Introduction

Missouri Consolidated Health Care Plan (MCHCP) is, by Missouri statute, the purchaser of health insurance benefits for most State of Missouri employees, retirees and their dependents. It provides the same services on an elective basis for public entities. The current total membership exceeds 97,000 total lives.

This document constitutes a request for sealed proposals for a Pharmacy Benefit Manager (PBM) to administer the prescription drug benefit for MCHCP's covered members effective January 1, 2017.

Currently MCHCP contracts with Express Scripts, Inc. (ESI) to administer prescription drug benefits on a self-insured basis for non-Medicare and Medicare Employer Group Waiver Plan (EGWP) populations. The current contract has been effective since January 1, 2012, and expires on December 31, 2016.

It is the intention of MCHCP to award a one-year contract with up to four possible one-year renewals with services beginning on January 1, 2017. The contract obligates the contractor to certain start-up tasks prior to the effective date of services to members.

- Bidder shall submit fixed pricing arrangements for 2017 and guaranteed pricing arrangements for 2018, 2019, 2020 and 2021 for both non-Medicare and EGWP populations.
- Pricing arrangements are subject to negotiation prior to award and renewal each year.

Contract Term

The initial agreement is for the period of January 1, 2017 through December 31, 2017, with up to four additional one year contracts renewable at the sole option of the MCHCP Board of Trustees.

Minimum Bidder Requirements

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

- Licensing – The bidder must be licensed as necessary to do business in the State of Missouri in order to perform the duties described in this RFP, and be in good standing with the office of the Missouri Secretary of State. MCHCP requires the contractor to comply with all state and federal laws, rules and regulations affecting their conduct of business.
- Size and Experience – The bidder must currently administer prescription drug benefits to at least three million covered lives and administer prescription drug benefits for at least five large employer groups with 100,000 covered lives or more. The bidder must be willing to disclose the names of the large employer clients if requested. The bidder must have been in the PBM business for a minimum of five years.
- Size and Experience – The bidder must certify that, if awarded a contract, the bidder would not increase its total annual claim payment volume by more than 25 percent with the addition of this business. MCHCP pharmacy expenses were $112.7 million through October 2015 and are estimated to total $132.8 million for the 2015 calendar year (non-Medicare and EGWP).

Pharmacy trend is estimated to be 12 percent for 2016. The bidder must only use their book of business as of the proposal submission date and MCHCP's pharmacy expenses when calculating the percentage increase. Business not yet awarded may not be used in the calculation.

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

- Pass-Through Pricing – The bidder must propose a full pass-through pricing model for the retail pharmacy network and rebates.

- Definitions – The bidder must agree to all the definitions contained in the "Terminology and Definitions" section of Exhibit C of the RFP.

- Mail Order – The bidder must demonstrate an established, successful partnership with a company providing mail order pharmacy services, either through ownership or subcontractor relationship.

- Specialty Pharmacy – The bidder must demonstrate an established, successful partnership with a specialty pharmacy company either through ownership or subcontractor relationship.

- Mandatory Offer – The bidder must make a pricing offer which includes:

    - A retail pharmacy network that includes at least 80 percent of retail pharmacies (individual stores) in Missouri and the Illinois and Kansas counties included in MCHCP's regions, and a national network of at least 64,000 retail outlets

    - Formularies that are comparable to the formularies currently being utilized by MCHCP, which can be found on MCHCP's website at http://www.mchcp.org/stateMembers/prescriptionDrugPlans_2016.asp. Alternative formularies must also be available.

- Claim File Submission – The bidder shall agree to provide full claim files on a monthly basis to MCHCP or its designated data vendor (currently Truven Health Analytics) and shall agree to complete all data transfer setup requirements within 90 days of the award of this contract.

- Benefit Design – The bidder must demonstrate the ability to administer any plan design established by MCHCP. A summary of the current prescription drug plan designs is provided on MCHCP's website at http://www.mchcp.org/stateMembers/prescriptionDrugPlans_2016.asp.

- Account Management – The bidder must identify MCHCP's proposed account manager(s), their experience and geographic location. The primary account manager must have the following qualifications:

    - At least five years of experience managing large (100,000 covered lives or more) accounts;

- Have been employed with the bidder's organization in a similar capacity for at least two years as of the proposal submission date;
- Be available to MCHCP for a site visit or interview during the bid evaluation process;
- Be permanently assigned to the MCHCP account;
- Preference to be located within the State of Missouri
- Demonstrate the ability to successfully manage the MCHCP account and any other assigned accounts.

- Timely Submission – The bidder's proposal must be received on time. Late proposals will not be accepted.

Selection Criteria

MCHCP is seeking a PBM that is capable of administering a nationwide managed prescription drug plan with the following attributes:

- Access to a broad state and national network of retail pharmacies
- Efficient mail order program
- Real-time claims processing and reporting systems
- Specialty drug program for self-injectables and other high-cost drugs that are managed efficiently, effectively and in a cost-effective manner
- Competitive financial proposal (including effective discounts, rebates and extended rate guarantees)
- Financial protection
- Full audit rights including the use of any rebate aggregators
- Quality implementation plan
- High quality account management
- Effective participant communication support
- Demonstrated history of controlling escalating ingredient costs
- Demonstrated success in managing pharmacy costs through aggressive drug utilization management programs and optimal generic substitution rates
- Demonstrated success in operating and/or ability to operate a Patient Protection and Affordable Care Act (PPACA)-compliant appeals process for a non-grandfathered plan

- Effective performance standards to assess and monitor performance
- Proactive and innovative responses to industry trends
- Ability to contract on an "administrative services only" basis, receiving its only income for this account from MCHCP administrative fees.
- Ability to provide all utilization data to MCHCP's data warehouse vendor in a specified format on a monthly basis and in a timely and accurate fashion
- Knowledge of and ability to comply with all state and federal laws applicable to government health plans
- Significant experience in managing EGWPs.

Assumptions and Considerations

Your proposal must be submitted using the Enrollment Advisors (formerly HighRoads) online submission tool no later than **Tuesday, March 8, 2016, 4 p.m. CT (5 p.m. ET)**. Financial worksheets (Exhibit A-9) must be submitted to Willis Towers Watson no later than **Tuesday, March 8, 2016, 4 p.m. CT (5 p.m. ET)**. Due to the limited timeframe for proposal analysis and program implementation, **no individual deadline extensions will be granted**.

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

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

We seek an administrator who will offer a superior level of service to MCHCP and its members. We look forward to reviewing your proposal.

Proposal Instructions

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

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

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

Proposals, including financials, must be valid until January 1, 2017. If a contract is awarded, prices shall remain firm for the specified contract period.

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

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

Clarification of Requirements

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

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

Schedule of Events

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

Activity	Timing
Online RFP Released	**Thursday, February 11, 2016 8 a.m. CT (9 a.m. ET)**
Intent to Bid Document Due	**Monday, February 15, 2016 4 p.m. CT (5 p.m. ET)**
Limited Data Use Agreement Due	**Monday, February 15, 2016 4 p.m. CT (5 p.m. ET)**
Bidder Question Submission Deadline	**Tuesday, February 16, 2016 4 p.m. CT (5 p.m. ET)**
MCHCP Responses to Submitted Questions	**Tuesday, February 23, 2016 4 p.m. CT (5 p.m. ET)**

Online RFP Closes (all proposals due)	**Tuesday, March 8, 2016 4 p.m. CT (5 p.m. ET)**
Pricing Worksheets (Exhibit A-9) Due to Willis Towers Watson	**Tuesday, March 8, 2016 4 p.m. CT (5 p.m. ET)**
Finalist Presentations/Site Visits (if necessary)	**April 2016**
Final Vendor Selection	**June 2016**
Program Effective Date	**January 1, 2017**

Questions

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

Any and all questions regarding specifications, requirements, competitive procurement process, etc., must be in writing and submitted through the online messaging module of the Enrollment Advisors application by **Tuesday, February 16, 2016, 4 p.m. CT (5 p.m. ET)**. For step-by-step instructions, please refer to the *Downloads* section of the Enrollment Advisors Application, and click on *User Guides*. Questions received after February 16, 2016 will be answered and posted through the messaging module as time permits, but there is no guarantee of a response to these questions. ***Please contact Dawn Reck (dawn.reck@willistowerswatson.com) at Willis Towers Watson with any questions regarding the Financial Worksheets.***

Questions deemed universally applicable will be answered in writing and shared with all vendors who have indicated they are quoting. The team will respond to your questions as they are submitted via the messaging module, with a summary of all questions and answers provided by **Tuesday, February 23, 2016**.

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

Proposal Deadline

All proposal questionnaires and documents must be submitted no later than 4 p.m. CT (5 p.m. ET), March 8, 2016. Submissions received after that time will not be accepted. Pricing (Exhibit A-9) must be submitted no later than 4 p.m. CT (5 p.m. ET), March 8, 2016 to Dawn Reck (dawn.reck@willistowerswatson.com) at Willis Towers Watson. Pricing submissions received after that time will not be accepted.

Disclaimers

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

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

Confidentiality and Proprietary Materials

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

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

Evaluation Process

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

Any pricing information submitted by a bidder must be disclosed on the requested supplemental document as designated in this RFP.

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

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

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

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

Evaluation Criteria

Non-Financial	
Customer Service	70 points
Clinical Programs and Quality Assurance	70 points
Retail Pharmacy Services	60 points
Vendor Profile	50 points
Performance Guarantees	50 points
Specialty Pharmacy Services	50 points
Formulary Management	50 points
Implementation and Account Management	40 points
Mail Order Pharmacy Services	30 points
Claims Administration	25 points
Reporting	20 points
Technology and Security	20 points
Audits	10 points
Communication Support	5 points
	550 points
Bonus Points – MBE/WBE Participation Commitment	10 points
Financial	
Pricing	450 points
Finalist Evaluation	
References and Interview	150 points

MCHCP will limit the number of finalists to the bidders receiving 80 percent (440 points) of the possible 550 non-financial points available or the top two bidders if less than two bidders receive 80 percent of the possible 550 non-financial points.

The bidder's proposed participation of MBE/WBE firms in meeting the targets of the RFP will be considered in the evaluation process. A maximum MBE/WBE participation points of 10 points will be awarded based on the participation amount proposed by the bidder. Awarded MBE/WBE participation points will be added to the non-financial points earned by the bidder and will be included to determine if a bidder meets the 80 percent threshold to obtain finalist status.

Transparency

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

Retail Pharmacy Transactions - "Transparency" refers to financial arrangements which represent a direct and complete pass-through of all elements of negotiated provider pricing (e.g. discounts and dispensing

fees, etc.). MCHCP must receive the full and complete amount of any discounts received by the PBM from any and all retail pharmacies, including specialty discounts. The PBM will not retain a differential (i.e. spread) between the amount reimbursed to the PBM by MCHCP for each transaction and the payments made to the retail pharmacies by the PBM.

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

Rebates - MCHCP must receive 100 percent of all monies received by the PBM attributable to MCHCP's utilization that the PBM receives from any and all pharmaceutical manufacturers. A "rebate" includes all drug company revenues associated with other pharmaceutical manufacturer or third-party payments, including, but not limited to, base, formulary, incentive, and market share rebates, payments related to administrative fees, data fees, aggregate utilization rebates (e.g., "book of business"), purchase discounts, payments due to inflation caps or other performance arrangements, educational payments, information sales, specialty rebates and all other revenues from pharmaceutical manufacturers or other third parties.

Access to Demographic and Claim Files

In order to gain access to the demographic and claim history files (Attachments 1 and 5 respectively), bidders must complete and sign Exhibit A-2 Limited Data Use Agreement. Once the completed and signed document has been uploaded to Enrollment Advisors, access to Attachment 1 will be granted through Enrollment Advisors. When available, Attachment 5 will be shipped on CD to the party identified in Section 4 of the Limited Data Use Agreement via next day delivery.

Access to Exhibit A-9 Pricing Submission Worksheet

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

Pricing

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

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

Finalist Interview

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

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

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

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

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

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

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

    a. Participation Commitment - If the bidder is proposing MBE/WBE participation, the vendor must complete Section 19 of the PBM Questionnaire (MBE-WBE Participation Commitment), by listing each proposed MBE and WBE, the committed percentage of participation for each MBE and WBE, and the commercially useful products/services to be provided by the listed MBE and WBE. If the vendor submitting the proposal is a qualified MBE and/or WBE, the vendor must include the vendor in the appropriate table on Section 19 of the PBM Questionnaire.

    b. Documentation of Intent to Participate – The bidder must either provide a properly completed Exhibit A-6, Documentation of Intent to Participate Form, signed and dated no earlier than the RFP issuance date by each MBE and WBE proposed or must provide a letter of intent signed and dated no earlier than the RFP issuance date by each MBE and WBE proposed which: (1) must describe the products/services the MBE/WBE will

provide and (2) should include evidence that the MBE/WBE is qualified, as defined herein (i.e., the MBE/WBE Certification Number or a copy of MBE/WBE certificate issued by the Missouri OEO). If the bidder submitting the proposal is a qualified MBE and/or WBE, the bidder is not required to complete Exhibit A-6, Documentation of Intent to Participate Form or provide a recently dated letter of intent.

e) Commitment – If the bidder's proposal is awarded, the percentage level of MBE/WBE participation committed to by the bidder in Section 19 of the PBM Questionnaire shall be a contractual requirement.

Definition -- Qualified MBE/WBE:

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

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

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

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

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

Negotiation and Contract Award

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

- Negotiations may be conducted in person, in writing, or by telephone.
- Negotiations will only be conducted with bidders who provide potentially acceptable proposals. MCHCP reserves the right to limit negotiations to those bidders which received the highest rankings during the initial evaluation phase. All bidders involved in the negotiation process will be invited to submit a best and final offer.

- Terms, conditions, prices, methodology, or other features of the bidder's proposal may be subject to negotiation and subsequent revision. As part of the negotiations, the bidder may be required to submit supporting financial, pricing, and other data in order to allow a detailed evaluation of the feasibility, reasonableness, and acceptability of the proposal.

- The mandatory requirements of this RFP shall not be negotiable and shall remain unchanged unless MCHCP determines that a change in such requirements is in the best interests of MCHCP and its members.

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

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

Using Enrollment Advisors

The 2017 MCHCP Pharmacy Benefit Manager RFP contains 2 broad categories of items that you will need to work on via the Enrollment Advisors application:

1. Items Requiring a Response:

    a. Pricing Forms (e.g., PBM Pricing-Commercial and PBM Pricing-EGWP) are online input forms to collect your administrative and other fees as requested by MCHCP.

    b. Questionnaires (e.g., PBM Questionnaire) are online forms to collect your responses to our questions about your capabilities.

    c. Response Documents (e.g., Exhibit A-1 Intent to Bid) are attachment files (e.g., MS Word or Excel) that are posted to the Enrollment Advisors website. They should be downloaded, completed by your organization, and then posted/uploaded back to the Enrollment Advisors application by the stated deadline. When you upload your response, from the drop down menu, identify each uploaded document as a *Response* document and associate it to the appropriate document by name. For step-by-step instructions, please refer to the *How to Download and Attach Files* User Guide located in the *Downloads* section on the application homepage.

2. Reference Files from Event Administrator:

    a. Documents (e.g., Exhibit B – Scope of Work) that you should download and read completely before submitting your RFP response.

All of these components can be found in the Enrollment Advisors application under the 2017 MCHCP Pharmacy Benefit Manager RFP on the Event Details page of the application.

Please note that as you use the Enrollment Advisors application to respond to this RFP, User Guides are accessible throughout the application by clicking on the help icon or from the *Downloads* area of the

Enrollment Advisors application homepage. For help with data entry and navigation through the application, you can contact the Enrollment Advisors staff:

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

Responding to Questionnaires

We have posted two forms for your response:

- PBM Questionnaire
- Mandatory Contract Provisions Questionnaire

The questionnaires need to be completed and submitted to Enrollment Advisors by **Tuesday, March 8, 2016, 4 p.m. CT (5 p.m. ET).**

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

Completing Response Documents

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

- Exhibit A-1 – Intent to Bid (due 4 p.m. CT, February 15, 2016)
- Exhibit A-2 – Limited Data Use Agreement (due 4 p.m. CT, February 15, 2016)
- Exhibit A-3 – Proposed Bidder Modifications (due 4 p.m. CT, March 8, 2016)
- Exhibit A-4 – Confirmation Document (due 4 p.m. CT, March 8, 2016)
- Exhibit A-5 – Contractor Certification (due 4 p.m. CT, March 8, 2016)
- Exhibit A-6 – MBE-WBE Intent to Participate Document (due 4 p.m. CT, March 8, 2016)

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

- Exhibit A-7 – Sample Contract (due 4 p.m. CT, March 8, 2016)
- Exhibit A-8 – Business Associate Agreement (due 4 p.m. CT, March 8, 2016)

Completing Exhibit A-9 Pricing Submission Worksheets

The financial worksheets (Exhibit A-9 Pricing Submission Worksheet) will be provided upon completion and MCHCP's receipt of Exhibit A-1 Intent to Bid (via upload to Enrollment Advisors). The pricing worksheets will be sent by email from Dawn Reck at Willis Towers Watson to the individual identified on the Intent to Bid. The spreadsheet contains worksheets to collect fee quotations based on the current benefit plan design. **Please be certain to complete all worksheets. This worksheet is due at 4 p.m. CT (5 p.m. ET), Tuesday, March 8, 2016, and must be emailed to Dawn Reck at Willis Towers**

Watson. Do not upload the document to Enrollment Advisors. ***Please contact Dawn Reck (dawn.reck@willistowerswatson.com) at Willis Towers Watson with any questions regarding the Financial Worksheets (Exhibit A-9).***

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

Completing Pricing Worksheets

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

The Initial Bid Date for pricing is **Friday, March 4, 2016, 4 p.m. CT (5 p.m. ET)**. You are encouraged, but not required, to submit an initial bid by this date in order to familiarize yourself with the pricing function of Enrollment Advisors. You may further refine or modify your bid until the **final bid deadline of Tuesday, March 8, 2016, 4 p.m. CT (5 p.m. ET)**. Further detail on how to submit your bids is outlined in the Submitting Bids section of these Instructions.

Notes Regarding PBM Pricing

Fee quotes should assume:

- Plan effective date: January 1, 2017
- Pricing must include all mandatory items required in this RFP. Optional items may be proposed and selected by MCHCP at its discretion.
- Submitted prices for 2017 shall be firm, while pricing arrangements for 2018, 2019, 2020, and 2021 shall be submitted as guaranteed "not to exceed" amounts. Proposed prices are subject to negotiation prior to the award of a contract by MCHCP.
- Annual renewals are solely at the option of MCHCP. Renewal pricing arrangements are due by May 15 of each year and are subject to negotiation.

Submitting Bids

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

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

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

- Enter your rates well in advance of the required bid date. Please do NOT wait until the last minute to work on the pricing model worksheet because your bids must comply with the automated rules and data validation checks that have been implemented by MCHCP.
- Partial data entries can be saved; however, the validation rules (error checking) will not be run against your data until you complete the worksheet and either *Calculate* or *Submit* your data.
- To check that your data have been accurately entered for all worksheets, you should press the *Calculate* button at the top of the page. If your input complies with the validation rules, all of the rates will be calculated and totaled. Otherwise, the calculation and validation rules will not properly execute even if you press the *Calculate* button.
- You will be able to view your final rate submission prior to submitting to Enrollment Advisors.
- If your data are accurate and complete, click on the *Submit Bid* icon to submit your bid to Enrollment Advisors.
- Data that are submitted incorrectly will receive error messages when calculated or submitted.
- All data fields that are marked as a number or currency must be filled with a numerical value or 0. Blanks and text such as "n/a" are not permitted. If you attempt to *Submit* or *Calculate* your data with incomplete fields, you will receive an error message.
- Be sure to save your data often. Periodic saves will prevent you from losing data in the event the application times-out (for security purposes the system will automatically log you out after a specified time if there is no activity).

RFP Checklist

Prior to the March 8 close date, please be sure you have completed and/or reviewed the following:

Type	***Document Name***
Questionnaire	PBM Questionnaire
Questionnaire	Mandatory Contract Provisions Questionnaire
Pricing	PBM Pricing-Commercial
Pricing	PBM Pricing-EGWP
Response	Exhibit A-1 Intent to Bid.docx **DUE: February 15, 2016**
Response	Exhibit A-2 Limited Data Use Agreement.docx **DUE: February 15, 2016**
Response	Exhibit A-3 Proposed Bidder Modifications.docx
Response	Exhibit A-4 Confirmation Document.docx
Response	Exhibit A-5 Contractor Certification.docx

Type	*Document Name*
Response	Exhibit A-6 MBE-WBE Intent to Participate Document.docx
Response	Exhibit A-7 Sample Contract.docx
Response	Exhibit A-8 Business Associate Agreement.docx
Response	Exhibit A-9 Pricing Submission Worksheet.xlsx (to be provided after receipt of the signed *Intent to Bid* and **DUE: March 8, 2016** to Willis Towers Watson)
Reference	Introduction and Instructions – MCHCP PBM RFP.docx
Reference	Exhibit B – Scope of Work.docx
Reference	Exhibit C – General Provisions.docx
Reference	Attachment 1 – Current MCHCP Enrollment File.csv (access to this file is granted after receipt of the signed *Limited Data Use Agreement*)
Reference	Attachment 2 – File layout for MCHCP Enrollment File.docx
Reference	Attachment 3 – Network Pharmacy Layout.xlsx
Reference	Attachment 4 – MCHCP Region Map.pdf
Reference	Attachment 5 – Pharmacy claim extracts (these files will be shipped on CD after receipt of the signed *Limited Data Use Agreement*)
Reference	Attachment 6 – Claim field layout and definitions.xlsx

Contact Information

We understand that content and technical questions may arise. All questions regarding this document and the selection process must be submitted through the online messaging module of the Enrollment Advisors application by **Tuesday, February 16, 2016, 4 p.m. CT (5 p.m. ET)**.

For technical questions related to the financial worksheets (Exhibit A-9), please contact Dawn Reck of Willis Towers Watson at dawn.reck@willistowerswatson.com.

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

EXHIBIT B
SCOPE OF WORK

B1. GENERAL REQUIREMENTS

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

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

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

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

B2. ELIGIBILITY

B2.1 The contractor shall agree that eligible members are those employees, retirees and their dependents who are eligible as defined by applicable state and federal laws, rules and regulations, including revision(s) to such. MCHCP is the sole source in determining eligibility.

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

B3. PHARMACY NETWORK

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

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

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

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

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

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

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

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

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

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

B3.11 The contractor must provide, or contract with, Centers of Excellence for the management of patients with targeted specialty disease states (e.g. Hemophilia, Rheumatoid Arthritis).

B4. BENEFIT ADMINISTRATION

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

B4.2 The contractor must administer a plan to non-Medicare members and a separate CMS Part D Medicare Prescription Drug plan as an employer group waiver plan (EGWP) with wrap-around coverage to Medicare members.

B4.3 The contractor must be able to administer a multi-tiered co-payment structure, deductible/coinsurance structure, or any other benefit structure developed by MCHCP. MCHCP will consult with the contractor regarding the final benefit structure, but maintains authority on the final design. If MCHCP chooses a closed formulary approach, the contractor must develop and implement a clinical review exception process that provides coverage of non-formulary drugs in limited circumstances using evidence-based guidelines.

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

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

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

B4.7 The contractor must be able to implement changes to the program within 60 days of notification. This may include, but is not limited to, copayment changes, formulary changes, and/or changes in the prior authorization list. These changes are expected to be infrequent and many would likely be implemented at the beginning of a new plan year.

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

B4.9 The contractor must administer coordination of benefits as a wrap-around with Medicare for Part B pharmacy benefits as specified by MCHCP. The contractor must ensure its Part B solution must maximize Part B reimbursement prior to coordinating benefits with MCHCP's EGWP and Wrap plans pursuant to CMS guidelines.

B4.10 The contractor must notify MCHCP by June 1st of any anticipated drug exclusions planned for the following calendar year and that MCHCP may reject the annual formulary suggested change with no changes to the stated financials during the lifetime of the contract. Any proposed changes may only improve the rebate guarantees.

B4.11 The contractor must agree that the contractor's organization must never switch for a medication with a lower ingredient cost to a higher ingredient cost regardless of rebate impact without MCHCP's approval.

B4.12 The contractor must agree that their organization's mail order pharmacies do not accept manufacturer-sponsored coupons.

B4.13 The contractor must administer the EGWP on a self-insured basis, with pass-back to MCHCP of all third party funding sources including CMS direct subsidies, pharmaceutical coverage gap discounts, CMS catastrophic reinsurance, and CMS low income subsidies.

B4.14 The contractor must ensure its Part B solution must maximize Part B reimbursement prior to coordinating benefits with MCHCP's EGWP and Wrap plans pursuant to CMS guidelines.

B4.15 There must be no limitations on data that is required by MCHCP for the purposes of analyzing pharmacy costs and utilization (retail, mail or specialty).

B5. IMPLEMENTATION

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

- Training key staff;
- Detailed benefit setup;
- Testing of eligibility file transfer;
- Acceptable date for final eligibility file;
- ID card production and distribution;
- Testing file transmission to MCHCP's data warehouse vendor;
- Enrollment kit printing;
- Finalization of formulary, prior authorization list, step therapy, quantity level limits, and other clinical programs; and
- Plan for transitioning mail order and specialty refills from incumbent.

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

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

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

B6. CUSTOMER SERVICE

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

B6.2 By December 20, 2016, the contractor must provide identification cards to all members that will be effective on January 1, 2017 unless the member already has been issued a valid identification card. For members effective after January 1, 2017, the contractor must provide membership identification cards prior to the effective date of coverage, or within 15 working days of receipt by the contractor of the enrollment or status change notice from MCHCP, whichever date is latest. Upon a member's request, the contractor shall issue and mail a membership identification card within two business days of the request. The contractor shall re-card the entire population should a benefit change or other change in operation result in the identification card in the member's possession becoming obsolete.

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

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

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

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

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

B7. ACCOUNT MANAGEMENT

B7.1 MCHCP requires the contractor to meet in person with MCHCP staff and/or Board of Trustees at least quarterly to discuss the status of the MCHCP account in terms of utilization patterns and costs, as well as to propose new ideas that may benefit MCHCP and its members. These meetings will take place at the MCHCP office.

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

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

B7.1.3 The data must be separated between non-Medicare and EGWP populations.

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

B7.2.1 Be able to devote the time needed to the account, including being available for frequent telephone and semi-annual on-site consultation with MCHCP. Dedicated account team members may service other accounts but must consistently be available to MCHCP.

Offerors who are not committed to account service will not receive serious consideration.

B7.2.2 Be extremely responsive.

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

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

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

B8. COORDINATION WITH BUSINESS ASSOCIATES

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

B8.2 The contractor shall work with MCHCP's contracted high deductible health plan (HDHP) administrators (currently UMR and Aetna) to coordinate deductible and out-of-pocket accumulations. This requires the contractor to send a daily file to MCHCP's contracted HDHP administrators, and to accept a daily file from the contracted HDHP administrators, for the purpose of adjudicating and applying claims to a member's deductible and out-of-pocket maximum in real time.

B9. REPORTING

B9.1 The contractor shall agree to:

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

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

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

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

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

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

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

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

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

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

B10. PAYMENT

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

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

B10.3 The contractor must agree that MCHCP must not be responsible for any member contributions owed to the contractor. Collecting such fees must be the sole responsibility of the contractor.

B11. INFORMATION TECHNOLOGY AND ELIGIBILITY FILE

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

B11.1.1 It is MCHCP's intent to send a transactional based eligibility file weekly and a periodic full eligibility reconciliation file.

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

B11.1.3 After processing each file, the contractor will provide a report that lists any errors and exceptions that occurred during processing. The report will also provide record counts, error counts and list the records that had an error, along with an error message to indicate why it failed. A list of the conditions the contractor audits will be provided to ensure the data MCHCP is sending will pass the contractor's audit tests.

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

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

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

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

B11.3 The contractor shall agree to provide at no cost to MCHCP direct on-line, real time access to the contractor's system for the purpose of updating eligibility and member enrollment verification on an as-needed basis. The contractor must provide training on the system at MCHCP's office no later than December 1, 2016.

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

B12. CLINICAL MANAGEMENT

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

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

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

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

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

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

B13. QUALITY ASSURANCE PROGRAM

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

B13.1.1 Each prescription reviewed by a licensed pharmacist;

B13.1.2 Tracking abusive providers and members;

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

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

B14. GENERAL SERVICE REQUIREMENTS

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

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

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

B15. CLAIM PAYMENTS

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

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

B15.3 The contractor shall agree that if a claims payment platform change occurs throughout the course of the contract, MCHCP reserves the right to delay implementation of the new system for

MCHCP members until a commitment can be made by the contractor that transition will be without significant issues. This may include requiring the contractor to put substantial fees at risk and/or agree to an implementation audit related to these services to ensure a smooth transition.

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

B16. CONTRACT RENEWAL

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

B16.2 On an annual basis, MCHCP may review the financial terms of this Contract against comparable financial offerings available in the marketplace. Such review may be conducted by MCHCP's actuary and would consider the total value of the pricing terms (discounts, dispensing fees, administrative fees, rebates) to create an aggregate benchmark. Contractor will have ten (10) business days to offer a comparable or better financial arrangement following such request from MCHCP or its actuary. Upon agreement of the market check pricing by the parties, within ten (10) business days, Contractor will prepare and submit revised renewal pricing to be effective January 1 of the next succeeding contract year, beginning January 1, 2018, if applicable. Contractor understands and agrees that MCHCP will not have access to the details of other PBM financial arrangements utilized by its actuary to conduct this market check and, therefore, will not be able or required to provide Contractor such details at any time.

B17. CONTRACT TERMINATION

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

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

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

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

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

B17.1.5 Unless MCHCP specifies in writing a shorter period of time, Contractor agrees to preserve and make available all of its books, documents, papers, records and other evidence involving transactions related to this contract for a period of ten (10) years from the data of the expiration or termination of this contract. Matters involving litigation shall be kept for one (1) year following the termination of litigation, including

all appeals, if the litigation exceeds ten (10) years. Contractor agrees that authorized federal representatives, MCHCP personnel, and independent auditors acting on behalf of MCHCP and/or federal agencies shall have access to and the right to examine records during the contract period and during the ten (10) year post-contract period. Delivery of and access to the records shall be at no cost to MCHCP.

B18. PERFORMANCE STANDARDS

B18.1 Performance standards are outlined in Sections 16, 17 and 18 of the PBM Questionnaire. The contractor shall agree that any liquidated damages assessed by MCHCP shall be in addition to any other equitable remedies allowed by the contract or awarded by a court of law including injunctive relief. The contractor shall agree that any liquidated damages assessed by MCHCP shall not be regarded as a waiver of any requirements contained in this contract or any provision therein, nor as a waiver by MCHCP of any other remedy available in law or in equity.

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

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

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

B19.1 Certification of eligibility;

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

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

B19.4 Payment of monies due the contractor.

EXHIBIT C
GENERAL PROVISIONS

C1. TERMINOLOGY AND DEFINITIONS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

C1.17 **Generic Drug** means a legend drug or OTC that is identified by its chemical, proprietary, or non-proprietary name that is accepted by the U.S. Food and Drug Administration as therapeutically equivalent and interchangeable with drugs having an identical amount of the same active ingredient and so indicated by Medi-Span® (or mutually agreed upon nationally recognized publication if unavailable). Generic Drugs include all products involved in patent litigation, Single-Source Generic Drugs, Multi-Source Generic Drugs, Multi-Source Brand Name drugs subject to MAC, House Generics, DAW 0 claims and Generic drugs that may only be available in a limited supply.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

C1.45 **Specialty Drugs** means drugs that meet a minimum of three or more of the following characteristics: (a) produced through DNA technology or biological processes; (b) target chronic or complex disease; (c) route of administration could be inhaled, infused or injected; (d) unique handling, distribution and/or administration requirements; (e) are only available via limited distribution model to Specialty Pharmacy provider(s), per manufacturer requirements; and (f) require a customized medication management program that includes medication use review, patient training, coordination of care and adherence management for successful use such that more frequent monitoring and training may be required.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

C2. GENERAL BIDDING PROVISIONS

C2.1 It shall be the bidder's responsibility to ask questions, request changes or clarification, or otherwise advise MCHCP if any language, specifications or requirements of an RFP appear to be ambiguous, contradictory, and/or arbitrary, or appear to inadvertently restrict or limit the requirements stated in the RFP to a single source. Any and all communication from bidders regarding specifications, requirements, competitive procurement process, etc., must be directed to MCHCP via the messaging tool on the HighRoads web site, as indicated on the last page of the *Introduction and Instructions* document of the RFP. Such communication must be received no later than Tuesday, February 16, 2016 4 p.m. CT (5 p.m. ET).

Please contact Dawn Reck (dawn.reck@willistowerswatson.com) at Willis Towers Watson with any questions regarding the Financial Worksheets.

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

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

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

C2.3 MCHCP monitors all procurement activities to detect any possibility of deliberate restraint of competition, collusion among bidders, price-fixing by bidders, or any other anticompetitive

conduct by bidders, which appears to violate state and federal antitrust laws. Any suspected violation shall be referred to the Missouri Attorney General's Office for appropriate action.

C3. PREPARATION OF PROPOSALS

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

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

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

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

C4. DISCLOSURE OF MATERIAL EVENTS

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

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

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

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

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

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

engagement covered by this RFP and/or which come to the attention of or should have been known by any individual or office of the bidder designated by the bidder to monitor and report such matters.

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

C5. COMPLIANCE WITH APPLICABLE FEDERAL LAWS

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

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

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

ATTACHMENT 2
LAYOUT FOR MCHCP ENROLLMENT FILE

Bidders should use only subscribers (Relation = 01) for GeoAccess reporting. There are 54,224 subscribers on this file (43,190 Commercial; 11,034 EGWP).

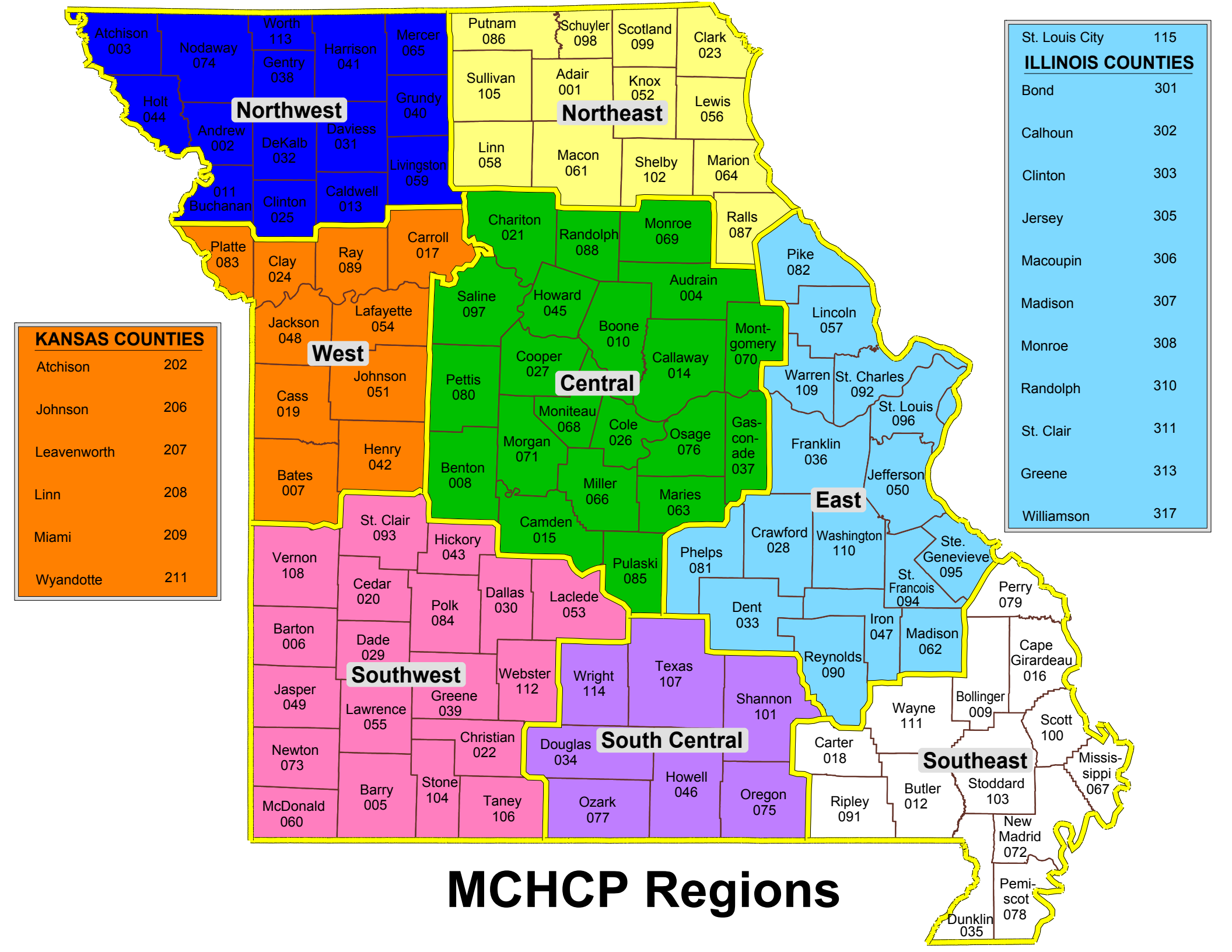
Field Name	Description
Unique ID	Number assigned by MCHCP
Relation	Identifies if member is subscriber, spouse, or child 1 – subscriber 2 – spouse 3 – child
Cov Level	Identifies member's level of coverage MI – Employee Only MS – Employee and Spouse MC – Employee and Child(ren) MF – Employee, Spouse, and Child(ren) DP – COBRA Child SC – Surviving Child
Status	Identifies status of member ACT – Active Employee RTN – Retired Employee CBR – COBRA Participant DSB – Participant on Long Term Disability SVR – Survivor VES – Vested Participant FOS – Foster Parent
Medicare	Indicates if subscriber is on Medicare N – Subscriber does not have Medicare P – Subscriber does have Medicare S – Spouse of Subscriber has Medicare B – Subscriber and Spouse both have Medicare
Zip	5-Digit Zip Code
YOB	Year of Birth (yyyy)
Gender	M – Male F – Female
Commercial-EGWP	C – Commercial Plan E – EGWP Plan

Attachment 3

Network Pharmacy File Layout

File Type: CSV

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



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

ILLINOIS COUNTIES	
St. Louis City	115
Bond	301
Calhoun	302
Clinton	303
Jersey	305
Macoupin	306
Madison	307
Monroe	308
Randolph	310
St. Clair	311
Greene	313
Williamson	317

MCHCP Regions

Table Structure	Definitions	Field Value	Value Description
carrier_nme			
elig_group_operational_id	A number (originating from an operational system) that uniquely identifies the GROUP under which a MEMBER is eligible, as determined by Eligibility.		
bpl (***Commercial only***)	The identifier of the Benefit Plan Level (BPL) currently in use by ESI West Customers.		
phcy_claim_id	An AGN (Artificially Generated Number) that uniquely identifies a PHARMACY CLAIM.		
serviced_dte	The date when a PRESCRIPTION was filled or a PROFESSIONAL SERVICE rendered.		
adjustment_reason_cde	A 3-character code describing the reason an adjustment was made to a CLAIM (after its original adjudication).	0	Reason Code Does Not Apply to Adjustment
		100	Paired Adjustment - Flat
		110	Paired Adjustment - Flat Copay (FEP)
		130	Paired Adjustment - Flat Amount Greater Than $10,000
		200	Paired Adjustment - Flat Credit to History
		300	Paired Adjustment - Reprice Transaction (Bypass Master Files)
		400	Paired Adjustment - Reprice Transaction (No Master File Bypass)
		500	Paired Adjustment - Reverse Original Claim With No Further Action
		520	Paired Adjustment - Pharmacy Claim Full Reversal
		595	Paired Adjustment - Lump Sum Charge Pharmacy
		596	Paired Adjustment - Prorated Charge Pharmacy
		600	Paired Adjustment - Reverse Original Claim With No Further Action
		620	Paired Adjustment - Direct Claim Full Reversal
		630	Paired Adjustment - Direct Claim Full Reversal of Net Check
		695	Paired Adjustment - Lump Sum Credit to History
		696	Paired Adjustment - Prorated Credit to History
		730	Reversal/ Resubmission After Manifest
		740	Commercial / MED D Crossover; Hold Pharmacy Harmless; Impact Invoicing Only
		A05	Unit AWP Change
		A10	Metric Quantity Change
		A15	NDC Change
		A18	NDC & Quantity Change
		A25	Full Reversal
		A50	Copay Change
		A55	Deductible Change
		A60	COB (Coordination of Benefits)
		A65	Ingredient Cost Paid
		A70	Sales Tax
		A75	Dispensing Fee Change
		A80	DAW Change
		A87	Lump Sum/Pro-rated Adjustment
		A90	Non-Formulary Adjustment (Hold Harmless)
		A91	Non-Formulary Adjustment (32T)
		A92	Non-Formulary Adjustment (CCN Incentive)
		A93	Non-Formulary Adjustment (Audit Recovery/Sharing Record)
		A95	Audit Recovery (Metric Quantity, I.C., NDC) - A Credits
		A96	Audit Recovery (Metric Quantity, I.C., NDC) - B Credits
		A97	Non-formulary Adjustment/General
adjustment_type_cde	A 1-character code describing the type of adjustment made to a CLAIM (after its original adjudication).	A	Adjustment
		C	Credit
		P	Payment
		R	Reversal
		blank	Original Claim
bil_product_service_id	An identifier of a dispensed DRUG/product and/or service provided.		
brand_nme	The brand name appearing on a package label.		
drug_name	Text that may be used on a package label. Typically consists of brand name, strength description and dosage form description.		
strength_dsc	A description of the potency of a DRUG form. Usually a combination of the strength value and unit of measure, e.g. "10MG". May contain other descriptors such as needle size or length for medical supplies.		
fill_qty	The quantity of medication dispensed expressed in metric decimal units. For example, the PRESCRIPTION may specify 60 pills (the rx_qty), but the PHARMACY dispenses 120 pills to cover the prescribed quantity and one refill (fill_qty = 120).		
fill_days_supply_qty	The number of days the dispensed (not prescribed) supply will last. For example, if a doctor prescribes 30 pills with instructions to take 3 pills a day, the fill_days_supply_qty = 10.		
channel90	A 1-3 character code describing the fulfillment channel of a PHARMACY CLAIM including any retail 90 claims based on the client's set-up.	M	Mail (MRx)
		R	Retail
		R90	Retail 90 Network
billing_daw_cde	A 1-character code describing the dispensing of a PRESCRIPTION as adjudicated (and as reported to the CLIENT, based on information from the billing system).	0	No Product Selection Indicated
		1	Substitution Not Allowed by Prescriber
		2	Substitution Allowed - Patient Requested Product Dispensed
		3	Substitution Allowed - Pharmacist Selected Product Dispensed
		4	Substitution Allowed - Generic Drug Not in Stock
		5	Substitution Allowed - Brand Drug Dispensed as Generic
		6	Override
		7	Substitution Not Allowed - Brand Drug Mandated by Law
		8	Substitution Allowed - Generic Drug Not Available in Marketplace
		9	Other
fill_drug_formulary_ind	Indicates whether or not a DRUG was on a FORMULARY at the time a CLAIM was adjudicated.	Y	Yes
		N	No
claim_count_nbr	The SOLE PURPOSE of this data element is to facilitate a net count of CLAIMs (factoring in credits/adjustments) to match the CLIENT Invoice generated by the Integrated Billing System.	-1,0,1	
patient_id	An AGN (Artificially Generated Number) that uniquely identifies an individual PATIENT, regardless of changes in coverage or the number of plans with which he/she is affiliated (a single patient_id can be associated with more than one member_id).		
nabp_nbr	A number assigned by the NABP (National Association of Board Pharmacies) that identifies a PHARMACY.		
phcy_nme	The name of a PHARMACY.		
pharmacy_city	The name of the city, town, etc. as it would be used for the delivery of mail.		
pharmacy_state	A 2-character code identifying one of the 50 United States, the District of Columbia and other outlying areas of the US (e.g., Puerto Rico), and the Canadian provinces, as classified by the US Postal Service.		
phcy_zipcode	The zip code component of the geographic ADDRESS.		
group_ind (***Commercial only***)	Indicates Active, Pre65 or Post65 group		