

**Answers to Questions Submitted for Public Employee Claims Division of the Arkansas Insurance Department Request for Pharmacy Benefits Management Proposal – P-2015-1**

1. On page 19 of the RFP, it states: "Organization and Staffing – This area will describe, in detail, the offeror's organizational plan for meeting the requirements in this Request for Proposal." Throughout the proposal, there are different sections titled "requirements" (i.e. 2.2 General Requirements, 2.3 Specific Contractor Requirements, and 3. Requirements). Please verify, specifically, which portions of these requirement sections (2.2, 2.3, and 3) must be addressed within offeror's response and which section they should be addressed in within the proposal.

**Answer: Section 6.10 on page 19 is intended to explain how the evaluation will be conducted. It is preferred that the offeror respond to Specific Contractor Requirements of A. Formulary Management; B. Call Center Operation/Drug Utilization; C. Pre-authorization; D. Contractors' adjudication system; E. Electronic Data Interchange in Section 2.3 of the proposal. It is preferred that the offeror respond to 2.4 Reporting Requirements; 2.5 Records Retention and 2.6 Access to Contractor's Records in sections 2.4, 2.5 and 2.6 of the proposal and so on. The letters of recommendation and references should be placed in their own section. It is preferred that the offeror have a section on Organization and Staffing. All of the information in the proposal will be considered and a proposal will not be rejected just because it is not in a certain order. The pricing sheet should be in a separate envelope within the proposal.**

2. On page 8 of the RFP, section 4 Technical and Business Proposal, it provides the nine tabbed sections that the proposal should include. However, section B. Project Organization, Staffing, and Coverage on page 19 of the RFP, under "Phase One Evaluation and Criteria" is excluded from the tabbed sections. Which tabbed section should Project Organization, Staffing, and Cover be provided in?

**Answer: It is preferred for the Project Organization, Staffing to be placed in their own tabs behind the Technical and Business Proposal. All of the information in the proposal will be considered and a proposal will not be rejected just because it is not in a certain order. The pricing sheet should be in a separate envelope within the proposal.**

3. On page 20 of the RFP, it provides the breakdown of possible points for the pricing evaluation. Will the PECD please provide details on how an offeror will receive points? For example, will the lowest price get the most points and the other pricing be lowered in relation?

**Answer: The lowest Administrative Fee will receive the most points in the PBM Administrative (Claims Processing) Fees portion. The lowest charges for call center (backup service) will receive the most points for the call center (backup service) portion, etc.**

4. On page eight, section 4 **TECHNICAL AND BUSINESS PROPOSAL**, it provides a list of nine items. However, on the following page (page nine), item five from the previous list (Certification Statement) is not provided and only eight of the nine items have a description provided on what is expected. Could you please clarify whether item five (Certification Statement) is to not be included in offeror's proposal as it is covered by what is requested with Independent Price Determination Certification Statement? If item five (Certification Statement) is supposed to be included in offeror's proposal, please provide a description as you did for the other eight items

**Answer: There is an error and Item 5 Certification Statement is the Independent Price Determination Certification Statement contained in Section IV. Proposals will not be rejected if Section V is blank or skipped or another copy of the Independent Price Certification is placed in Section V.**

5. The pricing option proposed in the agreement on Page 8 section 3.5 in regards to presenting cost is not agreeable. Will PECD be willing to add an industry standard pricing option to the agreement that allows pricing discounts on Medi-span's AWP? If this option is added will there be a negative effect on points in the evaluation section? If so, how many?

**Answer: The amount paid to the pharmacy would not be less than the offeror's contracted rates with the pharmacies and would be less than the Arkansas Workers' Compensation Commission's fee schedule. The pharmacies will not be expected to fill medication at a loss. There must be transparency as to the amount paid by the PBM to the pharmacies for the prescriptions due to requirements of Ark. Code Act 769 of 2009, codified at Ark. Code § 4-88-801. This program will be on a fixed administrative fee per prescription plus cost of the medication paid to the pharmacy model. We are open to considering a model which bases the amount paid to the pharmacy on a percentage of AWP for brand name medication. MAC pricing is preferred for generics, but is not an absolute requirement. We cannot operate on an opaque spread pricing model as it would be a violation of Ark. Code § 4-88-801. There has been no point penalty determination at this time for use of an AWP model as opposed to a MAC for generics.**

6. Is the state able to provide prescription payment/billing information from past history to the bidders in an electronic fashion?

**Answer: Yes. Information for what was billed is available in Microsoft Excel format for the last quarter of Calendar Year 2014 upon request. The information will be sent to the offeror which submitted the request and is available to other offerors upon request. To request this information please send an E-Mail to [nathan.culp@arkansas.gov](mailto:nathan.culp@arkansas.gov).**