

CIS Responses to Vendor Questions
PBM RFP
September 23, 2015
Addendum #1

A. BACKGROUND

On September 4, 2015, CIS issued a Request for Proposals (RFP) for pharmacy benefit management services.

CIS is issuing this Addendum to the RFP to respond to written questions we received from potential proposers. The Addendum modifies the original RFP document only to the extent indicated. All other areas of the original RFP remain in effect and can only be modified in writing by CIS. This Addendum is made an integral part of the original RFP. It is the responsibility of all proposers to conform to this Addendum. This Addendum, dated September 23, 2015, is the final version of this document. All other versions are void. Proposers who have already submitted proposals may either: 1. submit an addendum to their proposal; or 2. withdraw the original proposal and submit a new one. Any addendum or revised proposal must be submitted no later than the **Proposal Due Date of 5:00 p.m. (PDT) on October 2, 2015.**

B. RESPONSES TO QUESTIONS

- Please confirm that the 2 requested hard copies can be postmarked October 2nd with delivery on October 5th so long as the electronic proposal is received by 5pm PST on Friday October 2nd.
ANSWER: Yes, as stated in Section IIID(1) and (2) of the RFP, completed electronic copies of the proposal must be received by the RFP Contact Person no later than 5:00 p.m. PDT on Friday, October 2, 2015. The printed copies CIS has requested will be considered timely delivered if postmarked on or before October 2, 2015 and received no later than October 5, 2015. The printed copies must be identical to the electronic copies. Proposers may not submit information that is new or different from what is included in the electronic copy.

- Many vendors have asked why their company was included in the notification process.
ANSWER: CIS staff are members of the State and Local Government Benefits Association (SALGBA) and requested a list of PBM vendors from them.

- Please confirm what CIS stands for. The RFP introduction reference Citycounty Insurance Services. Is Citycounty correct, or should it be either City or county?
ANSWER: Citycounty is correct.

- It appears as though CIS offers health and welfare benefits to ~270 public employers. Please confirm this is accurate and advise how each group is handled from a plan benefit, eligibility and account team perspective? In other words, will one account team (Account Executive, Account Manager and Clinical Advisor) work directly with CIS or is the expectation that the account team interact and meet with the

270 employers? Similarly, will we receive one eligibility feed for all employers and are the plan designs (4) provided in the RFP managed and maintained by CIS and each employer must choose one or a combination of the 4?

ANSWER: CIS will be the main point of contact with one account team. One eligibility file will be provided by CIS. Vendors will not have to independently manage all 270 employers. Employers are offered a choice of various medical plan designs which include one of the four Rx plan designs provided. Depending on the size of the employer, a choice of multiple plans may be available.

- Why is CIS marketing their prescription benefits? What is their status with the incumbent (Regence)?

ANSWER: CIS feels it necessary to reevaluate the pharmacy vendor in order to provide its members with the most cost effective pharmacy program. CIS is taking a more active role in managing the overall pharmacy program and pharmacy trend.

- Is CIS requesting a Traditional or Transparent financial offer?

ANSWER: CIS would like to evaluate the merits of both offers.

- Do they have excluded products either through the plan design or with the incumbent's formulary? Will CIS align with our standard formulary which excludes some high cost brands?

ANSWER: Excluded products are listed in the member handbooks. If CIS selects a new pharmacy vendor, CIS would align to a new formulary.

- What type of retail network is offered today – broad national network, narrow network, retail 90? Are there any pharmacies excluded?

ANSWER: CIS is using a broad network, no excluded pharmacies, and retail 90 is offered to the HDHP members.

- Do any of the plans requirement mandatory or incentivized mail? In other words, are members required to use mail order for a 90 day supply on maintenance medications after filling a specified number of 30-day retail fills?

ANSWER: No, members are not being incentivized to use mail order or retail 90 at this time.

- What is the primary reason that CIS is having an RFP issued for PBM services?

ANSWER: CIS feels it necessary to reevaluate the pharmacy vendor in order to provide its members with the most cost effective pharmacy program. CIS is taking a more active role in managing the overall pharmacy program and pharmacy trend.

- How long has CIS been with their current PBM?

ANSWER: Over 30 years.

- Is CIS unhappy with any particular element of the deal with their current PBM?
ANSWER: No, they are not unhappy with a specific part of their program. CIS feels it necessary to reevaluate the pharmacy vendor in order to provide its members with the most cost effective pharmacy program. CIS is taking a more active role in managing the overall pharmacy program and pharmacy trend.
- Is the current deal pass through or traditional? Is there a preference?
ANSWER: They would like to see proposals for both contract types. Current contract is primarily pass-through for pharmacy network rates.
- What is the most important quality that the new PBM will possess?
ANSWER: The qualities most important to CIS are described in Section III(D)(3) of the RFP document. All proposers and their proposals will be evaluated using the criteria in that section. In particular, proposers should ensure their proposals describe their ability to provide exceptional member and Account Management services coupled with deep discounts and aggressive rebates, all backed by meaningful performance guarantees.
- Is the medical benefit management out to bid as well?
ANSWER: Medical has already been evaluated.
- Is there an agent involved? If yes, who is that agent and what firm do they represent?
ANSWER: No agent is involved.
- Outside of the exhibits being provided, is PBM able to mark individual response content as proprietary and/or confidential within the RFP document or can this information only be provided within the cover letter?
ANSWER: Yes. As a reminder, Section IV(G) of the RFP document states that a blanket statement that all contents of the proposal are proprietary cannot be honored by CIS. We are a public entity subject to Oregon public records law.
- RFP Question #63: Is CIS open to billing of pharmacy claims on a bi-monthly basis (i.e., the 16th and last day of the month) v. bi-weekly?
ANSWER: Billing will occur twice per month, predetermined dates are fine.
- RFP Question #95 and #100 both ask about CIS-specific messaging to members, are these inquiring about the same messaging or should they be answered differently?
ANSWER: Yes, these are very similar questions, please omit Question # 100.

- RFP Question #103: Please confirm that this question is asking if members can view integrated deductible information through the member portal.
ANSWER: Yes
- RFP Question #115: What additional data fields does CIS anticipate needing within the data file?
ANSWER: CIS will need access to all member, pharmacy, prescriber and drug information related to the claims. Indicators for specialty, mail order, retail, compounds, MAC and Non-MAC, generic and brand, and number of manufacturers per drug will be needed.
- RFP Question #127: This appears to be a duplicate of question #120, please indicate if this should be answered differently than #120.
ANSWER: Yes, these are very similar questions, please omit Question #127.
- Will all the cases be implemented at the same time, or are they staggered throughout the year.
ANSWER: All employer groups will be implemented on January 1, 2017.
- What type of specialty arrangement is being offered today – Exclusive or Open?
ANSWER: CIS currently utilizes an exclusive relationship with Walgreens.
- Is Generic Step Therapy in place on any of the plans? If so, which plans and in what classes or drugs are subject to use of a generic before a brand will pay?
ANSWER: CIS has many Step Therapy criteria in place in conjunction with the Prior Authorization program (definition: equally effective generic(s) and/or brands must be tried before the PA required brand is allowed. See attached chart.)
- What, if any, utilization management is currently in place (i.e. Prior Authorizations, Quantity Limits, etc.)? Please provide these details.
ANSWER: The programs include:
 - **Behavioral Health Program:** This program identifies members who have filled an SSRI/SNRI medication within the prior six months and are 65 percent or less adherent to their regimens. PBM sends members a letter reminding them of the importance of taking their medications and overall tips for good mental health.
 - **Controlled Substance and Muscle Relaxant Utilization:** Identifies both commercial and Medicare Part D members. We send a letter to providers whose patients receive specific medications in a three-month period.
 - **DDI Statins Program:** This program identifies members on one of these drugs: atorvastatin, lovastatin or simvastatin **and** on one of these drugs: diltiazem, verapamil, gemfibrozil or amlodipine which could result in a serious drug-drug interaction. PBM sends letters to any prescriber who prescribed a target medication for that member alerting them of the potential interaction.

- **Dispense as Written (DAW) 2:** Identifies members whose prescription claims are being filled as brand medications using the DAW 2 code.
- **Generic Incentive:** Allows members to receive up to a 30-day supply of certain generics at no cost instead of a brand drug.
- **Half Tablet:** Members can receive a higher strength medication and cut it in half, giving them a 60-day supply for one copayment.
- **Medication Check-Up:** Encourages both commercial and Medicare Part D members to bring their medication bottles to their next scheduled office visit for a medication review with their prescriber(s) in the box we have mailed them.
- **New and Upcoming Generics:** Mailing that informs members which generics are new and expected to become available. We send this letter to members who have a history of brand utilization with any new or upcoming generic medication on the list.
- **Site of Care Program:** PBM would identify members needing infusions and advise them of the opportunity to access equal quality and lower-cost infusion sites or even home infusion. The program decreases health care costs, while enhancing patients' quality of life and satisfaction. **Site of Care is being added 1/1/16 for CIS.**
- **Sleeper/Stimulant:** Identifies members on both stimulant and sleep medications. We send letters to any prescriber who prescribed a stimulant or sleep medications for one member.
- **Step Therapy, Quantity Level Limits and Prior Authorization:** Promote proper use of medications, while deterring unproven or experimental uses. PBM pharmacists and physicians check for medications that:
 - May be prone to overuse or are used longer or in higher quantities than are recommended.
 - Have other less expensive medications that may be an option.
 - Have limited uses based on scientific studies or FDA approval.
 - May be prescribed for conditions that are not a covered benefit.
 - Require medical diagnostic tests to ensure a medical benefit.

- Does CIS offer a preventive drug list on the HDHP whereby drugs will bypass the deductible and pay first dollar?

ANSWER:

- For HDHP plans under CIS, the deductible is waived but the copay/coinsurance applies for medications on the Value Based list. This will be the same in 2016 with the Optimum Value list medications.
- As far as the ACA Preventive list, the deductible and copay/coinsurance are waived on medications on the ACA Preventive List as required by law. ACA Preventive List is attached.

- Please confirm that PDF attachments are acceptable for emailed copy.

ANSWER: Yes PDF of most items are fine. Please provide the pricing files in MS Excel.

- Please identify how vendors should identify proprietary and confidential information within the Questionnaire response. Since 'a blanket statement that all contents of the proposal are proprietary will not be honored by CIS', how should we identify information that we wish not to be publically disclosed. Are we permitted to only mark pages of the questionnaire that have proprietary/confidential contents on that page? Or should we mark each question we consider

proprietary and confidential?

ANSWER: You can mark each question as confidential as needed. If vendors feel more comfortable, you can submit a second RFP response that has all the confidential information removed from the response. If you choose to submit a second RFP response in this manner, it must be submitted by the deadline.

- Please confirm that vendor can supply a 'sample' PBM contract in response to the requested contract. A final contract will include all RFP language.

ANSWER: Yes

- Please provide an overview of CIS overall healthcare objectives and how prescription benefits fits into the strategy?

ANSWER: CIS' healthcare strategy is consistent with CIS' overall strategy/goals – to provide the best plans at the best price, to be highly valued by members, to be financially viable, and to aggressively manage risk. More than ever before, prescription drugs are a driver of price and financial viability, and provide an opportunity for health risk management. Prescription drugs account for the most claims in our medical plans, and managing them well is critical to member satisfaction.

- Does CIS cover retirees and do they have access to the same 4 plans or are they handled through an EGWP or RDS? How many retirees are eligible under the plan?

ANSWER: By Oregon law, non-Medicare eligible retirees from public employers have to be offered the same plans that are offered to active employees. Therefore, the same four plans are offered and we have approximately 562 retirees currently covered. We do not offer coverage to Medicare-eligible retirees.

- Are there any fees that the plan pays outside of the claims file? (Administrative or otherwise)

ANSWER: No, the current contractual arrangement does not provide for any such fees.

- Is there a 90 day at retail program?

ANSWER: Yes, the High Deductible plan offers 90 days at retail.

- Does the plan currently have an Exclusionary Formulary today?

ANSWER: No, the current formulary is an open formulary.

- Retirees were mentioned in the member count, is there a need for EGWP or RDS services?

Answer: No

- Total Pharmacy members mentioned in RFP (20,130) are different than the number in the claims summary (15,263). Do you have an up-to-date total, active and retiree lives count?
ANSWER: Current membership is 20,130. The 15,263 membership count relates directly to the previous 12 most current months of data (2014 and 2015).
- Please confirm that no re-pricing is expected (no access to data files yet and wanted to ensure a claims file was not part of the files)
ANSWER: No repricing to be completed. Data files will be released after the BAA is signed.
- Please confirm the proper naming convention preference that bidder's should use in our proposal response (CIS or Citycounty Insurance Services or anything else).
ANSWER: CIS
- Please provide the prospect's current formulary.
ANSWER: Please see the current formulary list attached to this email.
- Regarding RFP question 146, please provide a list and description of the CIS current wellness programs.
ANSWER: Weight management, tobacco cessation, employer wellness grants for worksite wellness programs that support changes in behavior, health fairs, & health screenings.
- What are the expected member and pharmacy call center hours of operation?
ANSWER: 24/7/365
- What are the annual prior authorization volumes (for clinical and separately for administrative PAs)?
ANSWER: 21 per 1,000 members per year.
- Regarding RFP Section VIII, please list the anticipated Utilization Management and Clinical Programs.
ANSWER: Please see the current program listings attached to this email.
- Are there any specific service issues with the current vendor?
ANSWER: No, there are no specific issues with the current vendor.
- Are there any pricing issues with the current vendor?
ANSWER: No, there are no specific pricing issues with the current vendor.

- Are agreement to questions #197 and #198 required to be awarded the contract?
ANSWER: No, but if presenting a pass-through contract, it would strengthen the offer and provide the additional information for future audits.
- Is there a weight apportionment schedule for the Evaluation Criteria?
ANSWER: Proposals will be evaluated based on all of the criteria listed in Section III(D)(3) of the RFP document; however, the sections of the proposal that address cost schedule, clinical programs, and the ability to meet the defined brand and generic definitions will receive higher weighted scores over other sections of the proposal.
- Does CIS prefer pharmacy claims be billed separately from administration and clinical program fees? If so, is this mandatory?
ANSWER: CIS is flexible to the billing options, although they prefer to be billed monthly for admin and clinical fees.
- Is question #147 about integrating pharmacy and medical claims data to determine the ability of a PBM to incorporate diagnoses into the claim adjudication process or to determine appropriate utilization in retrospective reviews?
ANSWER: Yes.
- Section II. Scope of Work, item 16 – Please describe how PBM should provide services related to CIS Portal.
ANSWER: This relates to the CIS portal. PBMs should provide detailed information about the types of services or information that CIS can post to help their members better understand their benefits, access medications quickly and at the lowest cost, and provide direction to other resources or websites that can further assist the member.