

REQUEST FOR QUOTATION
MARKET CHECK FOR PBM CONTRACT RENEWAL

SPECIFICATIONS

1. **PURPOSE AND SCOPE:** The West Virginia Public Employees Insurance Agency (PEIA) is seeking an experienced consultant to issue, evaluate and negotiate the final Pharmacy Benefit Manager (PBM), CVS Caremark, Market Check for Plan Year 2020, July 1, 2019 to June 30, 2020. PEIA has notified CVS Caremark that it was procuring a consultant for these services. For more information on the scope and requirements of this project, **please see Section 3.1, Mandatory Requirements**, of this solicitation. The PEIA is the State agency that provides group health and life insurance for state, county, and municipal employees. Coverage is provided for more than 200,000 active and retired members, including Medicare eligible retired employees and Medicare eligible dependents of retired employees.

2. **DEFINITIONS:** The terms listed below shall have the meanings assigned to them below. Additional definitions can be found in section 2 of the General Terms and Conditions.
 - 2.1 **“Contract Item”** means the evaluation and negotiation of the final contract amendment resulting from this Market Check.

 - 2.2 **“Pricing Page”** means the pages upon which Bidder should list its proposed price for the Contract Services. The Pricing Page is either included on the last page of this RFQ or attached hereto as Exhibit A.

 - 2.3 **“Solicitation”** means the official notice of an opportunity to supply the State with goods or services that is published by the Purchasing Division..

 - 2.4 **“Business Associate”** describes an entity as defined by 45 CFR 160.103, 164.502(e), 164.504(e), and 164.532(d) and (e) of the Health Insurance Portability and Accountability Act of 1996 (HIPAA).

 - 2.5 **“Covered Entity”** means an entity as defined under 45 CFR 160.103.

 - 2.6 **“HIPAA”** means the Health Insurance Portability and Accountability Act of 1996.

 - 2.7 **“PBM”** means Pharmacy Benefit Manager.

 - 2.8 **“RFQ”** means the official Request For Quotation published by PEIA, identified as IHPEI190001

 - 2.9 **“TPA”** means Third Party Administrator

 - 2.10 **“VENDOR”** and **“BIDDER”** are used interchangeable in this RFQ

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3. GENERAL REQUIREMENTS:

3.1 Mandatory Contract Item Requirements: Contract Item must meet or exceed the mandatory requirements listed below.

3.1.1 Bidder Qualifications

The Bidder must demonstrate its ability to meet the following qualifications in order to submit a quotation. Failure to demonstrate the ability to meet these qualifications will automatically disqualify the Bidder. The Bidder must restate each question/item in the proposal then provide the response. See and complete attached Exhibit B. The Bidder shall have the following minimum qualifications:

- 3.1.1.1** Must have a minimum of three (3) years of consulting experience related to health care and pharmacy benefit management.
- 3.1.1.2** Must have a minimum of three (3) year of consulting experience with health care plans and pharmacy plans with a minimum of 20,000 covered lives.
- 3.1.1.3** The bidder must submit in writing a synopsis of experience completing relevant projects of plans with a minimum of 20,000 covered lives of similar scope and nature completed within the last thirty-six (36) months. Examples of relevant experience should include, but not be limited to, drug cost and network savings, contract negotiations, rebate management, etc.
- 3.1.1.4** The Bidder should be completely independent from, and not have any affiliation, partnership, or agreement with, any of the following including, but not limited to, Pharmacy Benefit Manager (PBM), Third Party Administrator (TPA), mail order pharmacy services, drug manufacturing, or distribution services.
- 3.1.1.5** If you are submitting a proposal to this RFQ and there are relationships with any potential conflict of interest, the Bidder must provide full disclosure.
- 3.1.1.6** PEIA is a Covered Entity as defined by 45 CFR 160.103. The Bidder, in performing an Administrative function on behalf of the Covered Entity, would be considered a Business Associate as defined by 45 CFR 160.103, 164.502(e), 164.504(e), and 164.532(d) and (e) of the Health Insurance Portability and Accountability Act

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of 1996 (HIPAA) and, as such would be required to sign the West Virginia Executive Branch Business Associate Agreement.

3.1.1.7 The successful Bidder must be or become a registered vendor in the State of West Virginia to be awarded a contract. For more information regarding becoming a registered vendor, please visit:
<http://www.state.wv.us/admin/purchase/VendorReg.html>.

3.1.1.8 The Bidder must provide three (3) references from previous customers that have utilized the Bidder to consult on a similar scope. See attached Reference spreadsheet, Exhibit C.

3.1.1.9 This bid is not being accomplished through the State Purchasing Division. However, State Purchasing concepts will apply. The Bidder providing the quotes should generally comply with state contracting requirements outlined at:

<http://www.state.wv.us/admin/purchase/Handbook/default.html>

The Bidder must submit an executed Agreement Addendum, Form WV-96, found here:

https://www.wvhepc.org/resources/RFB-RFP/RFP_17146_CTCS_Website/Exhibit_C.pdf

The Bidder must submit a Certificate of Good Standing from the West Virginia Secretary of State, found here:

<https://apps.wv.gov/SOS/BusinessEntitySearch/>

The Bidder must submit an executed Purchasing Affidavit, found here:

<http://www.state.wv.us/admin/purchase/vrc/pAffidavit.pdf>

By submitting a quote in response to this RFQ, the Vendor must agree to sign the West Virginia State Government HIPAA Business Associate Addendum attached to this RFQ and viewable at:

<http://www.state.wv.us/admin/purchase/vrc/WvBaaAgEffectiveJun2013.pdf>

3.1.1.10 The Bidder must complete the attachments and forms in all links in this RFQ. Failure to complete in its entirety will result in disqualification.

3.1.1.11 The bid proposal will be awarded on a fixed fee contract basis. See Exhibit A – Pricing Page.

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3.1.1.12 This RFQ, any bid proposals, and any resulting contract is subject to public disclosure under the West Virginia Freedom of Information Act (“FOIA”). Accordingly, if the Bidder considers any part of its bid proposal to contain trade secret information exempt from disclosure under FOIA then the Bidder must provide a second, redacted copy of its bid proposal in conjunction with the original bid proposal. See, W. Va. Code § 29B-1-4(a)(1) here: <http://www.wvlegislature.gov/WVCODE/ChapterEntire.cfm?chap=29B&art=1§ion=4#01>

See also, W. Va. Code § 47-22-1(d) here: <http://www.wvlegislature.gov/WVCODE/ChapterEntire.cfm?chap=47&art=22§ion=1#22#22>

The PEIA will not be responsible for disclosure of any information provided by the Bidder where the Bidder failed to clearly and unambiguously redact a second copy of the bid proposal for the purpose of exercising its right to prevent public disclosure of trade secret information.

3.1.2 Consultant Services to perform a Market Check, compare against industry standards, and negotiate a contract renewal with the PBM.

3.1.2.1 The Bidder shall obtain pricing from the current PBM on pricing information for a contract renewal including, but not limited to, network pricing/discounts, rebate guarantees, and contract terms.

3.1.2.2 The Bidder shall evaluate the information obtained in 3.1.2.1 and compare to current market pricing by other PBMs in the industry as a benchmark to ensure that the current PBM is presenting pricing and terms which are competitive in the industry and advantageous to PEIA.

3.1.2.3 The Bidder shall present all of the information from items 3.1.2.1 and 3.1.2.2 to PEIA in a concise manner so that PEIA can make an informed review.

3.1.2.4 The Bidder shall, based on the information obtained during the market check and any guidance provided by PEIA after PEIA’s review, negotiate with the current PBM for a contract renewal that is competitive in the industry and advantageous to PEIA. The contract amendment must be negotiated by March 31, 2019.

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4. CONTRACT AWARD:

4.1 Contract Award: The Contract is intended to provide Agencies with a purchase price for the Contract Items. The Contract shall be awarded to the Vendor that provides the Contract Items meeting the required specifications for the lowest overall total cost as shown on the Pricing Pages.

4.2 Pricing Page: Vendor should complete the Pricing Page by providing a fixed fee cost for all services outlined in this RFQ.

Vendor should complete the Pricing Page in full as failure to complete the Pricing Page in its entirety may result in Vendor's bid being disqualified.

Vendor should type or electronically enter the information into the Pricing Page to prevent errors in the evaluation.

5. PERFORMANCE: Vendor and PEIA shall agree upon a schedule for performance of Contract Services and Contract Services Deliverables, unless such a schedule is already included herein by PEIA. In the event that this Contract is designated as an open-ended contract, Vendor shall perform in accordance with the release orders that may be issued against this Contract.

6. PAYMENT: Agency shall pay as shown on the Pricing Page for all Contract Services performed and accepted under this Contract. Vendor shall accept payment in accordance with the payment procedures of the State of West Virginia.

7. TRAVEL: Vendor shall be responsible for all mileage and travel costs, including travel time, associated with performance of this Contract. Any anticipated mileage or travel costs may be included in the flat fee listed in Vendor's bid, but such costs will not be paid by the Agency separately.

8 VENDOR DEFAULT:

8.1 The following shall be considered a vendor default under this Contract.

8.1.1 Failure to provide Contract Items in accordance with the requirements contained herein.

8.1.2 Failure to comply with other specifications and requirements contained herein.

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8.1.3 Failure to comply with any laws, rules, and ordinances applicable to the Contract Services provided under this Contract.

8.1.4 Failure to remedy deficient performance upon request.

8.2 The following remedies shall be available to Agency upon default.

8.2.1 Immediate cancellation of the Contract.

8.2.2 Immediate cancellation of one or more release orders issued under this Contract.

8.2.3 Any other remedies available in law or equity.

10. MISCELLANEOUS:

10.1 Contract Manager: During its performance of this Contract, Vendor must designate and maintain a primary contract manager responsible for overseeing Vendor's responsibilities under this Contract. The Contract manager must be available during normal business hours to address any customer issues related to this Contract. Vendor must provide in writing its Contract manager and his/her contact information within its bid.

Contract Manager: _____
Telephone Number: _____
Fax Number: _____
Email Address: _____

10.2. All communications, inquiries, and final quotations regarding this RFQ must be submitted in writing to the following individual no later than 2:00 PM on Wednesday, December 12, 2018. Any bids received after this deadline will not be considered.

Ms. Felice B. Joseph, RPh
WV Public Employees Insurance Agency
601 57th Street, SE, Suite 2
Charleston, WV 25304-2345
Facsimile: 1-877-233-4295
E-mail: Felice.B.Joseph@wv.gov

The Vendor, or anyone on its behalf, is not permitted to make any contact with any member of the evaluation committee. Violations may result in rejection of the bid.

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Exhibit A

Pricing Page

Vendor Name: _____

Vendor Contact Information:

Address: _____

Phone Number: _____

E-mail: _____

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The signature below binds the Vendor to the pricing submitted for the scope of work to be performed under this RFQ. This is a **fixed cost contract**. The **cost shall include all project costs including travel, meals, etc.** The Vendor shall submit the cost proposal in the above format.

Vendor Signature: _____

Title: _____

Date: _____

Exhibit B

PEIA PBM Market Check Consulting RFQ References - Vendor must provide at least three (3)

Vendor: _____

Reference Name: Covered lives: Contact Person: Contact e-mail: Contact Phone Number:

Exhibit C

PEIA PBM Market Check Consulting RFQ Qualifications

Vendor: _____

Qulaification	YES	NO	If "No", explanation
3.1.1.1			
3.1.1.2			
3.1.1.3			
3.1.1.4			
3.1.1.5			
3.1.1.6			
3.1.1.7			
3.1.1.8			
3.1.1.9			
3.1.1.10			
3.1.1.11			
3.1.1.12			