

**The Interagency Benefits Advisory Committee (IBAC)
consisting of:**

**State of New Mexico, Risk Management Division
New Mexico Public Schools Insurance Authority (NMPSIA)
New Mexico Retiree Health Care Authority (NMRHCA)
Albuquerque Public Schools (APS)**

REQUEST FOR PROPOSALS (RFP)

Pharmaceutical Benefits Management Services



**RFP#
2018-IBAC-0001**

Questions and Answers

Posted: September 1, 2017

Proposal Due: September 14, 2017

1. **Question:** Is the 10/1/2016 through 12/31/2016 claims file provided by HealthLinX the only claims file bidders will receive for this proposal?

Answer: Yes, the detailed claims data are sufficient to determine the detailed pricing we need to complete the analysis.

2. **Question:** Is it possible for bidders to receive 12 months of claims data in order to provide the best bid possible?

Answer: Not at this time.

3. **Question:** Under your minimum requirement section it states that a vendor must manage 2.5 million funded lives without Mail and Specialty. Is that a firm requirement?

Answer: The requirement is NOT 2.5 million members without mail and specialty but 2.5 million members that have a PBM benefit NOT just as a mail service provider or a specialty provider. The concern is counting PBM lives plus mail service lives plus specialty lives.

4. **Question:** Do you happen to have a list of folks that we should be focusing in on in terms of any possible campaign contributions for this RFP?

Answer: See Campaign Contribution Disclosure Form on pages 64 and 65.

B. Plan Details (Pages 1-4)

5. **Question:** Commercial and Retiree Enrollment: Can IBAC please confirm for all bidders the total enrollment (member + dependents) for both the Commercial and EGWP population? Does IBAC expect the current Retirees in Medicare Advantage Plans to move to the EGWP for prescription coverage?

Answer: Currently, the New Mexico Retiree Health Care Authority has approximately 23,000 members participating in its Supplement Plan.

6. **Question:** Please provide for all bidders the annual PA volume for all 4 entities, or in total if easier to obtain.

Answer: Please see Spreadsheets 1-6.

7. **Question:** Please provide for all bidders the annual Appeal volume for all 4 entities, or in total if easier to obtain.

Answer: Please see Spreadsheets 1-6.

8. **Question:** Please provide for all bidders the annual DMR (paper claims) volume for all 4 entities, or in total if easier to obtain.

Answer:
RHCA – carrier 5051 – 90 direct claims
RHCA Carrier 5037 – 59 direct claims
NMPSIA – carrier 5036 – 44 direct claims
RMD – carrier 5057 – 44 direct claims
APS – carrier 5103 – 4 direct claims

The four organizations will work together in the RFP process but will separately select, contract and implement with individual PBM vendors. More than one PBM may be awarded a contract between the four entities but only one contract per entity will be completed.

9. **Question:** Are all bidders to assume that each of the 4 entities will use the same Sample Contract Appendix C and RFP contents, for contract negotiations? If any entities working with IBAC have a Standard Contract not included in this proposal, please supply that contract to all bidders.

Answer: The Sample Contract Appendix C and RFP contents will be the foundation to begin the negotiation process and baseline work. Each IBAC entity is responsible for establishing their own contracts subject to negotiation with the selected vendor.

“The electronic version/copy of the proposal must mirror the physical binders submitted (i.e. One (1) Unredacted usb, one (1) Redacted usb). The electronic version can NOT be emailed.”

10. **Question:** With the mirror reference above, please confirm the number of Technical and Cost Binders for all vendors; if Redacted Technical or Cost Binders are submitted is the number of books listed below correct? Please clarify and/or confirm.

- **Technical Binder** – 1 Original – 1 Redacted Original; 3 Hard Copies – 3 Redacted Hard Copies; 5 USB Copies – 5 USB Redacted Copies; (**Total Books: 8** (4 Redacted) and **Total USBs: 10** (5 Redacted))
- **Cost Binder** -1 Original – 1 Redacted Original; 3 Hard Copies – 3 Redacted Hard Copies; 5 USB Copies – 5 USB Redacted Copies; (**Total Books: 8** (4 Redacted) and **Total USBs: 10** (5 Redacted))

Answer: See Section III, Subsection B

Page 28 – Organizational/Account Management Experience

And Page 48 Qu. 78 What is the location of the Account Service team? Is there a potential for a NM based account person?

11. **Question:** Is IBAC currently served by account service time onsite? Is IBAC currently being service by a 100% dedicated account service team? What are the desired role responsibilities IBAC Is requiring to be 100% dedicated to IBAC? Which roles would IBAC desire onsite?

Answer: There is local representation that provides positive impact by the proximity to the group. We would expect at least one member of the team to be dedicated to the group due to it’s size and complexity. An account service manager that handles day to day issues would be the best scenario. Be aware that this is not a requirement but a preferred option.

Page 29 - #2. Organization References

On **page 29** IBAC states “Offerors should provide a minimum of three (3) references from similar projects performed for private, state or large local government clients within the last three years.”..... “IBAC members may request terminated references during the Finalist Interview process.” However, **Appendix F** states “The State of New Mexico, as a part of the RFP process, requires Offerors to submit a minimum of six (6) business references as required within this document. The purpose of these references is to document Offeror’s experience relevant to the scope of work in an effort to establish Offeror’s responsibility. Three references are groups of similar size and scope. Three references are terminated references within the last two years of similar size and scope.”

12. **Question:** Please confirm for all bidders the number of current client references and/or termed client references from similar projects all bidders must send the required Reference Form provided within this proposal.

Answer: Yes.

13. **Question:** In addition, please confirm that any business reference can submit Appendix F via email or Fax.

Answer: Yes, email or fax will be accepted but email is preferable.

Page 30 4. Pricing Philosophy

“IBAC is interested in pure pass-through or transparent pricing scenario with the exception of EGWP which will be pass-through pricing. We understand that most PBM’s have determined a way to take profit from a pure pass through arrangement and that there is no financial advantage to this approach.”

14. **Question:** Please confirm IBAC desires a pass-through pricing strategy for the Commercial population.

Answer: IBAC will accept Traditional or Pass Through pricing for the Commercial population. IBAC will accept only Pass Through pricing for the EGWP plan.

Page 34 – B. Business Specifications and Page 40 VI Questionnaire Question #5

Financial Stability Offerors must submit copies of the most recent years independently audited financial statements and the most current 10K, as well as financial statements for the preceding three years, if they exist. The submission must include the audit opinion, the balance sheet, and statements of income, retained earnings, cash flows, and the notes to the financial statements. If independently audited financial statements do not exist, Offeror must state the reason and, instead, submit sufficient information (e.g. D & B report) to enable the Evaluation Committee to assess the financial stability of the Offeror. **Provide this information under Appendix H Corporate Financial Documents.**

Provide the latest annual report, financial statement, SAS 70 type II (or equivalent document), and other financial reports that indicates the financial position of your organization. Attach as Appendix H. Provide the following:

- a. Current Ratio**
- b. Days cash on hand**
- c. Debt to equity ration**

15. **Question:** PBM Bidder is a privately-owned company. Due to the sensitive nature of our financial statements we respectfully request they be provided electronically by secure email to a designated IBAC officer or evaluator for review and verification of our financial good standing. After review and verification, we respectfully request for the electronically submitted financial documents to be destroyed. Is this an acceptable process for submission for both Business Specifications and Question 5 in Section VI for IBAC?

Answer: Yes, please work with the Procurement Manager to provide this information to him by 9/14/17 at 3p.m. MST.

Page 35 – Business Requirement #6

Employee Health Coverage Form - The Offeror must agree with the terms as indicated in **APPENDIX L**. The unaltered form must be completed, signed by the person authorized to obligate the Offeror's firm and submitted with Offeror's proposal.

16. **Question:** Please clarify the Employee Health Coverage Forms' intent? Does it only apply to businesses within the State of New Mexico? It is not designated with 'if

applicable' within the submission instructions. However, we do notice a Pass/Fail evaluation metric assigned to this Appendix. Please provide all bidders outside of the State of New Mexico clarification and direction for submitting Appendix L.

Answer: Please see New Mexico Employees Health Coverage Form in Appendix L.

Pharmacy Network Geo and Disruptions

17. **Question:** For all bidders who would like to offer a Geo/Pharmacy Network Access Guarantee, is it possible to provide all bidders with a commercial and EGWP member Census?

Answer: The pharmacy identifier can be used for a disruption analysis. At this time we do not have a census available.

RFP Section Definition of Terminology, Brand and Minimum Generic Discount Rate Guarantees, Page 8-9 - Item j.

Brand/Generic Classification will follow Medispan "MNOY" for financial guarantee purposes. The classification GENCD of "Y" will be the only recognized Generic classification.

18. **Question:** Understanding the Advisory Committee's request for a standard approach to defining brand and generic discount performance, will the Agency be requiring that "house generics" (claims dispensed with a DAW 5) be included in the generic discount guarantees?

Answer: Yes, in the Technical Pricing Document, Instructions Tab, Line 11, DAW 5 drugs will be included as generics.

Appendix D – IBAC Technical Pricing Document

19. **Question:** Please confirm all bidders can add additional worksheets to the **Appendix D – IBAC Technical Pricing Document** to provide 'Active' and 'EGWP' pricing and list of services and programs included for IBAC.

Answer: Yes, it is our expectation that each version of pricing will be provided in a new tab. For example, we would expect a tab for an exclusive specialty network, an open specialty network, a preferred pharmacy network an open pharmacy network. Each variation should have a new tab since it is an offer that will be reviewed on it's own. The fields in red will be the descriptor of your offer. Any changes requires a new tab.

20. **Question:** Please provide a complete list of the current formulary.

Answer: The data file provided contained a formulary indicator.

21. **Question:** Please provide a complete list of current clinical edits including Prior Authorization edits, Step Therapy edits, Age Gender edits and Quantity Limits edits.

Answer: Please see Spreadsheets 1-6.

22. **Question:** Please provide the member call volume managed by the current PBM in the most recent 12 months.

Answer:

Call Volume:

RHCA EGWP: Carrier 5051 (even though 5037 is listed below)

Client: NEW MEXICO RETIREE AUTHORITY (Org: 15037) [Medicare Part D]
 Date Range: 08/29/2016 - 08/29/2017
 Finance I-Number: IS037

Summary Totals

Call Type	Offered	Abandoned	Handled	ASA	CSL	Avg Handle Time	Avg Talk Time	Avg Hold Time	Aban Rate	Aban Over 30
Total	49,341	645	48,696	14.93	85.9%	402	379	8	1.3%	553
CSR Only	35,796	645	35,151	20.04	80.5%	402	379	8	1.8%	553
IVR Only	13,545	0	13,545	1.65	100.0%	0	0	0	0.0%	0

RHCA Commercial: Carrier 5037

Client: NEW MEXICO RETIREE AUTHORITY (Org: 15037) [Member]
 Date Range: 08/29/2016 - 08/29/2017
 Finance I-Number: IS037

Summary Totals

Call Type	Offered	Abandoned	Handled	ASA	CSL	Avg Handle Time	Avg Talk Time	Avg Hold Time	Aban Rate	Aban Over 30
Total	18,243	165	18,078	18.19	87.6%	372	357	2	0.9%	160
CSR Only	11,982	165	11,817	26.95	81.1%	372	357	2	1.4%	160
IVR Only	6,261	0	6,261	1.65	100.0%	0	0	0	0.0%	0

APS – Carrier 5103

Client: ALBUQUERQUE PUBLIC SCHOOLS (Org: 15103) [Member]
 Date Range: 08/29/2016 - 08/29/2017
 Finance I-Number: 15103

Summary Totals

Call Type	Offered	Abandoned	Handled	ASA	CSL	Avg Handle Time	Avg Talk Time	Avg Hold Time	Aban Rate	Aban Over 30
Total	7,259	50	7,209	16.31	85.7%	446	416	17	0.7%	40
CSR Only	5,077	50	5,027	22.67	79.6%	446	416	17	1.0%	40
IVR Only	2,182	0	2,182	1.65	100.0%	0	0	0	0.0%	0

NMPSIA – Carrier 5036

Client: NEW MEXICO PUBLIC SCHOOLS (Org: 15036) [Member]
 Date Range: 08/29/2016 - 08/29/2017
 Finance I-Number: 15036

Summary Totals

Call Type	Offered	Abandoned	Handled	ASA	CSL	Avg Handle Time	Avg Talk Time	Avg Hold Time	Aban Rate	Aban Over 30
Total	15,103	157	14,946	17.44	87.6%	399	384	2	1.0%	151
CSR Only	10,422	157	10,265	24.63	82.0%	399	384	2	1.5%	151
IVR Only	4,681	0	4,681	1.65	100.0%	0	0	0	0.0%	0

RMD – Carrier 5057

Client: THE STATE OF NEW MEXICO, RISK MA (Org: 15057) [Member]
 Date Range: 08/29/2016 - 08/29/2017
 Finance I-Number: 15057

Summary Totals

Call Type	Offered	Abandoned	Handled	ASA	CSL	Avg Handle Time	Avg Talk Time	Avg Hold Time	Aban Rate	Aban Over 30
Total	30,991	321	30,670	17.98	87.1%	395	379	3	1.0%	316
CSR Only	21,772	321	21,451	24.99	81.6%	395	379	3	1.5%	316
IVR Only	9,219	0	9,219	1.66	100.0%	0	0	0	0.0%	0

RFP Document

Page 2 – New Mexico Public Schools Insurance Authority (NMPSIA) (www.nmpsia.state.nm.us)

23. **Question:** Please confirm the total covered members Employee, Spouse and Dependents) under the PBM benefit for NMPSIA. The table provided indicates 57,500. The description paragraph indicates there are 51,500 members and 23,100 employees.

Answer: The total count is 51,500 lives.

Section B. Background Information, Plan Details states, “IBAC consists of four (4) organizations that come together to improve price and service in the procurement of benefits. The four organizations will work together in the RFP process but will separately select, contract and implement with individual PBM vendors. More than one PBM may be awarded a contract between the four entities but only one contract per entity will be completed.”

24. **Question:** Please clarify that if an agency carves in the Rx under their medical plans, the intent would be to award more than one contract per entity.

Answer: It it's the IBAC's goal to select one or more vendors to serve the collective needs of all four organizations, based upon the evaluation factors specified in Section V of the RFP.

25. **Question:** Does IBAC require us to submit a network analysis or formulary disruption with our proposal?

Answer: Yes, in the Technical Pricing Document the red section requires prescription and formulary disruption for each network and variation proposed.

26. **Question:** What types of formularies do the IBAC agencies have now? What type of formulary does NMRHCA have for the EGWP plan? Are these open or closed formularies?

Answer: NMPSIA, RMD, APS and RHCA Commercial are all on the ESI National Preferred Formulary. That formulary does exclude some medications from coverage. EGWP formulary is open.

27. **Question:** Can IBAC provide copies of the current formularies, preferably in a searchable format?

Answer: The formularies are listed as an indicator in the data file.

28. **Question:** How many tiers are on each of the formularies?

Answer: The plan designs are provided in the RFP. We do not list tiers other than formulary "Y" or "N". This will provide a formulary disruption report.

29. **Question:** What is the current pharmacy network design for all IBAC agencies? Do the current programs have preferred and/or non-preferred pharmacies?

Answer: Yes, Albuquerque Public Schools

30. **Question:** Page 2, Section I, Introduction, states: "NMPSIA covers approximately 23,100 employees, 51,500 members for medical and prescription coverage." However, the table below this statement states NMPSIA has 57,500 covered lives. Is the total life count for NMPSIA 57,500 lives or 51,500 lives?

Answer: The total count is 51,500 lives.

31. **Question:** Page 5, Section E, Definition of Terminology: We consider our claim level MAC pricing to be confidential under this pass-through offer. We are bound by our pharmacy network contracts to keep specific unit MAC prices confidential and will mark them confidential. Will they be treated as confidential or redacted from public record?

Answer: Yes, information that is marked and proven confidential in the unredacted version will not be released. In this case yes, please also provide a redacted version making it available to public requests and inspection.

32. **Question:** Page 9, Section E, Definition of Terminology: The formulary definition states, "current IBAC preferred..." Please note that our bid assumes adoption of one of our standard formularies which may differ from the incumbents.

Answer: Understood. We accept this for all bidders.

EGWP Questions

33. **Question:** Is there a supplemental drug list for non-Part D covered drugs?

Answer:

Enhanced Drug Coverage	
OTC Drugs	Excluded

Anti-obesity medications (Rx)	Covered
Fertility Medication (Oral, Injectable, Intra-vaginal)	Excluded
Hair Growth Stimulants and products indicated only for cosmetic use	Excluded
Cough or Cold Products (Including Antihistamine) - RX ONLY	Excluded
Vitamin and Mineral Products - RX ONLY	Excluded
Impotency Treatment Drugs (e.g. Caverject, Edex, MUSE, Viagra, Cialis, Levitra)	Partially Covered
Part B OTC Diabetic Supplies	Excluded
Part B Products (other than OTC Diabetic Supplies)	Partially Covered
Vaccines	Covered
Benzos/Barbs	Covered
Nutritional Supplements and Combo Nutritional products	Covered

34. **Question:** On the NMRHCA current plan design, there is not a specialty drug cost sharing listed. Will a 33 percent cost sharing for specialty drugs be acceptable or is the intent to not have a separate specialty tier?

Answer: The New Mexico Retiree Health Care Authority's Board of Directors evaluates plan design components for its pre-Medicare and Medicare Supplement Plan on an annual basis and evaluates recommendations made by its health plan partners. However, the Board maintains full discretion over all plan changes.

35. **Question:** Please provide the overall risk score for the current EGWP population.

Answer: This information will not be provided at this time.

36. **Question:** Can IBAC provide for the EGWP quote 12 months of claims and enrollment on a month by month basis?

Answer: This information will not be provided at this time.

37. **Question:** Regarding the data in the table on page 4 (NMRHCA) of the RFP:

- What is the time period of this data?
- Are covered lives an AVERAGE for that time period or a current value?
- Is the current plan design in effect during this time period?
- Are claims reduced for rebates, Retiree Drug Subsidy (RDS), coverage gap, Low Income Subsidy (LIS), etc.?
- If the time period is not a 12-month period, can IBAC provide data for a 12-month period?

Answer: It is for 12 months, the subsidy, coverage gap and LIS is not included in the data.

38. **Question:** Regarding the detailed claims file for 10/1/16 - 12/31/16:

- What were the average covered lives for the NMRHCA EGWP population for this time period?
- What plan design(s) was in effect during this time period? (If not already addressed per above)

Answer: The membership during the timeframe was about 23,300 under the EGWP with the plan design listed.

39. **Question:** Can IBAC please provide a census of Medicare-eligible members with at least the state (and plan indicator if multiple plans) and the plan design grid(s)?

Answer: Information will not be provided as part of this procurement.

40. **Question:** The table on page 4 of Section I, Introduction, states there are 28,870 EGWP retirees. Does that number only include the current Blue Cross and Blue Shield of New Mexico Medicare Supplement members? We thought this number was closer to 23,000 based on current Medicare Supplement enrollment.

Answer: The Medicare Supplement plan is about 23,300 members.

Section I.B.

41. **Question:** Please provide a breakout of mail order claims for the last 12 months.

Answer: We are not providing additional data at this time. Utilize the claim data and extrapolate your necessary information.

42. **Question:** With regard to plan designs, please clarify what Specialty arrangement (Open or Exclusive) RMD and APS have in place today.

Answer: NMPSIA is exclusive. RMD, APS and RHCA Commercial have a rule where the member can get two (APS and RMD) or 3 (RHCA) fills at retail and then have to move to ESI Specialty. For some specialty categories, ESI is exclusive like Hep C, Inflammatory, Cancer due to the Safeguard programs in place. RHCA EGWP is open.

43. **Question:** With regard to plan designs, do any IBAC agencies have mandatory mail in place or considering it for the new contract period?

Answer: IBAC entities are willing to consider a range of options.

44. **Question:** Please confirm NMRHCA is the only agency with an EGWP population. Will the EGWP plan also be effective on 7/1/2018?

Answer: Yes.

45. **Question:** Do any agencies currently have an on-site clinic and/or pharmacy at any of their locations?

Answer: The State of New Mexico, Risk Management Division (RMD) has an on-site clinic in Santa Fe for its members only.

46. **Question:** With regard to plan designs, within the claims data under the retail mail indicator, there is a field called retail maintenance. These claims are only for groups APS and RHCA EGWP. Do only these groups have some type of retail 90 program?

Answer: Yes. See page 3 grid for APS indicating a Walgreens Pharmacy 90 days supply. NMRHCA will have a 90 day program for its commercial and EGWP population beginning January 1, 2018.

47. **Question:** Please provide detailed prior authorization and step therapy utilization management criteria for the following disease states/classes.

- Antipsychotics
- Anti-diabetics: DPP-4, GLP-1 (Incretin); SGLT-2
- Growth Hormone
- Hepatitis C
- Infertility
- Multiple Sclerosis
- PCSK9
- Rheumatoid Arthritis/Autoimmune

Answer: This information would be proprietary to the current vendor. We see no impact to your response by knowing the detail.

48. **Question:** Do you cover Diabetic Test Strips as part of the pharmacy benefit? If yes, do you have a preferred product strategy? Please describe.

Answer: One Touch is the preferred test strip on the ESI National Preferred Formulary.

49. **Question:** RFP Section II.C.9 (Disclosure of Proposal Contents) states that the price of products offered or the cost of services proposed shall not be designated as proprietary or confidential information. While bidder understands the need for the aggregate cost of goods and services proposed to IBAC to be disclosed, we consider certain individual guarantees of financial performance in claims processing to be confidential and proprietary and protectable trade secrets. Such details, which relate directly to the contract terms we have in place with retail pharmacies and pharmaceutical manufacturers, are not generally known in the industry and derive actual economic value from not being generally known. We would be very interested in knowing the details of our competitors pricing and are confident that they would like to know ours as well, as the knowledge of such details would convey a competitive advantage on any provider of PBM services. Therefore, will the IBAC agree that individual claims processing financial guarantee levels may be designated as proprietary and confidential?

Answer: To the extent that New Mexico laws allow.

Section II.C.18

50. **Question:** Offerors must submit with the proposal a complete set of any additional terms and conditions they expect to have included in a contract negotiated with the Agency. Please see Section II.C.15 for requirements. Section II.C.15 references “Governing Law.” Should this reference “Contract Terms & Conditions” instead?

Answer: Yes, any Offeror’s Terms and Conditions to request for contract negotiations with Agencies should have referenced Section II.C.17 Contract Terms & Conditions.

51. **Question:** RFP Section II.C.30 (New Mexico Employees Health Coverage) and the parallel certification in Appendix L, do not state the geographic scope to which they

apply, however, the inclusion of the URL, <http://www.bewellnm.com/>, suggests the requirement applies only to bidder's employees working in the State of New Mexico. Can IBAC confirm this is correct?

Answer: Please refer to the New Mexico Employees Health Coverage form in Appendix L.

52. **Question:** If our proposal contains confidential information, please confirm the below required submission format and number of copies:

Technical unredacted:

- 1 original binder
- 3 hard copies
- 5 USB drives

Technical redacted

- 1 hard copy
- 1 USB drive

Cost unredacted

- 1 original binder
- 3 hard copies
- 5 USB drives

Cost redacted

- 1 hard copy
- 1 USB drive

Answer: See Section III, Subsection B

Section IV. Specifications, Detailed Scope of Work; Page 28

53. **Question:** One factor included in the list of factors for consideration in the selection process includes pharmacy network access. Please provide scoring criteria and a member census file (zip code) for each IBAC agency.

Answer: The detailed claim file provides network information. The Technical Pricing Sheet has a place for network and rx disruption. Please provide disruption of the pharmacies and number of prescriptions with each pricing scenario offered.

54. **Question:** Should IBAC agencies transition to a new PBM, please confirm the PBM's standard template formulary with exclusions will be adopted.

Answer: Yes, the standard formulary will be adopted in general but the plan has the right to make exceptions as needed for the population. You will have the right to change your offer based upon any changes in formulary requested by the groups.

55. **Question:** One factor included in the list of factors for consideration in the selection process includes formulary disruption. Please provide 12 months of claims data with a formulary indicator included.

Answer: The three months of data should provide you with sufficient formulary information to determine the disruption.

56. **Question:** Have any formulary changes been made after the date range of the claims data provided or after the date of the formularies provided? If yes, please detail changes and effective date of those changes.

Answer: No material changes have been made.

Section IV.A.2 & Appendix F

57. **Question:** There is a discrepancy in the language on page 29 "IBAC members may request terminated references during the Finalist Interview process." And Appendix F.

requires 3 terminated references to submit the Reference Form by September 12, 2017 for inclusion in the evaluation process. Please clarify if the intent is to provide terminated references during the finalist interview process.

Answer: You should provide terminated references during the submission process. The request during finalist process is superseded by the submission with the RFP.

Section IV.A.2.

58. **Question:** Please clarify what is required to respond to
- b) Implementation Description;
 - e) Staff assigned to reference engagement that will be designated for work per this RFP; and
 - f) Comments on the performance of the services

Answer:

b) Provide a description of the implementation process, what is successful or problematic. Was there sufficient knowledge, experience and support, etc. What methods were used that would be applied to IBAC

e) Is there any staff that worked on this reference that will work on our program?

f) Anything else you would like to add about this reference.

Section IV.A.4 & Appendix D

59. **Question:** Please clarify the preferred pricing scenario; Traditional or Transparent. Under the pricing philosophy section, it states IBAC is interested in a transparent pricing scenario, however the financial spreadsheets allows for both Traditional or Transparent offers. Can Offerors include a Traditional scenario as well?

Answer: IBAC entities will accept either Traditional or Transparent for the Commercial population. EGWP requires a Transparent offer.

Section VI. Questionnaire, Claims Administration – Question 31.

60. **Question:** Please provide the name of the Eligibility Administrators utilized by IBAC.

Answer: State of New Mexico, Risk Management Division – Erisa Administrative Services, Inc.

New Mexico Public Schools Insurance Authority - Erisa Administrative Services, Inc.
Albuquerque Public Schools – self administer
New Mexico Retiree Health Care Authority- self administer

Section VI Questionnaire, Eligibility File Processing - Question 51.

61. **Question:** Please provide a version of your current eligibility file layout (e.g. 834, 1000 byte, etc.)

Answer: NMRHCA uses a flat file based on PBM file format and is encrypted.
APS uses an 834 file.
State of New Mexico, RMD uses 834, 5010
New Mexico Public Schools Insurance Authority uses 834, 5010

Section VI. Questionnaire, Reporting Question 64.

62. **Question:** Please provide the number of claims data feeds required by IBAC.

Answer: RHCA – carrier 5051 – 2 file feeds
RHCA Carrier 5037 – 5 file feeds
NMPSIA – carrier 5036 – 5 file feeds
RMD – carrier 5057 – 5 file feeds
APS – carrier 5103 – 9 file feeds

Section VI. Questionnaire, Plan Account Services – Question 74.

63. **Question:** Please clarify what is meant by “in-house customer service representative”.
Can bidders align a designated customer service representative, within our own call center, that will serve as a single point of contact during the desired time period?

Answer: Can be negotiated during contract process.

Section VI. Questionnaire, Customer Service Member – Question 83.

64. **Question:** Please provide the call center volume stats for the last 12 months.

Answer: We are requesting and will provide call volume when available.

Section VI. Questionnaire, Pharmacy Call Center – Question 88-90

65. **Question:** Question 88 specifically refers to Pharmacy Help Desk, please confirm if Questions 88-90 are referring specifically to customer service provided to members.

Answer: Question 88 refers to pharmacy help desk. 89-90 refer to customer service help desk.

Section VI. Questionnaire, Clinical Services – Question 91.

66. **Question:** Question 91 asks “Will you provide prior authorization, step therapy logic, edits, overrides, and appeals management at the Administrative Fee price?” Please provide the number of clinical /administrative PAs, along with first-level and external review appeals for the last 12 months.

Answer: Requested and will be provided as soon as possible.

67. **Question:** Please provide details for any prior authorization or step therapy programs that require failure of a preferred brand before members are eligible to receive non-preferred brands.

Answer: We will provide counts and types but not detail.

68. **Question:** Please describe any additional formulary, plan design, or UM strategies for preferred products that might not otherwise be identifiable in the information provided.

Answer: There are several strategies that are applied, each customized specifically to each IBAC group. The information we provided is sufficient to determine the plan design, preferred products and we are providing step therapy and QL logic as soon as we receive it.

69. **Question:** Do you allow grandfathering programs to minimize member impact due to negative formulary changes, formulary exclusions, or step therapy implementations? If yes, please describe the duration and extent to which grandfathering applies.

Answer: Grandfathering is listed in the Attached Spreadsheets noted as “GF” in the rules section.

70. **Question:** Provide list of formulary excluded products.

Answer: Utilize the claim data to develop formulary and non-formulary products.

71. **Question:** Do any of your formularies include “brand over generic” strategies; i.e., Brand drug is preferred/covered on the formulary and the generic equivalent drug is excluded. If yes, please specify.

Answer: This will not be provided at this time.

Section VI. Questionnaire, Specialty – Questions 188 & 189.

72. **Question:** In order to respond to questions such as Question 188 and 189 which includes questions based on IBAC’s utilization, 12 months of claims history including a Specialty indicator is required. Can additional details be provided on member and net costs of specialty products in order to show IBAC-specific savings?

Answer: We believe that three months of claim data is sufficient to determine the response. We are not providing pricing data for a specific savings model.

Appendix C Section 2

73. **Question:** Section 2 of the sample contract contains alternative sections A & B. The alternatives are hourly payment and annual payment. Based on the structure of the cost proposal request, Bidder is presuming the final contract will be modified to provide for payment on a per member per month or per Claim basis. Can IBAC confirm this is correct?

Answer: Subject to negotiation.

Appendix C Section 2.C.

74. **Question:** Section 2.C of the sample contract states that invoices will be paid within thirty days after the date of receipt. Bidder assumes that this provision applies to administrative fees and that invoices for claims reimbursement will be paid more quickly after receipt, as has been the case in the past. How soon after receipt of a correct and valid claims reimbursement invoice will IBAC issue payment for that invoice?

Answer: Subject to negotiation.

Appendix C

75. **Question:** Please advise the frequency (e.g., monthly, twice-monthly, etc.) with which IBAC requires/permits invoices to be issued for (a) administrative fees and (b) for prescription claims invoices.

Answer: Subject to negotiation.

76. **Question:** Is there a mandatory mail program currently in place for any IBAC entity?

Answer: IBAC entities are willing to consider a range of options.

77. **Question:** For APS, is the 90 day at retail program exclusive to Walgreens? Are members required to use either Walgreens or mail order for maintenance medications? How long has this program been in place?

Answer: Yes. See page 3 grid for APS indicating a Walgreens Pharmacy 90 days supply. NMRHCA will have a 90 day program for its commercial and EGWP population beginning January 1, 2018.

78. **Question:** On page 9 of the RFP, per part g. in the definition of “Brand and Minimum Generic Discount Rate Guarantees,” please confirm Compounds should be excluded from the guarantees, as this does not appear to align with the Instructions tab (Appendix D).

Answer: Compounds will be included in the retail rates. The Technical Pricing Document is accurate. Each ingredient will be priced according to the category of the retail pricing. Retail Brand, Retail Generic, etc.

79. **Question:** Per the last paragraph on page 30, is it expected that there will be no more than 5 ancillary charges in addition to the base Administrative Fees? If so, we would require historical data of the number of DMR claims, manual pharmacy submitted claims, clinical PAs, 1st/2nd/3rd level appeals, etc. so that we can properly account for the cost. Otherwise, can an annual allowance be provided to cover these ancillary costs?

Answer: Please see Spreadsheets 1-6.

80. **Question:** Since there is only one Technical Pricing Response tab and Specialty Pricing List tab, can the bidder duplicate these tabs so that both Commercial and EGWP pricing can be provided?

Answer: Yes.

81. **Question:** On page 29, the RFP states that we should only provide current client references and that termed client references will be requested upon being named finalist. On page 83, however, the RFP asks for both current and termed references. Please clarify the number of references needed.

Answer: Provide both 3 current and 3 terminated. You should provide terminated references during the submission process. The request during finalist process is superseded by the submission with the RFP.

82. **Question:** Please confirm that if there is a CMS compliance concern in a question outside of the EGWP section, the question should be answered strictly from a commercial perspective.

Answer: Correct.

Section 4. Mandatory Specification Page 30

83. **Question:** Please provide clarification on this as you state pure pass-through with exception of EGWP which will be pass-through?

Answer: We consider these both the same. Pass-through is required for the EGWP contract.

84. **Question:** IBAC is interested in pure pass-through or transparent pricing scenario with the exception of EGWP which will be pass-through pricing.

Answer: IBAC will accept Traditional or Pass Through pricing for the Commercial population. IBAC will accept only Pass Through pricing for the EGWP plan.

Section 5. Financial Strength/Corporate Stability Page 40

85. **Question:** The technical section contains questions that refer to Appendix H. Do you want them to stay in the technical volume or supplied as part of Appendix H?

Answer: Please provide information as appropriate.

Appendix C – Sample Contract – Requirement 22 Page 73

86. **Question:** Do the Employee Pay equity Reporting Requirements refer to employees assigned to this contract who are located in NM only, or are they company-wide requirements?

Answer: Please see page 21 of Section II C.33 for details.

87. **Question:** Appendix F requires the submission of six references; 3 current and 3 termed of similar size and scope, but under section IV-Specifications, Item A-2, it states that offerors should provide a minimum of three references.
Please confirm if the offeror is required to provide six references as stated in Appendix F, or three as stated in Section IV, Item A-2.

Answer: Provide both 3 current and 3 terminated. You should provide terminated references during the submission process. The request during finalist process is superseded by the submission with the RFP.

88. **Question:** Please confirm we are required to sign and return APPENDIX G - RESIDENT VETERANS CERTIFICATION if we are attesting “not applicable”?

Answer: This form is only required if applicable and wishing to receive the preference points.

89. **Question:** Please confirm APPENDIX L - New Mexico Employees Health Coverage Form is not applicable if we do not have New Mexico employees that would be working on this project. Do we need to sign and return attesting “not applicable”?

Answer: Please sign and date acknowledging your understanding and agreement as it relates to your company presently and future for the duration of the contract.

Section B Introduction

90. **Question:** The RFP states "All IBAC entities currently provide prescription coverage through Express Scripts with the exception of New Mexico Retiree Health Care's

Medicare Advantage Plans." Who provides services for New Mexico Retiree Health Care's Medicare Advantage Plans?

Answer: The selected Medicare Advantage Plans provide both the medical and prescription benefits who are Blue Cross Blue Shield, Humana, Presbyterian, and United Health Care.

Technical Specifications 2 and Appendix F

91. **Question:** Can you clarify the number of references requested? Technical specifications, part 2 requests three references from similar projects performed for private, state or large local government clients within the last three years. However, Appendix F requests vendors provide a minimum of six business references.

Answer: Provide 6 references, 3 current and 3 terminated. You should provide terminated references during the submission process. The request during finalist process is superseded by the submission with the RFP.

92. **Question:** Regarding section II. Conditions Governing the Procurement, is a response required for each element in this section, or is it acceptable to confirm or caveat these items in the letter of transmittal form (Appendix E)?

**Answer: Please see Section II C.1. Acceptance of Conditions Governing the Procurement
Potential Offerors must indicate their acceptance of the Conditions Governing the Procurement section in the letter of transmittal. Submission of a proposal constitutes acceptance of the Evaluation Factors contained in Section V of this RFP.**

Section III. - B. Number of Copies

93. **Question:** Can you please specify the exact number of redacted USBs and hard copies that are to be submitted for both the technical and cost volumes?

Answer: See Section III, Subsection B.

Section VI. Questionnaire

94. **Question:** 77) What is the location of the Account Service team? Is there a potential for a NM based account person?

Answer: Yes, we would like a NM based account member.

95. **Question:** Does IBAC currently have a NM based account person? What are the desired credentials of this person?

Answer: Yes. An individual that can intelligently respond to requests for information regarding a broad range of pharmacy benefit management services.

96. **Question:** Would PBM vendor be able to submit more than one formulary option?

Answer: Yes, just declare the type of formulary in the tab in the Technical Pricing document. Remember that a formulary, Rx, and pharmacy disruption is needed for each.

97. **Question:** Does RACHA Commercial follow the same benefit table as RACHA EGWP?

Answer: NMRHCA prescription benefits are the same for the pre-Medicare commercial plans and the Medicare Supplement Plan as shown in the table.

98. **Question:** We understand we cannot apply formatting to the response documents. Is it acceptable if page numbering is changed when documents are compiled in the binder? For example, the page number on the letter of transmittal form should change to 1 as it is

the first document to appear in the technical volume, but it appears near the end of the RFP file.

Answer: Yes, just do not change the question numbers.

99. **Question:** Further, are we permitted to carve sections out of the core RFP and provide as separate files in the response or do we need to keep the entire file whole when it is returned to IBAC?

Answer: Keep it as a complete file.

100. **Question:** Can you please provide a list of all interfaces that a successful vendor would need to implement during transition?

Answer: This information will not be provided at this time and will be subject to negotiation with the selected finalist.

101. **Question:** The RFP states “All discussion of proposed costs, rates or expenses must occur only in Binder #2 on the cost response form.” For questions in the technical section that ask if a program or service is part of the admin fee and the pricing components section, do these areas need to be moved to the cost volume or can they stay in the technical volume?

Answer: We would recommend that if they are included you declare them included in the proposal. If they require a separate fee then declare that they require a separate fee that is included in the cost proposal.

102. **Question:** Can we include a cover letter?

Answer: Yes.

103. **Question:** Is IBAC looking for an exclusive specialty arrangement?

Answer: IBAC is looking at all types of arrangements and will determine that based upon discussion with the finalist. It will probably not be decided until implementation occurs.

104. **Question:** Will the EGWP plan be fully insured or self-insured?

Answer: The EGWP will remain self-insured.

105. **Question:** Please describe the current online access and capabilities granted to each IBAC entity including the number of users with “Authorized Access” and number of users with view only.

**Answer: RHCA – carrier 5051 – Total of 13 w/ full access
RHCA Carrier 5037 - Total of 13 w/ full access. Encompass has 4 users w/ full access
NMPSIA – carrier 5036 – Total of 24. 13 w/ full access. 11 w/ inquiry only access. Encompass has 4 users with full access
RMD – carrier 5057 – Total of 15 w/ full access. Encompass has 4 users w/ full access. BCBSIL has 10 users with inquiry / elig access
APS – carrier 5103 – Total of 7. 5 w/ full access, 1 w/ inquiry only, 1 w/ elig add/update**

106. **Question:** How many prior authorization requests are processed per month and per year (reported separately for each line of business)?

Answer: Please see Spreadsheets 1-6.

107. **Question:** How many appeals were filed per month and per year (reported separately for each line of business)?

Answer: Please see Spreadsheets 1-6.

108. **Question:** How many appeals were upheld and how many appeals were denied per month and per year (reported separately for each line of business)?

Answer: Upheld and denied are not material. We will provide the number of appeals.

109. **Question:** Do you currently have a dedicated call center unit for the lines of business to receive calls?

Answer: Yes.

110. **Question:** How many IBAC calls are managed in the call center per month and per year (reported separately for each line of business)?

Answer:

Client: NEW MEXICO RETIREE AUTHORITY (Org: 15037) [Medicare Part D]
 Date Range: 08/29/2016 - 08/29/2017
 Finance I-Number: 15037

Summary Totals

Call Type	Offered	Abandoned	Handled	ASA	CSL	Avg Handle Time	Avg Talk Time	Avg Hold Time	Aban Rate	Aban Over 30
Total	49,341	645	48,696	14.93	85.9%	402	379	8	1.3%	553
CSR Only	35,796	645	35,151	20.04	80.5%	402	379	8	1.8%	553
IVR Only	13,545	0	13,545	1.65	100.0%	0	0	0	0.0%	0

Client: NEW MEXICO RETIREE AUTHORITY (Org: 15037) [Member]
 Date Range: 08/29/2016 - 08/29/2017
 Finance I-Number: 15037

Summary Totals

Call Type	Offered	Abandoned	Handled	ASA	CSL	Avg Handle Time	Avg Talk Time	Avg Hold Time	Aban Rate	Aban Over 30
Total	18,243	165	18,078	18.19	87.6%	372	357	2	0.9%	160
CSR Only	11,982	165	11,817	26.95	81.1%	372	357	2	1.4%	160
IVR Only	6,261	0	6,261	1.65	100.0%	0	0	0	0.0%	0

Client: ALBUQUERQUE PUBLIC SCHOOLS (Org: 15103) [Member]
 Date Range: 08/29/2016 - 08/29/2017
 Finance I-Number: 15103

Summary Totals

Call Type	Offered	Abandoned	Handled	ASA	CSL	Avg Handle Time	Avg Talk Time	Avg Hold Time	Aban Rate	Aban Over 30
Total	7,259	50	7,209	16.31	85.7%	446	416	17	0.7%	40
CSR Only	5,077	50	5,027	22.67	79.6%	446	416	17	1.0%	40
IVR Only	2,182	0	2,182	1.65	100.0%	0	0	0	0.0%	0

Client: NEW MEXICO PUBLIC SCHOOLS (Org: 15036) [Member]
 Date Range: 08/29/2016 - 08/29/2017
 Finance I-Number: 15036

Summary Totals

Call Type	Offered	Abandoned	Handled	ASA	CSL	Avg Handle Time	Avg Talk Time	Avg Hold Time	Aban Rate	Aban Over 30
Total	15,103	157	14,946	17.44	87.6%	399	384	2	1.0%	151
CSR Only	10,422	157	10,265	24.63	82.0%	399	384	2	1.5%	151
IVR Only	4,681	0	4,681	1.65	100.0%	0	0	0	0.0%	0

Client: THE STATE OF NEW MEXICO, RISK MA (Org: 15057) [Member]
 Date Range: 08/29/2016 - 08/29/2017
 Finance I-Number: 15057

Summary Totals

Call Type	Offered	Abandoned	Handled	ASA	CSL	Avg Handle Time	Avg Talk Time	Avg Hold Time	Aban Rate	Aban Over 30
Total	30,991	321	30,670	17.98	87.1%	395	379	3	1.0%	316
CSR Only	21,772	321	21,451	24.99	81.6%	395	379	3	1.5%	316
IVR Only	9,219	0	9,219	1.66	100.0%	0	0	0	0.0%	0

111. **Question:** What disease management programs have been implemented over the course of the last 5 years (broken out by line of business)?

Answer: We will not provide this information at this time.