



citycounty insurance services
www.cisoregon.org

Request for Proposals (RFP)

Prescription Drug Benefit Consulting Services

CIS (Citycounty Insurance Services)
1212 Court Street NE
Salem, OR 97301
(503) 763-3800

RFP Schedule	
Issuance of RFP:	May 20, 2015
Submission of Questions about the RFP:	May 27, 2015
Proposal Due:	June 8, 2015
Anticipated Contract Award:	July 8, 2015

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**REQUEST FOR PROPOSALS
FOR
PRESCRIPTION DRUG BENEFIT
CONSULTING SERVICES**

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I. INTRODUCTION

A. PURPOSE

CIS seeks a qualified pharmacy consultant to assist with development of a more transparent Pharmacy Benefit Management (PBM) arrangement with their current PBM for the January 1, 2016 plan year, as well as conduct an RFP for PBM services for the January 1, 2017 plan year. The selected consultant will perform a contract and claims audit for the current program and develop, distribute and analyze the results of a PBM RFP.

B. BACKGROUND

CIS (Citycounty Insurance Services) is a public entity that provides insurance and risk management services to Oregon cities and counties and other public entities created by these cities and counties. Based in Salem, CIS was formed in 1981 by its parent organizations, the League of Oregon Cities and Association of Oregon Counties. The majority of cities and counties in Oregon participate in one or more CIS programs (property, liability, workers' compensation, and health benefits). These participating entities are considered CIS members.

A component of CIS is its employee benefits program, which is called CIS Benefits. Approximately 270 public Member Employers enroll 12,000 active employees and retirees and cover approximately 14,000 dependents in some combination of medical, dental, vision, life, voluntary life and disability coverage. These Member Employers range in size from one up to 600 employees and many are subject to collective bargaining. In addition to insurance products, CIS Benefits offers its members an extensive health risk management/wellness program, sponsored flexible spending account/pretax programs, COBRA and retiree administration, and related services. All premium contributions made by employers/employees become part of either the city or county trust, and are used exclusively for the provision of benefits.

CIS Benefits offers Member Employers a choice of either Regence (self-funded PPO plan) or Kaiser (insured HMO plan) for medical/RX coverage. It is the self-funded Regence pharmacy program that the selected PBM consultant will market and analyze.

Pharmacy Claim Characteristics:

- Annual Prescription Claims – ~225k
- 2014 Pharmacy Gross Spend Inclusive of Specialty - ~\$15.1M
- Mail Penetration as a Percentage of Spend – 14%
- Generic Dispensing rate is 84.7% per the PBM audit done by Rx Benefits

II. SCOPE OF WORK

The preferred proposer must be flexible, have experience with public entity clients, and demonstrate knowledge and depth of understanding of public entity characteristics. The consultant will clearly demonstrate excellence in conducting similar RFPs for large pools and/or public agencies like CIS. Actual consulting work will be initiated after the award of the contract.

Objectives of the project- Plan Assessment and PBM RFP:

- A. Assess current PBM practices and claims data to ensure that proper and accurate management of the CIS prescription plan is occurring; identify any financial opportunities between current practices and actual discounts and rebates.
- B. Identify any areas of concern with other components of current processes and provide applicable recommendations.
- C. Identify any opportunities for greater savings; specific contractual language that should be considered, including plan management, process improvements and clinical programs, etc.
- D. Develop a 2017 Prescription Drug program for CIS that includes the optimal, best in class:
 - a. Formulary and specialty drug program
 - b. Retail and mail order administrative and dispensing fees
 - c. Drug discount formulas
 - d. Rebate formulas or per claim guaranteed rebates per administrative contracts.Note that CIS will also consider pass through, fully transparent PBM models.
- E. Assist with creation of an initial implementation plan for the 2017 PBM program.
- F. Advise CIS on differences between the 2016 and 2017 PBM programs that may trigger collective bargaining issues.

The consultant shall offer a contract (between the consultant and CIS) that is agreeable to CIS.

A strict timeline must be followed for this project, and the selected proposer must be able to accommodate the schedule in order to meet the objectives of CIS. Project work must begin no later than July 10, 2015. Duties will include, but not be limited to, the following:

1. Conduct PBM plan audit and meet with CIS to present findings no later than Monday, **September 7, 2015**
2. Develop (in conjunction with CIS staff) a PBM RFP
3. Distribute the RFP and manage the process while observing appropriate public sector purchasing guidelines
4. Complete an analysis of the marketing and present findings and recommendations to CIS no later than Monday, **November 2, 2015**
5. Be available to CIS for any questions or related follow up clarifications as needed

III. SCHEDULE AND SUBMITTAL

A. RFP AND EVALUATION SCHEDULE

Issuance of RFP:	May 20, 2015
Deadline to Submit Written Questions about the RFP:	May 27, 2015
Responses to Questions Posted:	May 29, 2015
Proposal Due Date:	June 8, 2015
Evaluation of Proposals, Finalists Selected:	June 15, 2015
Finalist Interview, if necessary	Week of June 22, 2015

B. DESIGNATED CONTACT PERSON

Jane Perlas
The Partners Group
Employee Benefits Team Lead
Email: jperlas@tpgpr.com
Phone: (503) 726-5746
Fax: (503) 726-5747

C. WRITTEN QUESTIONS

If proposers have questions about the RFP, they are encouraged to submit them as soon as possible, but no later than the **5:00 p.m. (PDT) on May 27, 2015**. Questions must be in writing and may be e-mailed to the contact person above. CIS will not be obligated to answer any questions received after the deadline, or any questions submitted in a manner other than as instructed above.

CIS' responses to written questions will be emailed to recipients of record and posted on CIS' website (www.cisoregon.org/general/rfs.aspx) no later than **May 29, 2015**.

D. PROPOSAL SUBMITTAL

1. General

Proposals must be received by **5:00 p.m. (PDT) on June 8, 2015**. Any proposal received after this date and time will not be considered.

Delivery of proposals by the specified deadline is the sole responsibility of the Proposer. CIS will not be responsible for, nor accept as a valid excuse, any delay the method of delivery used by the Proposer resulted in except where it can be established that CIS was the sole cause of the late receipt.

2. Method of Submittal

The proposal must be submitted in electronic form in an email to jperlas@tpgrp.com.

3. Evaluation Criteria

All proposals received in accordance with these RFP instructions will be evaluated to determine if they are complete and meet the requirements specified in this RFP. An award will be made to the Proposer whose offer is judged to be the most advantageous to CIS, though CIS expressly reserves the right to reject all proposals and make no award under this RFP.

The following criteria will be considered in evaluating the proposals:

- Quality of the proposal, including an expressed understanding of CIS' requirements;
- Cost Schedule;
- Qualifications;
- Miscellaneous, including exceptions/deviations

IV. GENERAL INSTRUCTIONS

A. ORAL COMMUNICATIONS

Any oral communication by CIS' contact person(s) or designee concerning this RFP is not binding and shall in no way modify the RFP or the obligations of CIS, a proposer or selected firm(s).

B. CHANGES TO RFP

If it is necessary to make material changes to the RFP, CIS will issue a written RFP addendum. This includes responses to written questions received by the specified deadline. All such addenda issued shall become part of the RFP.

CIS will e-mail written RFP addenda to all recipients of record of the original RFP and post such addenda on CIS' website (www.cisoregon.org/general/rfs.aspx). Recipients of record are those parties to whom CIS directly sent a copy of the RFP.

It is the responsibility of each proposer to ensure they have all addenda CIS has issued. This may be done by going to the website listed above prior to the proposal submittal deadline.

C. EXCEPTIONS / DEVIATIONS

Any exceptions to or deviations from the requirements set forth in this RFP, must be declared in the proposal submitted by the Proposer. This includes any services described in Section II above that the Proposer does not intend to provide. Such exceptions or deviations must be segregated as a separate element of the proposal under the heading "Exceptions and Deviations."

D. AUTHORIZATION TO DO BUSINESS

The Proposer must be authorized to do business in the State of Oregon and in the local jurisdiction in which it is located or where the work will be performed.

E. PRE-CONTRACTUAL EXPENSES

CIS shall not be liable for pre-contractual expenses incurred by a proposer in the preparation of its proposal and proposers shall not include any such expenses in their offers. Pre-contractual expenses are defined as expenses incurred by the Proposer to: (1) prepare and submit its proposal to CIS; (2) negotiate with CIS on any matters related to this RFP; and (3) any other expenses incurred by the Proposer prior to the date of award, if any.

Issuance of this RFP and receipt of proposals does not commit CIS to award a contract. CIS reserves the right to postpone the award for its own convenience, to accept or reject any or all proposals received in response to this RFP, to negotiate with more than one proposer simultaneously, or to cancel all or part of this RFP.

F. WITHDRAWAL; PROPOSAL IRREVOCABLE FOR 90 DAYS

A Proposer may withdraw its proposal at any time prior to the submittal deadline by sending CIS a request in writing from the same person who signed the submitted proposal. As of the

deadline for submittal, any proposal received by CIS and not withdrawn becomes an irrevocable offer available for acceptance by CIS immediately and for 90 days thereafter. The Proposer is responsible for the accuracy of the proposal submitted, and no allowance will be made for errors or price increases that the Proposer later alleges are retroactively applicable.

G. DISPOSITION OF PROPOSALS

All materials submitted in response to this RFP become the property of CIS, except for information identified by the Proposer as being proprietary. A blanket statement that all contents of the proposal are proprietary will not be honored by CIS. Please note that as a public entity, CIS is subject to Oregon public records law, which may require the disclosure of information regarding proposals or a subsequent contract.

H. IMMATERIAL DEFECTS IN PROPOSAL

CIS may waive any immaterial deviation or defect in a proposal. CIS' waiver shall in no way modify the RFP documents or excuse the Proposer from full compliance with the RFP if awarded the contract.

I. WRITTEN AGREEMENT

The Proposer selected for contract award through this RFP shall be required to enter into a written agreement with CIS governing the provision of professional services to CIS.

The agreement will also include, to the extent applicable, the provisions described in **Appendix A** and any terms or conditions added by addendum.

Proposer will also be required to enter into a HIPAA Business Associate Agreement with CIS. A copy of the agreement is included as **Appendix B**.

It is anticipated that the Proposer may enter into separate agreements with subcontractors to fulfill the terms of this contract. CIS will not be a party to those separate agreements, nor in any fashion a guarantor or indemnitor of them.

J. TERM OF CONTRACT

If a contract is awarded through this RFP, it will be effective upon full execution of the agreement, which CIS expects to be on or about July 8, 2015. No agreement with CIS shall be in effect until a contract has been approved by the CIS Board of Trustees or designee, and has been signed by both parties.

K. NEWS RELEASES

News releases pertaining to any award resulting from this RFP may not be issued without the prior written approval of CIS.

V. PROPOSAL FORMAT AND CONTENT

The proposal submitted in response to this RFP must contain the information required in Sections A through D below. Brevity is preferred.

A. COVER LETTER

All proposals must include a cover letter addressed to the contact person in Section III, B above. At a minimum, the cover letter must contain the following:

- Identification of the Proposer, including business name, address and telephone number.
- Name, title, address, telephone number, fax number, and e-mail address of a contact person during the period of proposal evaluation.
- Acknowledgment of RFP addenda received, if any.
- A statement that the proposal shall remain valid for a period of not fewer than **90** days from the due date for proposals.
- Any exceptions to any specified criteria in this RFP.
- Identification of any information contained in the proposal which the Proposer deems to be confidential or proprietary and wishes to be withheld from disclosure. A blanket statement that all contents of the proposal are confidential or proprietary will not be honored by CIS.
- Signature of a person authorized to bind the offering firm to the terms of the proposal.

B. RFP QUESTIONNAIRE

Complete and submit the RFP Questionnaire in Microsoft Word format, as provided.

C. SAMPLE CONTRACT

Submit a copy of your proposed written agreement for the provision of professional services to CIS with your response. Required provisions for the agreement are described in Section IV (I) above and **Appendix A** below.

D. COST SCHEDULE

The Proposer's cost schedules must be submitted in Microsoft Word format in the RFP Questionnaire.

All costs are to be contained in these documents. For each service element, include a cost and state a grand total for all service elements. Include any applicable fees, such as administration or travel fees.

All costs for consultant services are to be fully transparent and included in the proposal response. The consultant will not receive additional compensation from any other source. Should the preferred consultant receive any volume incentives from any given PBM where CIS business may be included in that calculation, it should be disclosed and credited to CIS fees quoted.

The schedule should also include the method used to charge for any special requests, reports, or broadening of the scope of the work beyond that described in this RFP, including the methodology for extension of rates in subsequent contract years.

APPENDIX A – CIS CONTRACT CONSIDERATIONS

CIS contracts will be subject to the following standards. These are not exclusive and other contract clauses and provisions will obviously be applicable as well. However, these are areas respondents to CIS RFPs should be aware of in considering and preparing responses.

A. MANDATORY PROVISIONS:

1. Indemnity Provision. There shall be no provision requiring CIS to indemnify contractor for contractor's acts or omissions. Indemnity provisions should be mutual and reciprocal. Our standard indemnity clause is as follows:

Contractor agrees to hold harmless, indemnify, and defend CIS, and its officers and employee from and against all claims, suits, actions, losses, damages, liabilities, costs, and expenses of any nature resulting from, arising out of, or related to the acts or omissions of Contractor or its officers, employees, subcontractors, or agents in performance of services pursuant to this Contract. CIS agrees to hold harmless, indemnify, and defend Contractor and its officers and employees from and against all claims, suits, actions, losses, damages, liabilities, costs and expenses of any nature resulting from, arising out of, or related to the acts or omissions of CIS or its officers, employees, subcontractors, or agents pursuant to this Contract.

2. Independent Contractor Status. The following shall be included in CIS contracts:

Contractor shall perform the required services as an independent contractor and not as an "officer, employee, or agent" of CIS as those terms are used in ORS 30.260 through 30.300. Although CIS reserves the right to evaluate the quality of the service provided by Contractor, CIS will not control the means or manner of Contractor's performance.

3. Governing Law and Venue. CIS contracts shall subject to the laws of Oregon and venue for any disputes arising out of the contractual relationship. The contract shall include the following clause or the substantial equivalent:

This contract shall be governed by the laws of the State of Oregon without regard to principles of conflicts of law. Any claim, action, suit or proceeding between CIS and Contractor arising from or related to this contract shall be brought and conducted in the Circuit Court of Marion County for the State of Oregon; provided, however, if a claim must be brought in a federal forum, then it shall be brought in the U.S. District Court for the State of Oregon.

4. Insurance. Except under special circumstances, and with the approval and consent of CIS Executive Director, the following minimum insurance provisions shall be specified in the contract:

During the term of this contract, Contractor shall maintain in force insurance coverage compliant with the requirements listed below:

- a. Workers' Compensation insurance in compliance with ORS Chapter 656, if Contractor employs "subject workers".
- b. Comprehensive General Liability insurance applicable to the services provided to CIS, with a combined single limit, or the equivalent, of not less than \$1,000,000 each occurrence for Bodily Injury, Personal Injury, and Property Damage, including contractual liability coverage applicable to the indemnity provided under this contract.
- c. Automobile Liability insurance applicable to the operation of Contractor's trucks or automobiles with a combined single limit of not less than \$1,000,000 each accident for Bodily Injury and Property Damage, including coverage for owned, non-owned, and hired vehicles, as applicable.
- d. Notice of Cancellation or Change. There shall be no cancellation, material change, reduction of limits without 30 days prior written notice from the Contractor or its insurer(s) to CIS.
- e. Certificates of Insurance. As evidence of the insurance coverages required by this contract, the Contractor shall provide acceptable insurance certificates to CIS as soon as practicable upon written request by CIS. If requested, complete copies of insurance policies, shall be provided to CIS.

B. OTHER CONTRACT CONSIDERATIONS:

1. Limitations on Liability and Warranties. Responses to RFP's should include a description of any limitations on liability to either CIS or purported third party liability limitations contractor would propose to include in a contract with CIS. These provisions are disfavored and will be a consideration in our review and comparison of RFP responses.
2. Termination. While termination provisions are negotiable, any provision that would not permit CIS to terminate the contract with a reasonable notice period, without further obligation, would be strongly disfavored and allowed only with the consent of the Executive Director. Our preferred termination provision is as follows:
 - a. This contract may be terminated at any time by mutual written consent of the Parties.
 - b. CIS may, at its sole discretion, terminate this contract, in whole or in part, upon 30 days written notice to contractor. In the event of such a

termination, CIS agrees to pay Contractor the fees and expenses reasonably incurred prior to such termination.

- c. CIS may terminate this contract immediately upon notice to Contractor, or at such later date as CIS may establish in such notice, if Contractor commits any material breach or default of any covenant, warranty, obligation or agreement under this contract, or fails to perform in a timely manner the services under this contract, and such breach, default, or failure is not cured within 10 business days after delivery of CIS' notice, or such longer period as CIS may specify in such notice.
 - d. Contractor may terminate this contract upon 10 days' written notice to CIS if CIS fails to pay Contractor pursuant to the terms of this contract and CIS fails to cure within 30 days after receipt of Contractor's written notice, or such longer period as Contractor may specify in such notice.
3. Dispute Resolution. Mandatory arbitration provisions are disfavored. Our position is that alternative dispute resolution is encouraged, but arbitration should be undertaken only when both parties agree to it at the time of the dispute. If arbitration is undertaken, we would not consent to the rules and procedures of the American Arbitration Association. Other standard rules are available, or the parties can simply agree to rules and procedures as they deem appropriate. Provisions requiring mediation as a precedent to other legal action are acceptable.

APPENDIX B – HIPAA BUSINESS ASSOCIATE AGREEMENT

CIS EMPLOYEE BENEFITS PLAN

HIPAA BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement (the "Agreement") is entered into between _____ ("Business Associate") and CIS Trust ("CIS"), on behalf of CIS Employee Benefits Plan (the "Plan").

RECITALS

- A. The purpose of this Agreement is to provide assurances regarding the responsibilities of Business Associate to maintain the privacy of the health information to be Used or Disclosed in connection with the services it performs on behalf of the Plan, and to safeguard any such information transmitted or maintained in the form of electronic media. Toward this end, the provisions of this Agreement are specifically intended to satisfy the Business Associate agreement provisions of the Standards for Privacy of Individually Identifiable Health Information and the Security Standards for the Protection of Electronic Protected Health Information issued as Regulations 45 C.F.R. Parts 160 and 164 by the U.S. Department of Health and Human Services ("HHS") pursuant to the Health Insurance Portability and Accountability Act of 1996, as amended ("HIPAA").
- B. CIS and Business Associate may have entered into various arrangements, and may in the future enter into additional arrangements (collectively, the "Services Agreement") pursuant to which Business Associate provides various services to the Plan. This Agreement modifies and supplements the terms and conditions of the Services Agreement, and the provisions set forth herein shall be deemed a part of the Services Agreement.
- C. This Agreement supersedes all HIPAA Business Associate Agreements previously entered into between the parties, and all provisions of the Services Agreement intending to serve in whole or in part as a HIPAA Business Associate Agreement.

AGREEMENTS

In consideration of the foregoing and of the mutual covenants and agreements hereinafter addressed, the parties agree as follows:

General

1. Definitions.

- (a) **Generally.** Terms used and capitalized, but not otherwise defined, in this Agreement have the same meaning as is given to those terms by the HIPAA Rules.
- (b) **HIPAA Rules.** "HIPAA Rules" shall mean the Privacy, Security, Breach Notification, and Enforcement Rules prescribed in 45 C.F.R. Part 160 and Part 164.
- (c) **Protected Health Information.** "Protected Health Information" means, subject to the definition provided in 45 C.F.R. §160.103, individually identifiable health information that Business Associate receives from CIS or the Plan, or that Business Associate creates or receives on behalf of CIS or the Plan for the purpose of performing services under the Services Agreement.
- (d) **Electronic Protected Health Information.** "Electronic Protected Health Information" has the same meaning as the term "electronic protected health information" in 45 C.F.R. §160.103, limited, however, to the information created or received by Business Associate from or on behalf of the Plan.

2. Permitted Uses and Disclosures by Business Associate.

- (a) **General Use and Disclosure.** Except as otherwise permitted in this Agreement, Business Associate may Use, Disclose or request Protected Health Information only as necessary to perform the functions, activities, or services for, or on behalf of, the Plan as specified in the Services Agreement, and only as minimally necessary to such performance. No Use or Disclosure may be made that would violate the HIPAA Rules if made by CIS or the Plan, or the policies and procedures of CIS or the Plan.
- (b) **Specific Uses and Disclosures.** Except as otherwise limited in this Agreement:
 - (i) Business Associate may Use Protected Health Information for the proper management and administration of Business Associate's duties, and to carry out the legal responsibilities of Business Associate.
 - (ii) Business Associate may Disclose Protected Health Information for the proper management and administration of Business Associate's duties under the Services Agreement, provided that:
 - A. The Disclosures are Required by Law; or

- B. Business Associate obtains reasonable assurances from the person to whom the information is Disclosed that it will remain confidential and Used or further Disclosed only as Required by Law or for the purpose for which it was Disclosed, and the person notifies Business Associate of any instances that the person becomes aware in which the confidentiality of the information has been breached.
- (iii) Business Associate may provide data aggregation services to CIS or the Plan relating to the health care operations of the Plan, as permitted by 42 C.F.R. §164.504(e)(2)(i)(B).
- (iv) Business Associate may Use Protected Health Information to report violations of law to appropriate Federal and State authorities, consistent with 42 C.F.R. §164.502(j)(1) and Business Associate's ethical obligations to CIS or the Plan.
- (v) Business Associate may Use or Disclose Protected Health Information as otherwise permitted by this Section 2 only as is minimally necessary for such Uses and Disclosures, and, to the extent possible, only in a Limited Data Set.

Obligations and Activities of Business Associate

- 3. **Permitted Uses and Disclosures.** Business Associate agrees not to Use or further Disclose Protected Health Information other than as permitted or required by the Services Agreement, or as Required by Law.
- 4. **Appropriate Safeguards.**
 - (a) Business Associate agrees to use appropriate safeguards to prevent the Use or Disclosure of Protected Health Information other than as authorized by this Agreement. Business Associate further agrees to implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of any Electronic Protected Health Information that it creates, receives, maintains, or transmits on behalf of the Plan.
 - (b) Business Associate agrees that if it becomes aware of its or others' Use or Disclosure of any Protected Health Information in a manner not authorized by this Agreement (including any breach of unsecured Protected Health Information), or if it becomes aware of any Security Incident involving any Electronic Protected Health Information, then it will promptly notify CIS of such unauthorized Use, Disclosure, or Security Incident. For this purpose, a "Security Incident" means an attempted or successful unauthorized access, Use,

Disclosure, modification, or destruction of information, or interference with system operations in an information system.

- (c) Business Associate agrees to ensure that any agent, including a subcontractor, to whom it provides Protected Health Information received from, or created or received by, Business Associate on behalf of the Plan agrees to the same restrictions and conditions that apply through this Agreement to Business Associate with respect to the Use and Disclosure of such information.
 - (d) Business Associate further agrees to ensure that any agent, including any subcontractor, to whom it provides Electronic Protected Health Information pertaining to the Plan will implement reasonable and appropriate safeguards to protect such Electronic Protected Health Information.
5. **"Minimum Necessary" Standard.** Business Associate agrees to make reasonable efforts to limit the Protected Health Information that it Uses, Discloses or requests to a Limited Data Set (as defined in 45 C.F.R. §164.514(e)(2)). If more expansive Protected Health Information is required for a specific task, Business Associate agrees to limit the Use, Disclosure or request of such information to the minimum necessary to accomplish the intended purpose.
6. **Notification in the Case of Breach.**
- (a) Business Associate, upon the discovery of a Breach of any Unsecured Protected Health Information involving a Covered Individual, agrees to notify CIS in writing of such Breach. Such notice will include the identification of each individual whose Unsecured Protected Health Information has been, or is reasonably believed by Business Associate to have been, accessed, acquired, Used, or Disclosed during such Breach. Business Associate further agrees to promptly provide to CIS upon request such other information possessed by or available to Business Associate that is required of CIS in connection with its own notification of Breach obligations.
 - (b) Business Associate agrees to provide the notification required under this Section 6 without unreasonable delay, and in no case later than 60 calendar days after the discovery of the Breach by Business Associate.
 - (c) Business Associate agrees to mitigate to the extent possible any harm or damages to the Plan or any third party resulting from a Breach of Unsecured Protected Health Information.
 - (d) Notification by Business Associate to CIS under this Section 6 must include:
 - (i) A brief description of what happened, including the date of the Breach and the date of the discovery of the Breach, if known;

- (ii) A description of the types of Unsecured Protected Health Information involved in the Breach;
 - (iii) Any suggested actions that individuals should take to protect themselves from potential harm resulting from the Breach; and
 - (iv) A brief description of what the Business Associate is doing to investigate the Breach, to mitigate harm to individuals and to protect against further Breaches.
- (e) Notwithstanding any provision of the Services Agreement to the contrary, Business Associate agrees to pay or reimburse CIS for any costs incurred by CIS in providing a notice to Covered Individuals or other interested parties of a Breach by Business Associate.

7. **Access to Protected Health Information.**

- (a) Business Associate agrees to provide CIS or an authorized person with access to Protected Health Information as necessary for the Plan to comply with an authorized individual's right to access of information, as prescribed under 45 C.F.R. §164.524.
- (b) The provisions of this subsection (b) will apply if Business Associate Uses or maintains an Electronic Health Record with respect to the Protected Health Information of a Covered Individual.
 - (i) Upon request, Business Associate will provide to the Covered Individual a copy of his or her Protected Health Information in an electronic format. In addition, if so directed by the Covered Individual, Business Associate agrees to transmit the copy directly to an entity or person designated by the Covered Individual, provided that the directive is clear, conspicuous and specific.
 - (ii) Business Associate agrees that any fee for providing the Covered Individual (or a designated third party) with an electronic copy of his or her Protected Health Information (or an electronic summary or explanation of such information) will not be greater than Business Associate's labor costs in responding to the information request.

8. **Accounting for Disclosures of Protected Health Information.**

- (a) Business Associate agrees to cooperate with, and upon request provide to, CIS an accounting of any Disclosures of Protected Health Information (other than Disclosures that are exempt from the accounting requirements pursuant to 45 C.F.R. §164.528(a)).

- (b) In the event a request for an accounting is made directly to Business Associate by an individual, Business Associate will forward such request to CIS and will take no direct action on the request. If CIS determines to provide an accounting to the individual, then Business Associate will make available to CIS the information collected pursuant to subsection (a) above.

9. **Revisions to Protected Health Information Records.**

- (a) Business Associate agrees to make any amendments to Protected Health Information maintained in any of its Plan records that CIS directs or agrees to make pursuant to 45 C.F.R. §164.526.
- (b) In the event an individual directly requests Business Associate to amend Protected Health Information in a designated record set, Business Associate will forward the request to CIS and take no direct action on the request. Business Associate will cooperate with CIS to amend, at CIS's direction, Protected Health Information in order to meet the requirements of 45 C.F.R. §164.526. Denials of requests for amendment of Protected Health Information as requested by an individual are solely the responsibility of CIS.

10. **Access to Records.** Business Associate agrees to make its internal practices, books, and records relating to the Use and Disclosure of Protected Health Information received from the Plan, or created or received by Business Associate on behalf of the Plan, available to HHS in connection with a review by the agency of the Plan's compliance with the HIPAA Rules.

11. **Carrying Out of Plan's Obligations.** To the extent that the scope of Business Associate's commitments under the Services Agreement provide for the carrying out of any of the Plan's obligations under HIPAA Privacy Rule, Business Associate agrees to comply with the requirements of the HIPAA Privacy Rule that apply to the Plan in the performance of such obligations.

Term and Termination

12. **Term.** This Agreement is effective as of January 1, 2016. Termination of the Services Agreement shall also terminate this Agreement, except as provided herein.

13. **Termination for Cause.** Upon a material breach of this Agreement by Business Associate, CIS may either:

- (a) Provide an opportunity for Business Associate to cure the breach and terminate the Services Agreement if Business Associate does not cure the breach within the time specified by CIS; or
- (b) Immediately terminate the Services Agreement.

14. **Effect of Termination.** Upon termination of this Agreement for any reason, Business Associate, with respect to Protected Health Information received from the Plan, or created, maintained, or received by Business Associate on behalf of the Plan, shall:
- (a) Retain only Protected Health Information that is necessary for Business Associate to continue its proper management and administration, or to carry out its legal responsibilities;
 - (b) Return to CIS (or, if agreed to by CIS, destroy) the remaining Protected Health Information that Business Associate still maintains in any form;
 - (c) Continue to use appropriate safeguards and comply with Subpart C of 45 C.F.R. Part 164 with respect to Electronic Protected Health Information to prevent Use or Disclosure of the Protected Health Information, other than as provided for in this Section 13, for as long as Business Associate retains the Protected Health Information;
 - (d) Not Use or Disclose the Protected Health Information retained by Business Associate other than for the purposes for which such Protected Health Information was retained, and subject to the same conditions set out in Section 2 of this Agreement; and
 - (e) Return to CIS (or, if agreed to by CIS, destroy) the Protected Health Information retained by Business Associate when it is no longer needed by Business Associate for its proper management and administration or to carry out its legal responsibilities.
15. **Survival.** The obligations of Business Associate under Section 14 above shall survive the termination of this Agreement.

Miscellaneous

16. **No Third-Party Beneficiary.** Business Associate enters into this Agreement for the sole purposes of maintaining the relationship embodied in the Services Agreement. CIS enters into this Agreement for the sole purposes of compliance with the HIPAA Rules. Business Associate and CIS do not intend by this Agreement to benefit any third party, including, without limitation, any individual who is a subject of Protected Health Information governed by this Agreement.
17. **Legal Process.** If Business Associate receives a subpoena, a civil, criminal, or administrative demand, or other legal process that is unrelated to the subject of the Agreement but which seeks production of or access to Protected Health Information created or received for or from CIS, Business Associate will promptly notify CIS of receipt of such legal process. Business Associate will respond to such legal process in a manner consistent with its legal obligations and its ethical responsibilities to CIS.

18. **Amendment.** CIS and Business Associate agree to take such action as is necessary to amend this Agreement from time to time as is necessary for CIS and Business Associate to comply with the requirements of the HIPAA Rules.
19. **Interpretation.** Any ambiguity in this Agreement shall be resolved to permit the Plan to comply with the HIPAA Rules.
20. **Conflict.** This Agreement controls in case of a conflict between this Agreement and the Services Agreement.

IN WITNESS WHEREOF, each of the undersigned has caused this Agreement to be duly executed on its behalf.

CIS TRUST

BUSINESS ASSOCIATE

By: _____
Lynn McNamara
Executive Director

By: _____
Title: _____

Date: _____

Date: _____



T · H · E
PARTNERS
GROUP



Questionnaire for PBM Consulting Services



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QUESTIONNAIRE FOR PBM CONSULTING SERVICES

RFP QUESTIONS		COMMENTS (If applicable)	
<i>Please answer the following questions in detail. Use the comment box to explain your answer.</i>			
I – General Information			
1. Briefly provide an overview of your company -- its history, organization, size, locations, ownership structure, etc. What is your company's vision statement?			
2. Provide a general categorization of your pharmacy consulting client base by type of business and size. What is your largest client, smallest client, and target size?			
3. What other lines of business besides pharmacy consulting do you have?			
4. How do you allocate your resources across multiple lines of business?			
5. Provide at least two client references that include: name, address, phone number, and length of time associated with your organization. Clients similar in size and structure to (client) are preferred if available.			



RFP QUESTIONS	COMMENTS (If applicable)
<i>Please answer the following questions in detail. Use the comment box to explain your answer.</i>	
II – Qualifications	
6. Describe how your pharmacy benefit practice is structured to service clients and meet their consulting needs.	
7. Describe your methodology for running a PBM RFP.	
8. Describe your methodology for providing ongoing consulting services during the term of a PBM contract.	
9. Provide an overview of your strategic planning services and day to day program consulting services.	
10. Describe how you identify trends and issues and present recommendations based on analysis of alternative benefit strategies and plans.	
11. What is your process for tracking and reporting communications between our organizations?	
12. What resources and methods do you use to assist clients with communication to employees?	



RFP QUESTIONS	COMMENTS (If applicable)
<i>Please answer the following questions in detail. Use the comment box to explain your answer.</i>	
13. How do you assist clients in ensuring that their plans remain in legal compliance and that they are aware of and understand the latest applicable legislation at national, state and local levels?	
14. How does your firm determine “best in class” benefit program designs and vendors?	
15. Do you provide audits of vendor services such as claims processing and pricing terms? If so, please describe.	
16. How do you manage PBM relationships?	
17. What do you see as your key advantages versus your competitors?	



III – Resources/Technical

<p>18. Identify the team members who will be assigned to our account. Clearly state each person’s role, and include bios describing the background, experience and qualifications of each.</p>	
<p>19. Is any of the pharmacy evaluation work subcontracted or outsourced to other firms?</p>	
<p>20. Identify the key strategic lead from your firm who would lead the consulting opportunity for this account and their specific qualifications.</p>	
<p>21. Identify the key financial analyst who would perform the data analytics for this account and their specific qualifications.</p>	
<p>22. Identify the strategic account executive who would perform ongoing consulting services and their specific qualifications.</p>	
<p>23. Describe what systems you use – independent of the PBM – in your consulting practice.</p>	
<p>24. Describe your process for benchmarking.</p>	
<p>25. Do you have direct access to Medispan data to use in claims repricing and audits?</p>	
<p>26. Describe your internal processes for data security and maintaining confidentiality</p>	



27. What are the data requirements to perform the audit/RFP?	
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IV – Value Add Services

28. What other services and programs do you offer to support trend management?

29. Describe any partnerships/relationships your organization has with wellness vendors. Can your organization provide us with any wellness surveys or benchmarking data?

V – Pricing

30. Provide a pricing proposal for your services. Include the amount of your proposed compensation for this engagement and explain the basis (fee, commission, both, or either). Identify services that are included in the pricing provided and services that would be billed separately.

