON OCTOBER 12, 2012

RFP 2012-04

COUNTY OF MERCER
NOTICE OF REQUEST FOR PROPOSAL
RFP # 2012-04

Exempt Services

The County of Mercer is soliciting proposals through a fair and open process in accordance with N.J.S.A. 19:44A-20.4 et seq.

Mercer County is soliciting proposals for a Pharmacy Benefits Manager.

Mercer County requires submission by October 12, 2012 at 11:00 A.M. in the Office of Purchasing, 640 S. Broad Street, Room 321, Trenton, NJ 08650. Late submissions will not be accepted.

With the exception of the United States Postal Service, express mail shall be delivered to the Department of Purchasing, 640 S. Broad Street, Room 321, Trenton, New Jersey 08611.

Specifications and instructions may be obtained in the Department of Purchasing or on the County Website at:

<http://nj.gov/counties/mercer/procurement/bidsopp.html>

It is the responsibility of prospective respondent's to check this website for any addenda issued prior to the proposal opening. Failure to do so could result in the rejection of your submission.

SCHEDULE:

RELEASE RFP:	SEPTEMBER 11, 2012
ALL QUESTIONS SHALL BE FORWARDED TO: igarcia@mercercounty.org	SEPTEMBER 24, 2012
ISSUE ADDENDA:	OCTOBER 3, 2012
OPEN PROPOSALS:	OCTOBER 12, 2012

Respondents shall comply with the requirements of P.L. 1975 C127. (N.J.S.A. 17:27et seq.)

Marcella Covello, QPA
Purchasing Agent
County of Mercer
RFP2012-04

1. Introduction

The County of Mercer requires the services of a **Pharmacy Benefit Manager (PBM)** for processing and paying prescription drug claims for retail, mail order and specialty pharmacy services. The PBM shall develop and maintain the County's formulary, contract with licensed pharmacies, and negotiate discounts and rebates with drug manufacturers. The PBM will report directly to Liz Scannella, Real Estate and Risk Manager for the Insurance and Property Management Office, Department of Personnel. There is no broker of record. The contract shall be awarded for one year term.

2. Administrative Conditions and Requirements

The following items express the administrative conditions and requirements of this RFP. Together with the other RFP sections, they will apply to the RFP process, the subsequent contract, and project production. Any proposed change, modification, or exception to these conditions and requirements may be the basis for the County of Mercer, hereinafter referred to as owners, to determine the proposal as non-responsive to the RFP and will be a factor in the determination of an award of a contract. The contents of the proposal of the successful Respondent, as accepted by the owner, will become part of any contract awarded as a result of this RFP.

2.1 Schedule

2.2 Proposal Submission Information

One (1) Original & five (5) copies to:

It is the respondent's responsibility that proposals are presented to the County at the time and at the place designated. Proposals may be hand delivered or mailed; however, the County disclaims any responsibility for regular or overnight mail. If the proposal is sent by express mail service, the designation must also appear on the outside of the express mail envelope. Proposals received after the designated time and date shall be returned unopened.

Clearly mark the submittal package with the title of this RFP and the name of the responding firm. The original proposal shall be marked to distinguish it from the copies.

2.3 Using Department Information

Insurance and Risk Management
Liz Scannella
609 989 6655

2.4 County Representative for this Solicitation

Marcella Covello, Purchasing Agent at mcovello@mercercounty.org
609 989 6710

2.5 Interpretations and Addenda

Respondents are expected to examine the RFP with care and observe all its requirements. All questions about the meaning or intent of this RFP, all interpretations and clarifications considered necessary by the owner's representative in response to such comments and questions will be issued by formal written Addenda will be binding. Oral interpretations, statements or clarifications are without legal effect.

2.6 Quantities of Estimate

Wherever the estimated quantities of work to be done are shown in any section of this RFP, including the Proposal Cost Form, they are given for use in comparing proposals. The owner especially reserves the right (except as herein otherwise specifically limited) to increase or diminish the quantities as may be deemed reasonably necessary or desirable by the owner to complete the work detailed by the contract. Such increase or diminution shall in no way violate this contract, nor shall any such increase or diminution give cause for claims or liability for damages.

2.7 Cost Liability and Additional Costs

The owner assumes no responsibility and liability for costs incurred by the Respondents prior to the issuance of an agreement. The liability of the owner shall be limited to the terms and conditions of the contract. Respondents will assume responsibility for all costs not stated in their proposals. All unit rates either stated in the proposal or used as a basis for its pricing are required to be all-inclusive. Additional charges, unless incurred for additional work performed by request of the owner, are not to be billed and will not be paid.

2.8 Statutory and Other Requirements

2.8.1 Compliance with Laws

Any contract entered into between the contractor and the owner must be in accordance with and subject to compliance by both parties with the New Jersey Local Public Contracts Law. The contractor must agree to comply with the non-discrimination provisions and all other laws and regulations applicable to the performance of services there under. The respondent shall sign and acknowledge such forms and certificates as may be required by this section.

2.8.2 Mandatory Affirmative Action Compliance

No firm may be issued a contract unless it complies with the Affirmative Action requirements of P. L. 1975, C. 127 as identified in the documents attached hereto. The form shall be properly executed.

2.8.3 Americans with Disabilities Act of 1990

Discrimination on the basis of disability in contracting for the delivery of services is prohibited. Respondents are required to read American with Disabilities language that is part of the documents attached hereto and agree that the provisions of Title II of the Act are made part of the contract. The contractor is obligated to comply with the Act and hold the owner harmless.

2.8.4 Stockholder Disclosure

No corporation or partnership shall be awarded any contract for the performance of any work or the furnishing of any goods, unless, with receipt of the proposal of said

corporation or partnership, there is submitted a statement setting forth the names and addresses of all stockholders in the corporation or partnership who own ten (10) percent or greater interest therein. The Respondent shall complete and submit the form of statement that is included in this RFP.

2.8.5 Non-Collusion Affidavit

The Non-Collusion Affidavit, which is part of this RFP, shall be properly executed and submitted with the RFP response.

2.8.6 Business Registration P.L. 2009, c.315

Reforms Business Registration Certificate Filing; permits filing prior to award of contracts if not filed with bid. Effective with bids received and contracts awarded after January 18, 2010, this law removes the requirement of the Local Public Contracts Law ([N.J.S.A. 40A:11-23.2](#)) that required a bid to be rejected if the bidder failed to include a BRC with the bid, even though it may have been the otherwise lowest responsible bid. The law now allows the BRC to be filed anytime prior to award of the contract and the bidder had to have obtained the BRC prior to receipt of bids. This permits the BRC to be required with a bid, or submitted subsequently. If a BRC is required in a bid, but not submitted with the bid, it would be an immaterial defect; curable by being filed prior to award of the contract. A BRC is obtained from the New Jersey Division of Revenue. Information on obtaining a BRC is available on the internet at www.nj.gov/njbgs or by phone at (609) 292-1730.

2.8.7 Insurance and Indemnification

If it becomes necessary for the contractor, either as principal or by agent or employee, to enter upon the premises or property of the owner in order to construct, erect, inspect, make delivery or remove property hereunder, the contractor hereby covenants and agrees to take use, provide and make all proper, necessary and sufficient precautions, safeguards, and protection against the occurrence of happenings of any accident, injuries, damages, or hurt to person or property during the course of the work herein covered and his/her sole responsibility.

The contractor further covenants and agrees to indemnify and save harmless the owner from the payment of all sums of money or any other consideration(s) by reason of any, or all, such accidents, injuries, damages, or hurt that may happen or occur upon or about such work and all fines, penalties and loss incurred for or by reason of the violation of any owner regulation, ordinance or the laws of the State, or the United States while said work is in progress.

The contractor shall maintain sufficient insurance to protect against all claims under Workers Compensation, General Liability and Automobile and shall be subject to approval for adequacy of protection and certificates of such insurance shall be provided.

2.8.8 Pay to Play

Starting in January, 2007, business entities are advised of their responsibility to file an annual disclosure statement of political contributions with the New Jersey Election Law Enforcement Commission (ELEC) pursuant to N.J.S.A. 19:44A-20.27 if they receive contracts in excess of \$50,000 from public entities in a calendar year. Business entities

are responsible for determining if filing is necessary. Additional information on this requirement is available from ELEC at 888-313-3532 or at www.elec.state.nj.us.

2.8.91 Plan Review and Construction Documents Signed and Sealed (NOT APPLICABLE)

Architects and Engineers shall forward final drawings and specifications to the respective State Agency or Municipal Building Official for approval prior to bid. Engineers and Architects shall provide the required number of specifications and drawings for bid to the Purchasing Agent. All construction bid documents shall be signed and sealed prior to release for bid in one of two ways:

1. Sign and date the original documents, including tracings, reproducible drawings or those generated electronically, then affix the seal to opaque prints or reproductions of the originals; or
2. In lieu of signing and dating the original documents, sign, date, and seal the opaque copies of the originals.

All certifications that amend or clarify or modify construction documents prepared by the architect or engineer in responsible charge shall be dated, signed and sealed prior to forwarding to a public agency. An engineer or architect shall seal documents only with seal presses. Bidding plans and construction plans are one in the same and must be signed and sealed prior to the issuance to prospective bidders.

2.9

**2.10 Subcontractors
NOT PERMITTED**

2.11 Failure to Enter Contract

Should the respondent, to whom the contract is awarded, fail to enter into a contract within ten (10) days, Sundays and holidays excepted, the owner may then, at its option, accept the proposal of another respondent.

2.12 Commencement of Work

The contractor agrees to commence work after the date of award by the owner and upon notice from the using department.

2.13 Termination of Contract

If, through any cause, the contractor shall fail to fulfill in a timely and proper manner obligations under the Contract or if the contractor violates any requirements of the Contract, the owner shall thereupon have the right to terminate the Contract by giving written notice to the contractor of such termination at least thirty (30) days prior to the proposed effective date of the termination. Such termination shall relieve the owner of any obligation for the balances to the contractor of any sum or sums set forth in the Contract. The contractor agrees to indemnify and hold the owner harmless from any liability to subcontractors/suppliers concerning payment for work performed or goods supplied arising out of the lawful termination of the Contract by the owner under this provision. In case of default by the contractor, the owner may procure the articles or

services from other sources and hold the contractor responsible for any excess cost occasioned thereby.

2.14 Challenge of Specifications

Any respondent who wishes to challenge a bid specification shall file such challenges in writing with the contracting agent no less than three business days prior to the opening of the bids. Challenges filed after that time shall be considered void and having no impact on the contracting unit or the award of contract.

2.15 Payment

Invoices shall specify, in detail, the period for which payment is claimed, the services performed during the prescribed period, the amount claimed and correlation between the services claimed and the Proposal Cost Form.

2.16. Ownership of Material

The owner shall retain all of its rights and interest in any and all documents and property both hard copy and digital furnished by the owner to the contractor for the purpose of assisting the contractor in the performance of this contract. All such items shall be returned immediately to the owner at the expiration or termination of the contract or completion of any related services, pursuant thereto, whichever comes first. None of the documents and/or property shall, without the written consent of the owner, be disclosed to others or used by the contractor or permitted by the contractor to be used by their parties at any time except in the performance of the resulting contract. Ownership of all data, materials and documentation originated and prepared for the owner pursuant to this contract shall belong exclusively to the owner. All data, reports, computerized information, programs and materials related to this project shall be delivered to and become the property of the owner upon completion of the project. The contractor shall not have the right to use, sell, or disclose the total of the interim or final work products, or make available to third parties, without the prior written consent of the owner.

3.0 SCOPE OF WORK

Refer to technical specifications on page 31.

4. Evaluation, Review and Selection Process

RFP responses shall remain open for a period of sixty (60) calendar days from the submittal date. The owner may either award the Contract within the applicable time period or reject all proposals. The owner may extend the decision to award or reject all proposals beyond the sixty (60) calendar days when the proposals of any respondents who consent thereto may, at the request of the owner, be held for consideration for such longer period as may be agreed.

Rejection of Proposals

The owner reserves the right to reject any or all proposals, or to reject any proposals if the evidence submitted by, or investigation of such respondent fails to satisfy the owner that such respondent is properly qualified to carry out the obligations of the RFP and to complete the work contemplated therein. The owner reserves the right to waive any minor informality in the RFP.

Evaluation Process

An evaluation team will review all proposals to determine if they satisfy the Proposal Requirements, determine if a proposal should be rejected and evaluate the proposals based upon the Evaluation Criteria. Multiple contracts may be awarded.

Evaluation Criteria

Refer to technical specifications.

Cost Evaluation (the following is an example of the evaluation of the program cost

Lowest cost proposal divided by next low cost, multiplied by points

Example: cost assigned 30 points, lowest cost proposal \$100,000 next low \$120,000

(Divide the low cost by the next low) multiplied by 30 = $(100,000/120,000) * 30 = 25$

Low cost respondents earns 30 points, next low earns 25 points, etc.

Additional Information

Price shall be based on the requirements set forth. Any services not included as part of any resulting contract scope of services must be approved and authorized by the owner before such work is initiated. The owner shall pay for such approved services, at the rate or cost agreed upon between the owner and contractor, provided the respondent has provided a schedule of fees for additional services with this RFP.

Payment

Payment will be made on presentation of owner's voucher duly signed and executed. Term of the contract: One Year

Notice of Award

The successful respondent will be notified of the award of contract upon a favorable decision by the governing body. The Purchasing Agent may then send a Purchase Order/Voucher to the contractor.

Proposal Checklist

The following checklist is provided as assistance to the development of the RFP Response.

It in no way supersedes or replaces the requirements of the RFP. Please initial on the lines below for each document/section attesting to the fact that you have read and/or included the documents with your RFP.

Business Registration Certificate to be supplied
PRIOR TO CONTRACT AWARD _____

Acknowledgement of Receipt of Addenda _____

Stockholder Disclosure _____

Affirmative Action Statement _____

Affirmative Action Mandatory Language _____

Non-Collusion Affidavit _____

Certification and Disclosure of Political Contributions _____

Proposal Requirements: Refer to page 34 _____

Two copies of Current Provider Network
Drug Utilization Review Program
Basis of All Pricing, Fees and Dispensing Fees
Compliance with Performance Standards
Compliance with URAC Standards as stated on pages 37 through 46
Pricing of top twenty-five medications prescribed for plan participants
All Miscellaneous Charges

Proof of URAC Accreditation _____

Three References _____

COUNTY OF MERCER

ACKNOWLEDGMENT OF RECEIPT OF ADDENDA

The undersigned hereby acknowledges receipt of the following Addenda:

<u>Addendum Number</u>	<u>Dated</u>	<u>Acknowledge Receipt</u> (initial)
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

No addenda were received:

Acknowledged for: _____
(Name of Bidder)

By: _____
(Signature of Authorized Representative)

Name: _____
(Print or Type)

Title: _____

Date: _____

Contract Language for BRC Compliance

Goods and Services Contracts (including purchase orders)

** Construction Contracts (including public works related purchase orders)*

N.J.S.A. 52:32-44 imposes the following requirements on contractors and all subcontractors that **knowingly** provide goods or perform services for a contractor fulfilling this contract:

- 1) the contractor shall provide written notice to its subcontractors and suppliers to submit proof of business registration to the contractor;
- 2) subcontractors through all tiers of a project must provide written notice to their subcontractors and suppliers to submit proof of business registration and subcontractors shall collect such proofs of business registration and maintain them on file;
- 3) prior to receipt of final payment from a contracting agency, a contractor must submit to the contracting agency an accurate list of all subcontractors and suppliers* or attest that none was used; and,
- 4) during the term of this contract, the contractor and its affiliates shall collect and remit, and shall notify all subcontractors and their affiliates that they must collect and remit to the Director, New Jersey Division of Taxation, the use tax due pursuant to the Sales and Use Tax Act, (N.J.S.A. 54:32B-1 et seq.) on all sales of tangible personal property delivered into this State.

A contractor, subcontractor or supplier who fails to provide proof of business registration or provides false business registration information shall be liable to a penalty of \$25 for each day of violation, not to exceed \$50,000 for each business registration not properly provided or maintained under a contract with a contracting agency. Information on the law and its requirements is available by calling (609) 292-9292.

SAMPLE OF THE NEW JERSEY BUSINESS REGISTRATION CERTIFICATE

STATE OF NEW JERSEY
BUSINESS REGISTRATION CERTIFICATE
FOR STATE AGENCY AND CASINO SERVICE CONTRACTORS

DEPARTMENT OF TREASURY
DIVISION OF REVENUE
PO BOX 252
TRENTON, N J 08644-0252

TAXPAYER NAME: **TAX REGISTRATION TEST ACCOUNT**

TAXPAYER IDENTIFICATION#: **970-097-382/500**

ADDRESS: **847 ROEBLING AVE
TRENTON NJ 08611**

EFFECTIVE DATE: **01/01/01**

FORM-BRC(08-01)


TRADE NAME: **CLIENT REGISTRATION**

SEQUENCE NUMBER: **0107330**

ISSUANCE DATE: **07/14/04**

John S. Tully
Acting Director

This Certificate is NOT assignable or transferable. It must be conspicuously displayed at above address.


STATE OF NEW JERSEY
BUSINESS REGISTRATION CERTIFICATE

Taxpayer Name: TAX REG TEST ACCOUNT

Trade Name:

Address: 847 ROEBLING AVE
TRENTON, NJ 08611

Certificate Number: 1093907

Date of Issuance: October 14, 2004

For Office Use Only:
20041014112823533

EEO/AFFIRMATIVE ACTION COMPLIANCE NOTICE
N.J.S.A. 10:5-31 and N.J.A.C. 17:27
GOODS, PROFESSIONAL SERVICE AND GENERAL SERVICE CONTRACTS

All successful bidders are required to submit evidence of appropriate affirmative action compliance to the County and Division of Public Contracts Equal Employment Opportunity Compliance. During a review, Division representatives will review the County files to determine whether the affirmative action evidence has been submitted by the vendor/contractor. Specifically, each vendor/contractor shall submit to the County, prior to execution of the contract, one of the following documents:

Goods and General Service Vendors

1. Letter of Federal Approval indicating that the vendor is under an existing Federally approved or sanctioned affirmative action program. A copy of the approval letter is to be provided by the vendor to the County and the Division. This approval letter is valid for one year from the date of issuance.

Do you have a federally-approved or sanctioned EEO/AA program? Yes No
If yes, please submit a photostatic copy of such approval.

2. A Certificate of Employee Information Report (hereafter "Certificate"), issued in accordance with N.J.A.C. 17:27-1.1 et seq. The vendor must provide a copy of the Certificate to the County as evidence of its compliance with the regulations. The Certificate represents the review and approval of the vendor's Employee Information Report, Form AA-302 by the Division. The period of validity of the Certificate is indicated on its face. Certificates must be renewed prior to their expiration date in order to remain valid.

Do you have a State Certificate of Employee Information Report Approval? Yes No
If yes, please submit a photostatic copy of such approval.

3. The successful vendor shall complete an Initial Employee Report, Form AA-302 and submit it to the Division with \$150.00 Fee and forward a copy of the Form to the County. Upon submission and review by the Division, this report shall constitute evidence of compliance with the regulations. Prior to execution of the contract, the EEO/AA evidence must be submitted.

The successful vendor may obtain the Affirmative Action Employee Information Report (AA302) on the Division website www.state.nj.us/treasury/contract_compliance.

The successful vendor(s) must submit the AA302 Report to the Division of Public Contracts Equal Employment Opportunity Compliance, with a copy to Public Agency.

The undersigned vendor certifies that he/she is aware of the commitment to comply with the requirements of N.J.S.A. 10:5-31 and N.J.A.C. 17:27 and agrees to furnish the required forms of evidence.

The undersigned vendor further understands that his/her bid shall be rejected as non-responsive if said contractor fails to comply with the requirements of N.J.S.A. 10:5-31 and N.J.A.C. 17:27.

COMPANY: _____ SIGNATURE: _____

PRINT NAME: _____ TITLE: _____

DATE: _____

(REVISED 4/10)

EXHIBIT A

MANDATORY EQUAL EMPLOYMENT OPPORTUNITY LANGUAGE

N.J.S.A. 10:5-31 et seq. (P.L. 1975, C. 127)

N.J.A.C. 17:27

GOODS, PROFESSIONAL SERVICE AND GENERAL SERVICE CONTRACTS

During the performance of this contract, the contractor agrees as follows:

The contractor or subcontractor, where applicable, will not discriminate against any employee or applicant for employment because of age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex. Except with respect to affectional or sexual orientation and gender identity or expression, the contractor will ensure that equal employment opportunity is afforded to such applicants in recruitment and employment, and that employees are treated during employment, without regard to their age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex. Such equal employment opportunity shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Public Agency Compliance Officer setting forth provisions of this nondiscrimination clause.

The contractor or subcontractor, where applicable will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex.

The contractor or subcontractor will send to each labor union, with which it has a collective bargaining agreement, a notice, to be provided by the agency contracting officer, advising the labor union of the contractor's commitments under this chapter and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

The contractor or subcontractor, where applicable, agrees to comply with any regulations promulgated by the Treasurer pursuant to N.J.S.A. 10:5-31 et seq., as amended and supplemented from time to time and the Americans with Disabilities Act.

The contractor or subcontractor agrees to make good faith efforts to meet targeted county employment goals established in accordance with N.J.A.C. 17:27-5.2.

The contractor or subcontractor agrees to inform in writing its appropriate recruitment agencies including, but not limited to, employment agencies, placement bureaus, colleges, universities, and labor unions, that it does not discriminate on the basis of age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex, and that it will discontinue the use of any recruitment agency which engages in direct or indirect discriminatory practices.

The contractor or subcontractor agrees to revise any of its testing procedures, if necessary, to assure that all personnel testing conforms with the principles of job-related testing, as established by the statutes and court decisions of the State of New Jersey and as established by applicable Federal law and applicable Federal court decisions.

In conforming with the targeted employment goals, the contractor or subcontractor agrees to review all procedures relating to transfer, upgrading, downgrading and layoff to ensure that all such actions are taken without regard to age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex, consistent with the statutes and court decisions of the State of New Jersey, and applicable Federal law and applicable Federal court decisions.

The contractor shall submit to the public agency, after notification of award but prior to execution of a goods and services contract, one of the following three documents:

Letter of Federal Affirmative Action Plan Approval

Certificate of Employee Information Report

Employee Information Report Form AA302, electronically provided by the Division and distributed to the public agency through the Division's website at: www.state.nj.us/treasury/contract_compliance

The contractor and its subcontractors shall furnish such reports or other documents to the Division of Public Contracts Equal Employment Opportunity Compliance as may be requested by the office from time to time in order to carry out the purposes of these regulations, and public agencies shall furnish such information as may be requested by the Division of Public Contracts Equal Employment Opportunity Compliance for conducting a compliance investigation pursuant to **Subchapter 10 of the Administrative Code at N.J.A.C. 17:27.**

STOCKHOLDER DISCLOSURE CERTIFICATION

No corporation or partnership shall be awarded any contract for the performance of any work or the furnishing of any materials or supplies, unless, prior to the receipt of the bid or accompanying the bid of said corporation or partnership, there is submitted a statement setting forth the names and addresses of all stockholders in the corporation or partnership who own ten (10) percent or more of its stock of any class, or of all individual partners in the partnership who own a ten (10) percent or greater interest therein. Form of Statement shall be completed.

The Attorney General has concluded that the provisions of N.J.S.A. 52:25-24.2, in referring to corporations and partnerships, are intended to apply to all forms of corporations and partnerships, including, but not limited to, limited partnerships, limited liability corporations, limited liability partnerships, and Subchapter S corporations.

STOCKHOLDER DISCLOSURE CERTIFICATION
This Statement Shall Be Included with Bid Submission

I certify that the list below contains the names and home addresses of all stockholders holding 10% or more of the issued and outstanding stock of the undersigned.

OR

I certify that no one stockholder owns 10% or more of the issued and outstanding stock of the undersigned.

Check the box that represents the type of business organization:

- | | | |
|---|--|--|
| <input type="checkbox"/> Partnership | <input type="checkbox"/> Corporation | <input type="checkbox"/> Sole Proprietorship |
| <input type="checkbox"/> Limited Partnership | <input type="checkbox"/> Limited Liability Corporation | <input type="checkbox"/> Limited Liability Partnership |
| <input type="checkbox"/> Subchapter S Corporation | <input type="checkbox"/> Non-Profit Corporation | |

This form shall be completed and signed. Failure of the bidder to submit the required information is cause for automatic rejection of the bid.

Stockholders:

Name: _____ Name: _____

Home Address: _____ Home Address: _____

Name: _____ Name: _____

Home Address: _____ Home Address: _____

Name: _____ Name: _____

Home Address: _____ Home Address: _____

LEGAL NAME OF BUSINESS _____

Signature _____ Date _____

Printed Name & Title _____

AMERICANS WITH DISABILITIES ACT OF 1990
Equal Opportunity for Individuals with Disability

The CONTRACTOR and the County of Mercer do hereby agree that the provisions of Title II of the Americans With Disabilities Act of 1990 (the "Act") (42 U.S.C. S12101 et seq.), which prohibits discrimination on the basis of disability by public entities in all services, programs and activities provided or made available by public entities, and the rules and regulations promulgated pursuant hereunto, are made a part of this contract. In providing any aid, benefit, or service on behalf of the County pursuant to this contract, the CONTRACTOR agrees that the performance shall be in strict compliance with the Act. In the event that the CONTRACTOR, its agents, servants, employees, or subcontractors violate or are alleged to have violated the Act during the performance of this contract, the CONTRACTOR shall defend the County in any action or administrative proceeding commenced pursuant to this Act. The CONTRACTOR shall indemnify, protect, and save harmless the County, its agents, servants, and employees from and against any and all suits, claims, losses demands, or damages, of whatever kind or nature arising out of or claimed to arise out of the alleged violation. The CONTRACTOR shall, at its own expense, appear, defend, and pay any and all charges for legal services and any and all costs and other expenses arising from such action or administrative proceeding or incurred in connection therewith. In any and all complaints brought pursuant to the County grievance procedure, the CONTRACTOR agrees to abide by any decision of the County which is rendered pursuant to said grievance procedure. If any action or administrative proceeding results in an award of damages against the County or if the County incurs any expense to cure a violation of the ADA which has been brought pursuant to its grievance procedure, the CONTRACTOR shall satisfy and discharge the same at its own expense.

The County shall, as soon, practicable after a claim has been made against it, give written notice thereof to the CONTRACTOR along with full and complete particulars of the claim. If any action or administrative proceedings is brought against the County or any of its agents, servants, and employees, the County shall expeditiously forward or have forwarded to the CONTRACTOR every demand, complaint, notice, summons, pleading, or other process received by the County or its representatives.

It is expressly agreed and understood that any approval by the County of the services provided by the CONTRACTOR pursuant to this contract will not relieve the CONTRACTOR of the obligation to comply with the Act and to defend, indemnify, protect, and save harmless the County pursuant to this paragraph.

It is further agreed and understood that the County assumes no obligation to indemnify or save harmless the CONTRACTOR, its agents, servants, employees and subcontractors for any claim which may arise out of their performance of this Agreement. Furthermore, the CONTRACTOR expressly understands and agrees that the provisions of this indemnification clause shall in no way limit the CONTRACTOR'S obligations assumed in this agreement, nor shall they be construed to relieve the CONTRACTOR from any liability, nor preclude the County from taking any other actions available to it under any other provisions of the Agreement or otherwise at law.

EXCERPTS FROM THE EEOC SEXUAL HARASSMENT GUIDELINES

PART 1604 -- GUIDELINES ON DISCRIMINATION BECAUSE OF SEX

1604.11 Sexual Harassment

(a) Harassment on the basis of sex is a violation of Sec. 703 of Title VII (of the Civil Rights Act of 1964). Unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature constitute sexual harassment when (1) submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment, (2) submission to or rejection of such conduct by an individual, or (3) such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive working environment.

(b) In determining whether alleged conduct constitutes sexual harassment, The Commission (EEOC) will look at the record as a whole and at the totality of the circumstances, such as the nature of the sexual advances and the context in which the alleged incidents occurred. The determination of the legality of a particular action will be made from the facts, on a case by case basis.

(c) Applying general Title VII principles, an employer, employment agency, joint apprenticeship committee or labor organization (hereinafter collectively referred to as "employer") is responsible for its acts and those of its agents and supervisory employees with respect to sexual harassment regardless of whether the specific acts complained of were authorized or even forbidden by the employer and whether the employer knew or should have known of their occurrence. The Commission will examine the circumstances of the particular employment relationship and the job functions performed by the individual in determining whether an individual in determining whether an individual acts in either a supervisory or agency capacity.

(d) With respect to conduct between fellow employees, employer is responsible for acts of sexual harassment in the workplace where the employer (or its agents or supervisory employees) knows or should have known of the conduct, unless it can be show that it took immediate and appropriate corrective action.

(e) An employer may also be responsible for the acts of non-employees, with respect to sexual harassment of employees in the workplace, where the employer (or its agents or supervisory employees) knows or should have known of the conduct and fails to take immediate and appropriate corrective action. In reviewing these cases the Commission will consider the extent of the employer's control and any other legal responsibility, which the employer may have with respect to the conduct of such non-employees.

INSURANCE AND INDEMNIFICATION REQUIREMENTS

If it becomes necessary for the consultant, either as principal or by agent or employee, to enter upon the premises or property of the County, the consultant hereby covenants and agrees to take use, provide and make all proper, necessary and sufficient precautions, safeguards, and protection against the occurrence of happenings of any accidents, injuries, damages, or hurt to person or property during the course of the work herein covered and be his/her sole responsibility.

The consultant further covenants and agrees to indemnify and save harmless the County from the payment of all sums of money or any other consideration(s) by reason of any, or all, such accidents, injuries, damages, or hurt that may happen or occur upon or about such work and all fines, penalties and loss incurred for or by reason of the violation of any County regulation, ordinance or the laws of the State, or the United States while said work is in progress.

The consultant shall maintain sufficient insurance to protect against all claims under Workers Compensation as statutorily required, General Liability and Professional Liability in the amount of \$1,000,000.00 single occurrence and \$2,000,000.00 general aggregate and Automobile Insurance in the amount of \$1,000,000.00 combined single limit. Vendors are responsible to provide updated certificates as policies renew. Depending upon the scope of work and goods or services provided, specific types of insurance may not be required. The Mercer County Division of Insurance and Property Management will make this determination.

In all cases where a Certificate of Insurance is required, the County of Mercer is to be named as an additional insured and named as the certificate holder as follows: "County of Mercer, 640 South Broad Street, Trenton, NJ 08611". The Certificate shall contain a 30-day notice of cancellation.

WAIVER OF SUBROGATION CLAUSE

Consultant, as a material part of the consideration to be rendered to the County, hereby waives all claims against the County for damages to the goods, wares and merchandise in, upon or about said premises, and consultant will hold the County exempt and harmless from any damage and injury to any such person or to the goods, wares or merchandise of any such person, arising from the use of the premises by the consultant or from failure of the consultant to keep the premises in good condition and repair as herein provided.

Dated and Signed

INSURANCE CERTIFICATE

PLEASE TAKE NOTE OF THE FOLLOWING CHANGE

As you may be aware, there has been a recent change to the ACCORD insurance certificate which precludes placing the number of days for cancellation notification in the lower left hand box. You may fulfill the requirement for a 30-day notice of cancellation for a County of Mercer contract in any one of the following ways:

1. indicate a 30-day notice of cancellation in the Description of Operations box at the bottom of the certificate
2. indicate a 30-day notice of cancellation on a separate page
3. provide a copy of the cancellation clause from the policy (you do not need to provide a copy of the entire policy, only the page(s) referencing the cancellation clause)

If you need further clarification on this or other insurance certificate issues, please contact the Insurance and Property Management Office at 609-989-6655.

NON-COLLUSION AFFIDAVIT

STATE OF NEW JERSEY
COUNTY OF MERCER SS:

I, _____ of the City of _____,
in the County of _____, and the State of _____,

of full age, being duly sworn according to law on my oath depose and say that:

I am _____

of the firm of _____

bidder making the proposal for the above named Contract, and that I executed the said proposal with full authority so to do; that said bidder has not, directly or indirectly, entered into any agreement, participate in any collusion, or otherwise taken any action in restraint of free, competitive bidding in connection with the above named Contract; and that all statements contained in said proposal and in this affidavit are true and correct, and made with full knowledge that the County of Mercer relied upon the truth of the statements contained in said Proposal and in the statements contained in this affidavit in awarding the Contract for the said proposal.

I further warrant that no person or selling agency has been employed or retained to solicit or secure such Contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, except bonafide employees or bonafide established commercial or selling agencies maintained by

(Name of Vendor)

Subscribed and sworn to before me

This _____ day of _____, 20____.

(Signature of Notary Public)

Notary Public of _____

My Commission expires _____, 20____

PROPOSAL

The undersigned bidder declares that he/she has read the Notice to Bidders, Instructions to Bidders, Affidavits and Specifications attached, that he/she has determined the conditions affecting the bid agrees, if this proposal is accepted, to furnish and deliver the following:

PHARMACY BENEFITS MANAGER FOR THE COUNTY OF MERCER

(SIGNATURE BY AUTHORIZED REPRESENTATIVE)

The undersigned is a Corporation, Partnership or Individual under the laws of the State of

_____ having its principal office at _____

COMPANY _____
ADDRESS _____
ADDRESS _____
NAME _____
TELEPHONE _____
FAX _____
E-MAIL _____
DATE _____

CONTRACT AWARD

Upon opening bids, pricing shall remain firm for a period of sixty (60) calendar days. In the event that the award is not made within sixty (60) calendar days, bidders may hold their bid consideration beyond sixty days or until the contract is awarded.

Check here if willing to hold the pricing consideration beyond sixty days or until the contract is awarded.

Check here if not willing to hold the pricing consideration beyond sixty days or until the contract is awarded.

AUTHORIZED SIGNATURE

COUNTY OF MERCER
Certification of Political Contributions
(Effective February 1, 2005)

PROFESSIONAL BUSINESS ENTITY:

NAME AND POSITION OF FILING OFFICER

BUSINESS ADDRESS:

CITY STATE AND ZIP CODE:

Refer to the attached link:

http://nj.gov/counties/mercer/news/publications/pdf/2004_14_ordinance.pdf

Mercer County Ordinance No. 2004-14 This Ordinance, effective February 1, 2005, provides that all professional business entities seeking a professional services contract on a no-bid basis with the County of Mercer or any of its boards, independent authorities or commissions are required to provide a sworn statement or certification that the professional business entity has not made and will not make a political contribution in violation of said Ordinance.

Certification I, the undersigned, certify that:

- (1) I have reviewed Mercer County Ordinance No. 2004-14 and understand the terms therein.
- (2) The following individuals and/or entities have not solicited a political contribution or made a political contribution in violation of the provisions set forth in Mercer County Ordinance No. 2004-14 (*No-Bid Professional Services Contracts*) in excess of the limits set forth in said Ordinance: (i) the professional business entity identified above; (ii) all principals who own or control 10% or more of the equity of the corporation, partnership or professional business entity including principals, partners and officers in the aggregate; (iii) any subsidiaries directly controlled by the professional business entity; and (iv) if the professional business entity is a natural person, that person's spouse and/or child, living at the same address.
- (3) I am duly authorized and empowered to make this certification on behalf of the professional business entity and those others referenced above.
- (4) The foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment including, but not limited to, the penalty terms set forth in Mercer County Ordinance No. 2004-14.

NAME: _____

TITLE: _____

DATE: _____

COUNTY OF MERCER Disclosure of Political Contributions

Professional Business Entity:

Pursuant to Mercer County Ordinance No. 2004-14 all professional business entities with which the County of Mercer or any of its boards, independent authorities or commissions intends to award professional services contracts on a no-bid basis are required to disclose, among other things, all political contributions made within the twelve month period immediately preceding the date of the awarding of the contract or agreement to (1) a campaign committee or fund of any candidate for or holder of a public office within Mercer County government; (2) any municipal or county party committee; or (3) any political action committee (PAC) that is organized for the purpose of promoting or supporting Mercer County government candidates or officeholders. **Indicate "none" if no such contributions have been made.**

A separate Disclosure must be submitted by each of the following, defined as a "Professional Business Entity" under the Ordinance:

- (i) a professional business entity submitting a Disclosure on its own behalf;
- (ii) all principals who own or control 10 % or more of the equity of the corporation, partnership or professional business entity;
- (iii) any subsidiaries directly controlled by the professional business entity; or
- (iv) if a professional business entity is a natural person, that person's spouse and/or child, living at the same address.

Pertaining to Disclosure of Political Contributions to any political action committee (PAC) that is organized for the purpose of promoting/ supporting Mercer County candidates/ officeholders. Indicate "none" if no such contributions have been made.

Name of Political Action Committee	Date of Contribution	Amount of Contribution	Type of Contribution i.e., Cash, Check, Loan, In Kind	Purpose of Political Action Committee

Pertaining to Disclosure of Political Contributions to: any candidate committee and/ or election fund of any candidate for or current holder of a public office within Mercer County government; and any municipal or county political party committee. Indicate "none" if no such contributions have been made.

Name of Committee or Fund	Date of Contribution	Amount of Contribution	Type of Contribution i.e., Cash, Check, Loan, In Kind	

I have reviewed Mercer County Ordinance No. 2004-14 and understand its terms. I certify that, to the best of my knowledge and belief, the foregoing statements by me are true and that I am duly authorized to make this certification. I am aware that if any of the statements are wilfully false, I am subject to punishment.

Company or Professional Business Entity:

By: _____

Name: _____

Title: _____

Date: _____

Relationship to Professional Business Entity: (See ii, iii and iv above)

If ii applies, list principals and % of ownership or control: _____

If iii applies, name and address of subsidiary: _____

If iv applies, name of spouse and/ or child: _____

**REQUEST FOR PROPOSAL FOR PHARMACEUTICAL BENEFITS MANAGER
CONTACT ELIZABETH SCANNELLA
REAL ESTATE/ RISK MANAGER**

Description of Services:

The County of Mercer requires the services of a **Pharmacy Benefit Manager (PBM)** for processing and paying prescription drug claims for retail, mail order and specialty pharmacy services. The PBM shall develop and maintain the County's formulary, contract with licensed pharmacies, and negotiate discounts and rebates with drug manufacturers. The PBM will report directly to Insurance and Property Management Office, Department of Personnel. There is no broker of record. The contract shall be awarded for one term.

The County of Mercer requests proposals for a Pharmaceutical Benefits Manager (PBM) to furnish claims administration and network access for retail, mail order and specialty drugs for prescription medication benefits for individuals covered under the County of Mercer prescription drug plan for the period of January 1, 2013 through December 31, 2013. The Plan will cover approximately 1,422 subscribers consisting of active employees (and encompassing a total of approximately 3,781 including dependents). The plan shall cover active employees only. The awarded PBM shall provide customer service between the hours of 7:00 A.M. and 8:00 P.M. Monday through Friday.

Under the Plan, employees are classified by union codes with varying levels of co-pays) or as unrepresented (executive/managerial/confidential).

SCHEDULE:

RELEASE RFP:	SEPTEMBER 11, 2012
ALL QUESTIONS SHALL BE FORWARDED TO: lgarcia@mercercounty.org	SEPTEMBER 24, 2012
ISSUE ADDENDA:	OCTOBER 3, 2012
OPEN PROPOSALS:	OCTOBER 12, 2012

Contract Considerations:

As a public agency and governmental employer, the County requires a secure, transparent PBM arrangement that clearly outlines the respective parties' obligations and charges for services and goods furnished by the PBM.

The Proposed Vendor must pass thru all rebates and revenues received from any source that are derived from its contract, whether such revenues are rebates or discounts from pharmaceutical manufacturers for specific drugs, fees to add drugs to or promote formulary drugs or engage in outreach programs on behalf of pharmaceutical manufacturers, claims processing or administrative fees charged to retail pharmacies or pharmacies that are not affiliated with or owned by the proposed Vendor, or non-rebates for other purposes.

The Proposed Vendor shall reduce transaction costs between physicians and patients by requiring its mail order program to accept electronic prescriptions using a secured program, and to encourage its retail pharmacy network participants to do the same. The

Proposed Vendor shall also require its retail pharmacy network participants to submit all claims for reimbursement electronically.

The Proposed Vendor shall have the technical capacity to administer multiple plan co-payment structures by union type, to generally encompass one of the following: three tiered formulary arrangement (generic, brand preferred, brand non-preferred); two tiered plus a substitution (generic, brand, and brand due to no generic available); or two tiered (generic and brand). The Proposed Vendor must have a broad network of retail pharmacies and must be able to guarantee access to national pharmacy chains across the country. The program shall also include a mail order component with zero dollar co-pay.

General Claims Administration:

The Proposed Vendor must utilize claims administration procedures and practices generally used in the healthcare/pharmaceutical benefits management industry that encompass eligibility administration, claims adjudication, drug utilization review, reporting, establishing and maintaining a retail pharmacy network, member services, and account management including but not limited to the following:

- Receive and investigate claims for prescription benefits under the Plan, consult with providers of health care to assess whether prescriptions match the conditions for which such were prescribed, determine eligibility for such coverage under the Plan document and whether such prescriptions are covered by the Plan and what amounts are due and payable under the terms and conditions of the Plan;
- Furnish payments to the appropriate party/parties for medications dispensed under the terms of the Plan in a timely fashion;
- Provide written notifications to claimants within a reasonable time (using the time periods outlined under ERISA as a guide) following receipt of a claim for prescription benefits, indicating the disposition of their claims, and if there is a need for additional time to respond, the reasons therefore;
- Conduct periodic self-audits (using random sampling) on a yearly basis with Annual Reconciliation Disclosure Reports.
- Conduct fraud oversight and investigation. Provide a detailed summary of the vendor's internal fraud policies and procedures, including notification to the County.

Miscellaneous Administrative Responsibilities:

Premiums for COBRA rates– By no later than November 1st of each year of the contract, the Proposed Vendor shall calculate and provide the County with the monthly COBRA premium for Rx coverage for the upcoming year for the following categories: Single; Spouse/Partner; Dependent; and Family. ;

Plan changes – The Proposed Vendor will also be required to provide revisions to the Plan Document to bring it into compliance with all applicable federal and State laws, statutes and regulations with regard to how the County administers prescription coverage.

Administration Manual and Electronic Access:

The Successful vendor shall supply the County with three hard copies of an administration manual and a link to an electronic administration internet site to enable the County's agents to fulfill its responsibilities for enrollment and other purposes. The terms of the administration manual shall not conflict with applicable federal or State law, the terms of the Plan or this RFP.

The Successful vendor shall make available to designated agents of the County direct access, via secure internet site, to its claims processing, record keeping and enrollment systems for the purpose of retrieving subscriber/participant information, authorizing prescriptions, adding participants, etc. A newly authorized prescription shall be available immediately or no later than one (1) hour from the authorization.

The Proposed Vendor shall have a dedicated company representative who will be able to assist County agents with any issues. In addition, there shall be a toll-free customer service number available at least from 8:00 a.m. - 8:00 p.m. for County staff and employees for assistance with routine questions or problems.

Drug Utilization Review Program:

Describe how the Prospective Vendor implements a Drug Utilization Review program that encompasses, but not limited to, these tasks:

- Determine patient's eligibility under the Plan;
- Gender contraindication
- Assess whether the prescription is covered under the Plan;
- Detect and eliminate redundant or duplicate medication orders (to include electronic correlation between retail and mail order pharmacies);
- Monitor patient subscriptions by dosage (changes in prescription strength) and usage (e.g., frequency of refills, indications of addiction/ abuse);
- Determine what effect or interaction the new prescription may have upon existing prescriptions;
- Identify prescriptions that are considered to be "maintenance medications" for chronic conditions;
- Conduct early refill management;
- Encourage brand to generic conversions;
- Conduct daily dosage reviews;
- How standard appropriateness of Use and quantity limit protocols are applied;
- Suggest more suitable/effective and/or lower priced alternative medications consistent with an established formulary.

Data Maintenance and Reporting:

In compiling data and analyzing claims, the Proposed Vendor shall identify all fulfilled prescriptions using the 11 digit National Drug Code (NDC).

Medications dispensed shall be identified by both NDC and ICD-9 coding (using Major Diagnosis Categories established by the AHRQ – Agency for Healthcare Research & Quality).

Standard monthly reports shall encompass these components:

- Number of scripts dispensed (by applicable category - retail or mail order; in network v. out of network; generic, brand preferred, brand non-preferred, etc., and in percentage to total number of scripts);
- Overall plan costs (to include aggregate co-payment collected, amount paid by Plan, aggregate ASP, AWP or ASP [defined in “Medication Pricing” section], total ingredient costs, and dispensing fees, and percentage discount;
- Costs per script (ingredient cost by applicable categories, dispensing fee, amount paid by Plan, amount paid by member);
- Number of scripts by Major Diagnosis Category;
- Any other standard, descriptive information that enables the County to track usage and costs by applicable categories.

A monthly report shall be forwarded to the County no later than the 15th of the month providing the following data: breakout of the cost of prescriptions for the previous month and each preceding month in the calendar year by the following categories: single, dependent, family, spouse/partner.

Rolling annual reports (provided monthly) shall include these components:

- Total Plan payments for the preceding month;
- Total number of scripts dispensed;
- Average price per script (for all categories of scripts combined);
- Percentage change over the preceding month (and when applicable, over the same month one year prior), to include percentage change over prior month or year where applicable;
- Number of eligible members per tier (single, spouse/partner, dependent and family);
- Change in number of eligible members per tier over the preceding month (and when applicable, over the same month one year prior) to include percentage change over prior month or year where applicable;
- Any other standard, descriptive information that enables the County to track usage and costs by applicable categories.
- Total program costs and savings for the 12 month period ending December 31st to include negotiated discounts, pharmacy revenues passed through, savings through DUR/clinical case management, employee contributions/co-payments, plan payments for retail and mail order, and cost per member, per month;
- Information that compares the County's costs to the Proposed Vendor's total book of business, to include advice on how to achieve better performance results and lower costs;
- Relevant lists of top 25 drugs by ingredient cost, major therapeutic area, by total amount paid per medication, by number of scripts, number of patients, etc.;
- Cost savings by clinical case management/DUR programs for various, prevalent medical conditions and medications;
- Other information to be determined between the County and Proposed Vendor.

- Proposed Vendor shall meet with County agents to review the plan, Make recommendations for cost savings

Audits:

The Proposed Vendor shall permit reasonable, annual audits to be conducted at the expense of the County. The County shall have the sole right to designate an auditor. Such audit rights shall entitle the County's designated auditor to examine all revenues and expenses incurred by the Proposed Vendor on account of the 2012-2013 PBM Agreement, all claims data regarding subscribers and covered persons and any other pertinent, reasonable information required by the designated auditor to enable it to ascertain compliance with the terms of the 2012-2013 PBM Agreement. The designated auditor shall prepare preliminary and final reports upon request by the County and shall disclose such reports to the County and the Proposed Vendor. Said reports shall be kept strictly confidential.

Claims Adjudication:

The Proposed Vendor shall provide Claims adjudication services for all urgent and non-urgent appeals from denials of medications resulting from the application of the Plan document to the submitted prescription. The Proposed Vendor shall employ the services of qualified medical or pharmaceutical professionals who shall be capable of interpreting the terms of the Plan document to determine whether the prescribed medication is covered by the Plan and is clinically appropriate based upon the information, criteria and policies that formed the basis of denying the claim, and other review such as coordination of benefits, etc. The Proposed Vendor's claims adjudication responsibilities shall conform to regulations issued by any federal or applicable state departments or agencies regarding the subject matter, including regulations related to response times.

**PHARMACEUTICAL BENEFITS MANAGER
PROPOSAL REQUIREMENTS**

The County reserves the right to choose the scope of services to be performed by the successful vendor. Proposals may be selected based upon the best costs for core services only, core services plus select optional services, or core services and all services combined. Because representatives of the County must evaluate comprehensiveness of services and costs for services, please be as clear as possible in responding. Please provide any additional information that may help such representatives understand the Proposal. Respondents shall state the method of providing the services stated in this RFP.

- Provide two (2) copies of your current provider network.
- Respondents shall factor administrative costs into the proposal including network access.

Drug Utilization Review (DUR) charges shall be included in the services provided.
(Note: Refer to the essential requirements that must be met for a DUR program.)

- Shall provide monthly reports, rolling annual reports (on a monthly basis) and annual (calendar) year reports (due no later than March 1st).
- Shall serve as the Claims Adjudicator to respond to urgent and non-urgent denials of medications.
- The Proposed Vendor shall supply enrollment and enrollment change forms electronically and shall provide hard copy forms as well.
- The formulary rebate will be provided to the County at least quarterly and reflected in reporting.

Complete the following:

Medication Pricing:

State the plan pricing:

Average Selling Price (ASP) _____

Average Wholesale Price (AWP) _____

Wholesale Acquisition Cost (WAC) _____

Other pricing structure _____

- Identify how many drug manufacturers are consulted/used to determine the ASP, AWP and/or WAC, or, if a pricing index/service is used, which pricing index.
- Disclose how often the ASP, AWP or WAC used for formulating the formulary will be updated/changed.
- State the discount that will be applied to ASP, AWP and/or WAC.
- Explain your online system and provide a link to view, change, update enrollees and to authorize prescriptions for enrollees, etc.
- For any drugs that do not have a published ASP, AWP or WAC, will drug costs be charged to the Plan at a lower rate than Maximum Allowable Cost (MAC)? (If so, under what circumstances?)
- The Prospective Vendor shall disclose when and how often prices for generic medications are reduced and cost savings passed along to the County.
- If the cost to the Plan for a generic medication is less than a participant's co-payment, the participant shall be charged the cost of the generic medication.
- Indicate whether "bulk purchase savings" over the discounted costs of AWP (or other pricing structure) will be shared with the County and if so, the cost sharing arrangement.
- Indicate whether the County's prices will remain fixed for the length of the PBM agreement or whether the Prospective Vendor employs dynamic market pricing to pass along discounts for drugs that become cheaper over time.
- Explain how "specialty drugs" such as those produced by biotechnology companies are priced, whether such pricing is fixed or flexible and how often pricing is reviewed to pass along savings to the County. (Note: reimbursement for specialty drugs must be consistent with the terms of coverage under the Plan document.)
- Quantities used to fulfill mail order scripts shall be three times greater than the retail subscription and shall be of comparable strength unless amended by the patient's physician after consulting with the pharmacist. (Example: if a 30 day retail supply encompasses ten pills, then a 90 day mail order supply shall encompass thirty pills.)

- Dispensing shall conform to all federal, state and local law and the terms of the contract with the County.
- The Proposed Vendor shall outline its formulary procedures and explain how it categorizes drugs as brand preferred versus generic or brand non-preferred. A current formulary list shall be available at all times on the Proposed Vendor's website. The Proposed Vendor shall also alert users of medications 30 days in advance of a change in status from either generic to brand preferred, or brand preferred to brand non-preferred.
- Method to correct deficiencies as stated in Performance Standard.

COMPLETE THE FOLLOWING WITH REGARD TO DISCOUNT AND DISPENSING FEES

RETAIL - Brand:

Discount Type and Percentage:

Type: _____

Contract Year 1: _____%

Contract Year 2: _____%

Contract Year 3: _____%

Dispensing fee: \$_____

RETAIL - Generic:

Discount Type and Percentage:

Type: _____

Contract Year 1: _____%

Contract Year 2: _____%

Contract Year 3: _____%

Dispensing fee: \$_____

MAIL ORDER - Brand

Discount Type and Percentage:

Type: _____

Contract Year 1: _____%

Contract Year 2: _____%

Contract Year 3: _____%

Dispensing fee: \$_____

MAIL ORDER - Generic:

Discount Type and Percentage:

Type: _____

Contract Year 1: _____%

Contract Year 2: _____%

Contract Year 3: _____%

Dispensing fee: \$_____

- Disclose the relationship between the Proposed Vendor and the Mail Order service.
- Describe your Specialty Pharmacy Program.
- Dispensing Fee for Mail Order must be defined

Performance Standards:

Vendor's automated system: availability rate for each contract year 99.5% or greater

Dispensing Accuracy Rate: for each contract year 99.996% or greater

Non-protocol prescriptions: for Mail Order for each contract year: dispensed on average within two (2) days

All other mail order prescriptions dispensed on average within three (3) days following vendor's receipt of the prescription

Identification cards: each contract year 98% or greater will mailed by vendor within an average of four (4) days after receipt by vendor of eligibility list by County

Vendor's toll free member service telephone line: each contract year the Average Speed of Answer will be on average 30 seconds or less from the time the individual selects an option (ex: member service rep option)

Vendor's response to written inquiries: 95% or greater response rate on average within five (5) business days after receipt of the inquiry

Telephone abandonment rate: during each contract year 5% or less of all incoming calls. Excludes calls pertaining to specialty drugs.

Vendor response to claims: 97% or greater for direct reimbursement paper claims within an average of five (5) business days and within an average of ten (10) days for all other claims

Claims Adjudication Accuracy Rate: on average 98.5% or greater

Member Satisfaction rate: vendor shall measure member satisfaction by conducting a member survey. The Member Satisfaction Rate shall be 90% or greater for each contract year.

First Call Resolution Rate: 93% or greater for each contract year. Excludes calls pertaining to specialty drugs.

All information provided to the awarded vendor to perform its obligations under the contract will be considered confidential, used only for implementation of the contract, and will not be released or used for any purposes not authorized by the County. Permission to use such information must be authorized by the County in writing. Furthermore, vendor will comply with all laws governing patient confidentiality including but not limited to the Health Insurance Portability and Accountability Act of 1996 (HIPAA).

RESPONDENTS SHALL DESCRIBE COMPLIANCE WITH THE FOLLOWING URAC STANDARDS

LIMIT RESPONSE TO FIVE PAGES

Standards	Area Affected	Description
Core 1-12	Organizational Quality	The PBM has: Organizational Structure Defined, Policies and Procedures Articulated Staff Qualifications Defined, Staff Credentialing Enforced Robust Staff Training, Rigorous Regulatory Compliance, Delegation to Business Partners Monitored
Core 13	Rigorous Information Management Required	Data integrity Data confidentiality and security Disaster recovery
Core 22	Communication Practices Monitored	PBM informs consumers and clients how to obtain services and submit a complaint or appeal
Core 23	Consumer Safety Promoted	PBM can identify and react to situations that could create potential harm to members/employees
Core 24	Confidentiality Maintained	BM maintains confidentiality of individual health information, Addresses oral, written, or electronic communication and records that are transmitted or stored
Core 25	Consumer Satisfaction Promoted	PBM collects and evaluates information about consumer satisfaction with services
Core 26	Consumer and Client Services Accessible	Consumers or clients have access to the PBM via telephone, mail, and internet
Core 27	Rigorous Complaints and Appeals Process Defined	PBM has a process in place to handle complaints and appeals
Core 28		
Core 29		
Core 30		
Core 31	Quality Management Program Defined	Quality improvement program includes: Performance measures on activities Monitoring of performance measures Efforts to improve performance measures
Core 33		
Core 34		
Core 35		
Core 36	Quality Improvement Projects Implemented	Quality improvement projects include: Quantifiable performance measures, At least annual measure of baseline performance, Established strategies, goals, documentation, and analysis

**CUSTOMER SERVICE, COMMUNICATIONS, AND DISCLOSURE STANDARDS
LIMIT RESPONSE TO FIVE PAGES**

Standard	Area Affected	Description
CSCD1 CSCD2	Consumer Information Disclosed	<p>PBM informs consumers about available information resources and assistance including:</p> <ul style="list-style-type: none"> • How to access pharmacy directory • Covered benefits and coverage guidelines • Consumer's costs; including deductibles, co-pays, co-insurance, annual and lifetime co-insurance limits, and changes that could occur during the enrollment period • Consumer's benefit options and implications of these decisions • Evidence-based health information and content for common conditions, diagnoses, treatment diagnostics, and interventions • Information and tips to assist in interactions, such as "Financial decision-making for pharmacy benefits" • Instructions on how to receive assistance via e-mail, telephone, or in person • Monitor and update existing communication materials
CSCD4	Business Information Disclosed	<ul style="list-style-type: none"> • PBM discloses business model including: <ul style="list-style-type: none"> • Potential conflicts of interest that affect clinical or financial decisions • Sources of revenue • Pricing structure for PBM services
CSCD5	Client Audit Rights Maintained	<ul style="list-style-type: none"> • PBM provides verification so that the client can ensure disclosures are comprehensive and accurate
CSCD6 CSCD7 CSCD8	Call Center Operations Defined	<ul style="list-style-type: none"> • Call center provides consumers, physicians, and other prescribers: <ul style="list-style-type: none"> • Information on claims processing, benefit coverage, claims submission, and claims payment • Assistance during hours of working pharmacists • Call answering time 30 seconds on average • Call abandonment not to exceed 5 percent
CSCD9	Multiple Communication Formats Required	<ul style="list-style-type: none"> • PBM provides information to consumers in multiple formats and media so that all consumers have access to relevant information
CSCD10 CSCD11	Health Literacy and Cultural Sensitivity Encouraged	<ul style="list-style-type: none"> • PBM provides health care information in a format (or language) that is understandable by the layman and helps consumers understand health care decisions

PHARMACY DISTRIBUTION CHANNEL STANDARDS ADDRESS ISSUES RELATED TO ACCESS, AVAILABILITY, QUALITY AND SAFETY REGARDLESS OF WHICH PHARMACY DISTRIBUTION CHANNEL IS ADDRESSED (LIMIT RESPONSE TO FIVE PAGES)

STANDARDS	AREA AFFECTED	DESCRIPTION
Pharm DC 1 Pharm DC 2	Scope of Distribution Channels Defined	PBM clearly defines the: Distribution channels offered (e.g. pharmacy network, mail service • pharmacies, or specialty pharmacies) Types of pharmacy services offered within each distribution • channel Geographic area served by each distribution channel •
Pharm DC 3	Quality and Safety Criteria Articulated	PBM can identify and address concerns related to quality and safety of drug distribution, quality of service
Pharm DC 4	Network Access and Availability Articulated and Out of Network Criteria Articulated	PBM ensures that members have access to prescriptions when their pharmacies don't have them, or when members are traveling
Pharm DC 5	Robust Pharmacy Relations Maintained	PBM maintains a participating pharmacy relations program that includes: A participating pharmacy communications plan with updated • network information for new and on-going programs and processes Assistance for participating pharmacies and their staff regarding • pharmacy network issues Suggestions and guidance from participating pharmacies about • how the pharmacy network can best serve consumers

DRUG UTILIZATION MANAGEMENT STANDARDS ADDRESS KEY ISSUES RELATED TO DRUG USE MANAGEMENT AND EMPHASIZE THE IMPORTANCE OF BASING DRUG MANAGEMENT DECISIONS ON CLINICAL INFORMATION AND OFFERING THE CONSUMER ALTERNATIVES TO DECISIONS IF THEY SHOULD BE NEEDED (LIMIT RESPONSE TO FIVE PAGES)

Standards	Area Affected	Description
DrUM 1 DrUM 2	Coverage Decisions Clinically-Based	PBM has policies and procedures for identifying the optimal drug and evaluating the available data to address discrepancies and misuse of drugs. PBM bases formulary system decisions on a thorough evaluation of the benefits, risks, and potential outcomes for consumers
DrUM 3 DrUM 4 DrUM 7 DrUM 17 DrUM 18 DrUM 19	Clinical Review Criteria Defined	PBM has qualified prescribers and other clinicians develop and use clinical review criteria that are based on current clinical principles Clinical review criteria is annually evaluated and updated by qualified personnel Review determinations are based solely on the clinical information available to the PBM at the time of the review
DrUM 12	Non-Formulary Exceptions Communicated	PBM informs consumers of how to request coverage of a non-covered prescription drug
DrUM 14	Decision Notice Required	PBM issues a written notification of the non-certification decision to the consumer and prescriber
DrUM 20 DrUM 22 DrUM 23 DrUM 27	Consumer-Friendly Appeals Process Defined	PBM provides access to an appeal process, may be only a referral to the plan administrator who makes the decision. Written information on rights to appeal are available to the consumer and prescriber, including the process involved The consumer and prescriber can submit information relating to the case and the case is evaluated by a qualified, clinical peer. If the case is judged for the consumer, then the PBM must act on the decision. Consumer and prescriber are notified in writing of the decision with information on rights to further appeal, the process involved, and reasons for non-certification

FORMULARY DEVELOPMENT STANDARDS TO ADDRESS ISSUES RELATED TO FORMULARY MANAGEMENT AND PHARMACY AND THERAPEUTICS (P&T) COMMITTEES TO ENSURES THAT THE EMPLOYEE IS PROTECTED BY FORMULARY DECISIONS THAT ARE CLINICALLY APPROPRIATE AND THAT THE COUNTY IS PROTECTED FROM HIGH COSTS OF DRUGS WHEN IT IS NOT NECESSARY (LIMIT RESPONSE TO FIVE PAGES)

Standards	Area Affected	Description
PIFD1 PIFD2	Effective Formulary Development Required	PBM has a process to promote clinically appropriate, safe, and cost-effective drug therapy Process should include a P&T Committee, a formulary management decision making process, and a process for regular evaluation and review
PIFD3	Formulary Decisions Therapeutically-Based	Formulary decisions based on cost factors only after safety, efficacy and therapeutic need have been established
PIFD4	Formulary Stakeholders Informed	PBM has a process to inform all stakeholders of formulary decisions and rationale PBM discloses the existence of formularies and has copies of the formulary readily available Information includes: cost containment measures; the procedures for obtaining non-formulary drugs; and the importance of formulary compliance to improving quality of care and restraining health care costs PBM provides consumer education that explains how formulary decisions are made and the roles and responsibilities of the consumer
PIFD5 PIFD6 PIFD7	P&T Committee Membership Defined	Needs of the consumers are represented by the appropriate clinical specialties and specialists who are practicing physicians or practicing pharmacists

Below is a list of the top twenty five (25) prescription medications consumed by Plan participants. The Proposed Vendor shall complete the chart below by quoting its price for each medication listed.

RX NAME	COST PER SCRIPT	
	30 Day	90 Day
Nexium		
Lipitor		
Singular		
Copaxone		
Crestor		
Advair Diskus		
Lovaza		
Plavix		
Oxycontin		
Abilify		
Levaquin		
Januvia		
Cymbalta		
Avonex		
Viagra		
Sprycel		
Lexapro		
Solodyn		
Actos		
Diovan HCT		
Celebrex		
Valacyclovir		
Humira		
Norditropin Nordiflex		
Aciphex		

MISCELLANEOUS CHARGES

Specify the annual fee or charges to serve as the Account Manager to include the costs of an actuarial attestation on an as needed basis. (If the actuarial attestation is subcontracted, differentiate the charges between account management and actuarial assessment.)

If there are additional charges for issuing specialized reports (other than those outlined anywhere in this RFP), please specify the per hour costs to prepare such report.

All erasures and/or changes must be initialed by the individual making modifications to the proposal.

CRITERIA EVALUATION

The County of Mercer requests proposals from Pharmacy Benefit Management companies. Evaluation criteria are stated on the following pages. The County references criteria from **URAC**, the Utilization Review Accreditation Commission. URAC is the largest accrediting body for health care. URAC standards are developed by a committee of experts representing diverse interests in the health care community.

Proposals shall be evaluated based upon pricing arrangements between the County and PBM, Formulary Management, Drug Utilization Review, Rebate Negotiations, Pharmacy Network Discounts, URAC accreditation, the use of Mail Service Pharmacies, and Disease Management Programs.

PROGRAM GOALS

We require a competitive program that will provide a wide range of benefits and ease to add medications along with controlling costs. The PBM will manage the County's (Sponsor) program. The County has the ability to pay biweekly and requires pass through of rebates as a credit if submitted as a component of the PBM program. The Respondents shall provide details of their rebate program.

The county reserves the right to request additional information and interview respondents. The County will require three verifiable references.

The county will monitor the performance of the awarded PBM on an ongoing basis to ensure that our goals and terms of the contract are met.

PRICING ARRANGEMENTS

Respondents must provide pricing arrangements that are offered and the impact on all costs and cash flow. The following describes spread pricing and pass-through pricing.

SPREAD PRICING (ALSO REFERRED TO DIFFERENTIAL PRICING, GUARANTEED REBATES/NETWORK DISCOUNTS OR PRODUCT AND SERVICE MARGIN/MARK-UP

PASS-THROUGH PRICING

Respondents shall disclose its combination of pricing strategies properly comparing the effects of these arrangements as it applies to the program offered to the county.

SPREAD PRICING ARRANGEMENT

Spread pricing is a common way for PBMs to generate incremental revenue from each transaction. Spread is the difference or margin between the price charged to the plan sponsor for an item and the cost the PBM pays for the item. For example, the PBM may negotiate one discount off the average wholesale price (AWP) to the plan sponsor, but pays the contracted retail pharmacy at a different discount rate.

When the price difference is a positive number, this generates revenue for the PBM. When the price difference is a negative number, this is a loss absorbed by the PBM. The PBM may have to absorb a loss from the spread pricing if it has guaranteed a network rate to the purchaser and a pharmacy negotiates a higher rate with the PBM. In this case the PBM will lose the difference in the guaranteed

versus the negotiated rates. Often the PBM is making up this loss with another element of pricing, referred to as cross-subsidizing.

PASS-THROUGH PRICING ARRANGEMENT

Pass-through pricing generally means that the PBM passes the discounts, rebates, other revenues and actual costs charged by the pharmacy or paid by a pharmaceutical company in the form of rebates directly on to the plan sponsor. In actual use, it can have various definitions according to the understanding of the parties. The term must be carefully defined in the contract in every instance it is used since there is no industry-accepted definition.

EVALUATION CRITERIA

The following criteria shall be applied when evaluating proposals.

CUSTOMER SERVICE, COMMUNICATIONS, AND DISCLOSURE STANDARDS

PHARMACY DISTRIBUTION CHANNEL

DRUG UTILIZATION MANAGEMENT

FORMULARY DEVELOPMENT MANAGEMENT

COST

The county will focus on comparing proposals for rebates, discounts, and fees and drug mix. The drug mix refers to the types and amounts of drugs covered under the drug benefit. The drug mix is controlled by clinical programs which focus on formulary and prescribing practices that are aimed at achieving high quality therapy at the lowest cost. Even though a less expensive drug may become available, the county will not require employees to change drugs once they have started on a treatment program and the county reserves the right to permit current treatments.

Organization Quality

Information Management

Communication Practices Monitoring

Consumer Safety

Confidentiality Maintenance

Consumer Satisfaction

Consumer and Client Services Accessibility

Rigorous Complaints and Appeals Process Defined

Quality Management Program Defined

Quality Improvement Projects Implemented

URAC (Utilization Review Accreditation Commission) Accreditation

Benefit Design, Pricing and Payment

- Pharmacy Network Discounts – by network and drug category type

- Maximum Allowable Cost (MAC) pricing for generic drugs

- Dispensing Fees

- Administrative Fees (By type of claim, clinical programs, administrative fee)

- Discounts – direct from manufacturer (also called discount off invoice or bulk discounts)

- Rebates

Formulary

Clinical Programs (Member and prescriber level programs)

Over-the-Counter Drug Support

Pharmacy Distribution Channels: Retail Network Pharmacy, Mail Service Pharmacy,

- Specialty Pharmacy, Long Term Care Pharmacy

Prescription Claims Processing and Data

Data Access and Ownership

E-Prescribing

Customer Service and Call Center Availability

Account Management

Reporting

Method to meet Performance Standards

Maintaining eligibility, Invoicing, Termination rights, Guarantees,

Penalties, Indemnification, HIPAA Obligations, Audit rights

CONTRACT CONTACT

NAME _____

TITLE _____

ADDRESS _____

TELEPHONE _____

E-MAIL _____