

Issued By:

The Interagency Benefits Advisory Committee (IBAC) consisting of:

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

REQUEST FOR PROPOSALS (RFP)

Pharmaceutical Benefits Management Services



RFP#342-2021-03

Release Date: October 18, 2021

Proposal Due Date: November 15, 2021

ELECTRONIC-ONLY PROPOSAL SUBMISSION

1 INTRODUCTION

1.1 PURPOSE OF THIS REQUEST FOR PROPOSALS

The purpose of this Request for Proposal (RFP) is to solicit sealed proposals on behalf of the State of New Mexico, General Services Department, Risk Management Division (RMD), New Mexico Public Schools Insurance Authority (NMPSIA), Albuquerque Public Schools (APS), the New Mexico Retiree Health Care Authority (RHCA), and the University of New Mexico (UNM) for purposes of establishing a contract through competitive negotiations for the procurement of Pharmaceutical Benefits Management Services.

1.2 BACKGROUND INFORMATION

General Information

The Health Care Purchasing Act of 1997, which became effective on July 1, 1997, is an act related to publicly funded health care programs to provide for consolidated negotiation and purchasing of insurance. This act requires the four agencies listed below to complete a single process for the procurement of employee benefits by these publicly funded agencies. However, the four agencies are not required to select the same provider/carrier.

These agencies previously awarded the Pharmacy Benefit Manager contracts in July 2018 to Express Scripts, Inc. (ESI). This contract will expire June 30, 2022 for RMD, NMPSIA, and NMRHCA. The APS contract was awarded to ESI in January 2019 and will expire December 31, 2022.

The Interagency Benefits Advisory Committee (IBAC) is made up of representatives of the four New Mexico State Agencies addressed in the Health Care Purchasing Act of 1997:

- The State of New Mexico, General Services Department, Risk Management Division (RMD) (https://www.generalservices.state.nm.us/risk-management/overview_1/) (<https://www.mybenefitsnm.com/index.html>)
- New Mexico Public Schools Insurance Authority (NMPSIA) (<https://nmipsia.com/>)
- Albuquerque Public Schools (APS) (<https://www.aps.edu/human-resources/benefits>)
- The New Mexico Retiree Health Care Authority (RHCA) (www.nmrhca.org)

As used in this RFP, "IBAC" means the Committee described in this paragraph or any of the member agencies listed in this paragraph as the context requires.

All IBAC agencies and the University of New Mexico (UNM) currently provide prescription coverage through ESI with the exception of New Mexico Retiree Health Care's Medicare Advantage Plans.

Plan Details

IBAC consists of four (4) organizations that come together to improve price and service in the procurement of benefits. The four IBAC organizations and UNM 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 IBAC organizations and UNM but only one contract per agency will be completed. A description of the IBAC organizations and UNM is as follows:

The State of New Mexico, General Services Department, Risk Management Division (RMD)

(https://www.generalservices.state.nm.us/risk-management/overview_1/)

(<https://www.mybenefitsnm.com/index.html>)

The RMD provides insurance coverage for all active employees of the State of New Mexico and includes 103 municipalities, counties, and/or other local public bodies. RMD utilizes ESI for their prescription coverage. As of July 1, 2021, RMD covers 17,564 state employees and 19,943 state employee dependents for a total of 37,507.

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Additionally, Local Public Bodies' (LPB) enrollment is 9,623 employees and 9,787 LPB employee dependents for a total of 19,410. Both State and LPB covered lives total 56,917.

Risk Management Division (RMD)					
Line of Business	Covered Lives	Adjusted Rxs	Plan Cost	Member Cost	Total Spend
Actives	59,474	807,331	\$64,860,959	\$13,166,872	\$78,027,831
Plan Information					
	Retail	Mail		Specialty	
Days' Supply	30	90		30	
Generic	\$6	\$17		\$60	
Formulary Brand	30% (\$35 min / \$95 max)	\$120		\$85	
Non-Formulary Brand	40% (\$60 min / \$130 max)	\$155		\$125	
Front-End Deductible	\$50 individual / \$100 family (one-time deductible charged for the first fill of a brand drug at retail or mail; applies toward the maximum out of pocket)				
Maximum Out of Pocket	Combined prescription and medical (multiple vendors) OOP maximum				
DAW Penalties	If a member or prescriber chooses a brand-name drug when a generic equivalent is available, the member will be responsible for the brand copay plus any cost difference between the brand and the generic (only applies to non-specialty prescription drugs)				
Out-of-Network Pharmacy Claims/ In-Network Pharmacy Claims	If members use a non-participating pharmacy, they will be required to pay the full cost of the prescription. Members can submit a claim form to the PBM to be reimbursed at the Participating Pharmacy rate. All copayments and clinical utilization management programs will apply. Paper Claims for In-Network Pharmacy Claims will be reimbursed at the standard copay with applicable clinical utilization management programs.				
Formulary	National Preferred Formulary				
Programs	SaveOnSP specialty copay assistance program for non-essential benefits in place. Manufacturer contributions do not count toward MOOP or deductibles. Hepatitis Cure Value Program Cholesterol Care Value Program Oncology Care Value Program Diabetes Care Value Program Inflammatory Conditions Care Value Program Market Events Protection Program Pulmonary Care Value Program Unlimited UM (Prior Authorization, Quantity Limits, Step Therapy) RationalMed				

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New Mexico Public Schools Insurance Authority (NMPSIA) (<https://nmpsia.com/>)

NMPSIA provides insurance coverage for 88 New Mexico public school districts (Albuquerque Public Schools is not in the NMPSIA pool), 100 charter schools and 26 other educational entities in New Mexico. NMPSIA covers approximately 21,100 employees, 44,800 members for medical and prescription coverage.

New Mexico Public Schools Insurance Authority (NMPSIA)					
Line of Business	Covered Lives	Adjusted Rxs	Plan Cost	Member Cost	Total Spend
Actives	46,150	724,458	\$61,304,691	\$9,868,693	\$71,173,384
Plan Information					
	Retail	Mail	Specialty ¹		
Days' Supply	30	90	30 ²		
Generic ³	\$10	\$22	\$55		
Formulary Brand ³	30% (\$30 min / \$60 max	\$60	\$80		
Non-Formulary Brand	70%	70%	\$130		
Front-End Deductible	None				
Maximum Out of Pocket	\$3,100 individual / \$6,200 family				
DAW Penalties	If a member or prescriber chooses a brand-name drug when a generic equivalent is available, the member will be responsible for the brand copay plus any cost difference between the brand and the generic, even after out of pocket has been met (only applies to non-specialty prescription drugs)				
Out-of-Network Pharmacy Claims/ In-Network Pharmacy Claims	If members use a non-participating pharmacy, they will be required to pay the full cost of the prescription. Members can submit a claim form to the PBM to be reimbursed at the Participating Pharmacy rate. All copayments and clinical utilization management programs will apply. Paper Claims for In-Network Pharmacy Claims will be reimbursed at the standard copay with applicable clinical utilization management programs				
Formulary	National Preferred Formulary				
Programs	SaveOnSP specialty copay assistance program for non-essential benefits in place. Manufacturer contributions do not count toward MOOP or deductibles. Propeller Pulmonary Remote Monitoring InMynd Livongo - Diabetes and Hypertension Hepatitis Cure Value Program Cholesterol Care Value Program Oncology Care Value Program Inflammatory Conditions Care Value Program				

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New Mexico Public Schools Insurance Authority (NMPSIA)	
	Market Events Protection Program Multiple Sclerosis Care Value Program Unlimited UM (Prior Authorization, Quantity Limits, Step Therapy) Advanced Opioid Management with Enhanced Fraud, Waste & Abuse RationalMed

¹ Specialty drugs must be filled via the contracted specialty pharmacy, Accredo.

² Mandatory use of Accredo except Statin drugs. NMPSIA is enrolled in clinical days' supply program at ESI.

³ Diabetic supplies, generic and preferred-brand insulin have \$0 copay at retail and mail.

Albuquerque Public Schools (APS) (www.aps.edu)

APS, by statute, is the only New Mexico public school district not participating in The New Mexico Public Schools Insurance Authority. APS covers approximately 7,700 employees on their prescription drug plan.

Albuquerque Public Schools is New Mexico's largest school district, serving more than a fourth of the state's public school students.

APS serves approximately 75,000 students in 144 schools scattered across nearly 1,200 square miles. APS students live in the city of Albuquerque and the towns of Corrales and Los Ranchos; the counties of Bernalillo and Sandoval; the pueblos of Isleta and Laguna.

APS is the largest employer in Albuquerque, providing full-time jobs for more than 12,000 people including 5,500 teachers.

Albuquerque Public Schools (APS)					
Line of Business	Covered Lives	Adjusted Rxs	Plan Cost	Member Cost	Total Spend
Actives	15,730	244,464	\$20,064,117	\$3,374,282	\$23,438,399
Plan Information					
	Retail	Mail ⁴		Specialty ⁵	
Days' Supply	34	90		30	
Generic ³	20% (\$10 min / \$25 max)	\$25		\$70	
Formulary Brand ³	30% (\$35 min / \$65 max)	\$70		\$100	
Non-Formulary Brand	40% (\$70 min / \$140 max)	\$150		\$150	
Front-End Deductible	None				
Maximum Out of Pocket	\$3,000 individual / \$4,000 family (For 2022, the OOP will be \$2,850 individual / \$3,700 family)				
DAW Penalties	If a member or prescriber chooses a brand-name drug when a generic equivalent is available, the member will be responsible for the brand coinsurance/copay plus				

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Albuquerque Public Schools (APS)	
	any cost difference between the brand and the generic. The difference in cost will apply toward the out of pocket maximum.
Out-of-Network Pharmacy Claims/ In-Network Pharmacy Claims	If members use a non-participating pharmacy, they will be required to pay the full cost of the prescription. Members can submit a claim form to the PBM to be reimbursed at the Participating Pharmacy rate. All copayments and clinical utilization management programs will apply. Paper Claims for In-Network Pharmacy Claims will be reimbursed at the standard copay with applicable clinical utilization management programs
Formulary	National Preferred Formulary
Programs	<p>SaveOnSP specialty copay assistance program for non-essential benefits in place. Manufacturer contributions do not count toward MOOP or deductibles.</p> <p>Hepatitis Cure Value Program</p> <p>Cholesterol Care Value Program</p> <p>Oncology Care Value Program</p> <p>Diabetes Care Value Program</p> <p>Inflammatory Conditions Care Value Program</p> <p>Market Events Protection Program</p> <p>Pulmonary Care Value Program</p> <p>Multiple Sclerosis Care Value Program</p> <p>Unlimited UM (Prior Authorization, Quantity Limits, Step Therapy)</p> <p>Advanced Opioid Management with Enhanced Fraud, Waste & Abuse</p> <p>RationalMed</p> <p>Livongo - Diabetes</p>

⁴ A 90-day supply of maintenance medications filled at Walgreens is available subject to the Mail copays/coinsurance.

⁵ All specialty medications must be filled through Accredo. Exceptions may apply for medications requiring an immediate fill.

New Mexico Retiree Health Care Authority (RHCA) (www.nmrhca.org)

RHCA provides benefits for all retirees and their dependents from public entities that participate in the program. Retirees from NMPSIA, RMD, and APS, as well as other public sector entities participate. The RHCA covers approximately 10,040 retirees and 4,439 dependents under age 65 and approximately 32,007 retirees and 8,667 dependents over age 65.

New Mexico Retiree Health Care Authority (NMRHCA)					
Line of Business	Covered Lives	Adjusted Rxs	Plan Cost	Member Cost	Total Spend
Commercial	14,507	404,468	\$34,483,168	\$6,474,323	\$40,957,491
EGWP	22,020	1,177,207	\$98,131,158	\$9,631,037	\$107,762,195
Plan Information					
	Retail		Mail ⁶		

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New Mexico Retiree Health Care Authority (NMRHCA)		
Days' Supply	34	90
Generic	\$5 min / \$15 max	\$12 min / \$35 max
Formulary Brand	\$30 min / \$60 max	\$60 min / \$120 max
Non-Formulary Brand	\$50 min / \$125 max	\$100 min / \$250 max
Front-End Deductible	None	
Maximum Out of Pocket	N/A	
DAW Penalties	<p>Commercial: If a member or prescriber chooses a brand-name drug when a generic equivalent is available, the member will be responsible for the brand copay plus any cost difference between the brand and the generic.</p> <p>EGWP: N/A</p>	
Out-of-Network Pharmacy Claims/ In-Network Pharmacy Claims	<p>If members use a non-participating pharmacy, they will be required to pay the full cost of the prescription. Members can submit a claim form to the PBM to be reimbursed at the Participating Pharmacy rate. All copayments and clinical utilization management programs will apply. Paper Claims for In-Network Pharmacy Claims will be reimbursed at the standard copay with applicable clinical utilization management programs</p>	
ACA Preventive Services	The group is grandfathered for purposes of the Affordable Care Act (ACA).	
Formularies	<p>Commercial: National Preferred Formulary</p> <p>EGWP: Premier Access 3T Formulary</p>	
Programs	<p>Commercial:</p> <p>Hepatitis Cure Value Program</p> <p>Cholesterol Care Value Program</p> <p>Oncology Care Value Program</p> <p>Inflammatory Conditions Care Value Program</p> <p>Market Events Protection Program</p> <p>Multiple Sclerosis Care Value Program</p> <p>Unlimited UM (Prior Authorization, Quantity Limits, Step Therapy)</p> <p>Advanced Opioid Management with Enhanced Fraud, Waste & Abuse</p> <p>RationalMed</p> <p>SaveOnSP specialty copay assistance program for non-essential benefits in place. Manufacturer contributions do not count toward MOOP or deductibles.</p> <p>EGWP:</p> <p>Advanced Opioid Management Medicare</p> <p>RationalMed</p>	

⁶A 90-day supply of maintenance medications filled at Walgreens is available subject to the Mail copays/coinsurance.

University of New Mexico (UNM) (<https://hr.unm.edu/benefits/prescriptions>)

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UNM provides benefits for approximately 7,300 employees including UNM faculty, staff and Health Sciences Center faculty and staff. UNM has campuses in Albuquerque, Gallup, Valencia County, Taos and Los Alamos. UNM also provides health benefits for approximately 450 employees from affiliated employers including UNM Medical Group, STC.UNM, and a small number of consolidated UNM Hospitals employees. UNM also provides coverage for close to 600 pre-65 retirees. There are currently 12,573 lives covered under UNM's prescription drug benefit plan.

The submitting pharmacy benefit management company must agree to include University of New Mexico Hospitals pharmacies and its Student Health and Counseling pharmacy in its network.

The University of New Mexico may align with the University of New Mexico Hospitals to take advantage of any cost reduction processes that can provide better cost outcomes for the University. This may be through 340b or Group purchasing models. The submitting pharmacy benefit management company must be able to accommodate these alternatives. The University also may work with its College of Pharmacy to provide certain clinical programs management or specialty pharmacy programs. The submitting pharmacy benefit management company must also be able to accommodate these arrangements. UNM may elect to use an internal pharmacy that could be used in a custom format to provide medications to the employees of the University. The submitting pharmacy benefit management company must have a mechanism for this model and also have capabilities of managing a program to incent those employees into using the internal pharmacy.

The chosen PBM will be required to agree to UNM's Business Associate Agreement.

University of New Mexico (UNM)					
Line of Business	Covered Lives	Adjusted Rx's	Plan Cost	Member Cost	Total Spend
Plan Information ⁷					
	Retail		Mail ⁸		Specialty
Days' Supply	30		90		30 ⁹
Generic	\$10		\$20		20% (\$250 max) Once a member has paid \$1,250 in out-of-pocket expenses on specialty medications , specialty copayments will change to \$0 for the remainder of the plan year
Formulary Brand	25% (\$35 min / \$70 max)		25% (\$87.50 min / \$175 max)		
Non-Formulary Brand	25% (\$55 min / \$110 max)		25% (\$137.50 min / \$275 max)		
Front-End Deductible	None				
Maximum Out of Pocket	\$3,000 single / \$6,000 family (All medications apply - accumulated with Medical OOP towards annual max)				
DAW Penalties	If member obtains a brand-name drug when a generic equivalent is available, they are responsible for the applicable copayment plus the cost difference between the brand-name drug and the generic drug.				
Out-of-Network Pharmacy Claims/ In-Network Pharmacy Claims ¹⁰					

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University of New Mexico (UNM)					
Formulary	National Preferred Formulary				
Programs	SaveOnSP specialty copay assistance program for non-essential benefits in place. Manufacturer contributions do not count toward MOOP or deductibles. Hepatitis Cure Value Program Cholesterol Care Value Program Inflammatory Conditions Care Value Program Multiple Sclerosis Care Value Program Rare Conditions Care Value Program Migraine Care Value Program Advantage Plus UM (Prior Authorization, Quantity Limits, Step Therapy) Advanced Opioid Management with Enhanced Fraud, Waste & Abuse RationalMed Screen Rx				
Actives	12,782	185,256	\$19,032,841	\$3,152,835	\$22,185,676

⁷ Certain diabetic medications and supplies are covered at \$0 copay.

⁸ A 90-day supply of maintenance medications is available at retail subject to the Mail copays/coinsurance.

⁹ UNM is enrolled in clinical days' supply program at ESI.

¹⁰ Pending confirmation from ESI

1.3 SCOPE OF PROCUREMENT

This procurement is to secure pharmaceutical benefits management services to become effective July 1, 2022 (January 1, 2023 for APS). The initial contract term will be for four (4) years for each IBAC agency and UNM.

The resulting contract may be a multiple award.

This procurement will result in a contractual agreement between two parties; the procurement may ONLY be used by those two parties exclusively.

1.4 PROCUREMENT MANAGER

IBAC/UNM has assigned a Procurement Manager who is responsible for the conduct of this procurement whose name, address, telephone number and e-mail address are listed below:

Name: Claudette Roybal, Procurement Manager

Telephone: (505) 469-5746

Email: Claudette.Roybal@state.nm.us

1. **Any inquiries or requests** regarding this procurement should be submitted, in writing, to the Procurement Manager. Offerors may contact ONLY the Procurement Manager regarding this procurement. Other state employees or Evaluation Committee members do not have the authority to respond on behalf of the IBAC/UNM.
2. **Protests of the solicitation or award must be submitted in writing to the Protest Manager identified in Section 2.2.13.** As a Protest Manager has been named in this Request for Proposals, pursuant to §13-1-172, NMSA 1978 and 1.4.1.82 NMAC, **ONLY protests delivered directly to the Protest Manager in writing and in a timely fashion will be considered to have been submitted properly and in accordance with statute, rule and this Request for Proposals.** Protests submitted or delivered to the Procurement Manager will **NOT** be considered properly submitted.

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1.5 PROPOSAL SUBMISSION

Submissions of all proposals must be accomplished via ProposalTech. Refer to Section 3.2 for instructions.

1.6 DEFINITION OF TERMINOLOGY

This section contains definitions of terms used throughout this procurement document, including appropriate abbreviations:

1. **“Agency”** means the IBAC or any of the IBAC member agencies or UNM as described in the Background Information section of this RFP.
2. **“Average Wholesale Price (AWP)”** means information based on date-sensitive, 11-digit NDC as supplied by a nationally recognized pricing source, MediSpan for retail, retail maintenance, specialty, and mail order adjudicated claims.
3. **“Authorized Purchaser”** means an individual authorized by a Participating Entity to place orders against this contract.
4. **“Award”** means the final execution of the contract document.
5. **“Business Hours”** means 8:00 AM thru 5:00 PM MST/MDT, whichever is in effect on the date given.
6. **“Brand and Minimum Generic Discount Rate Guarantees”** for both mail and retail shall be defined as follows: (Aggregate Undiscounted AWP-Aggregate Discounted Ingredient Cost)/(Aggregate Undiscounted AWP):
 - A. Aggregate Discounted Ingredient Cost prior to application of plan specific co-payments, tax and dispensing fee will be the basis of the calculation.
 - B. Aggregated Undiscounted AWP will be from a single, nationally recognized price source for all claims, MediSpan.
 - C. Dispensing Fees are not included in the Aggregate Discounted Ingredient Cost.
 - D. Both the Aggregate Discounted Ingredient Cost and Aggregate Undiscounted AWP from the actual date of claim adjudication will be used.
 - E. Aggregated Undiscounted AWP will be the date sensitive, 11- digit NDC of the actual product dispensed as submitted by the pharmacy.
 - F. Non-MAC, MAC, single-source and multiple source generic products are to be included in the generic guarantee measurement.
 - G. Compounds, OTC claims, and claims with ancillary charges such as vaccines will be excluded from the calculation for retail and mail order component guarantees.
 - H. The guarantee measurement must exclude the savings impact from DUR programs, formulary programs, utilization management programs and/or other therapeutic interventions.
 - I. Any shortfall between the actual result and the minimum guarantee will be paid, dollar-for-dollar, to the agency within ninety (90) calendar days of the end of the close of measurement period.
 - J. Brand/Generic Classification will follow MediSpan “MNOY” for financial guarantee purposes. The classification of “Y” will be the only recognized Generic classification.
7. **“Close of Business”** means 5:00 PM Mountain Standard or Daylight Time, whichever is in use at that time.
8. **“Confidential”** means confidential financial information concerning Offeror's organization and data that qualifies as a trade secret in accordance with the Uniform Trade Secrets Act §§57-3-A-1 through 57-3A-7, NMSA 1978,. See also NMAC 1.4.1.45. The following items may not be labelled as confidential: Offeror's submitted Cost response, Staff/Personnel Resumes/Bios (excluding personal information such as personal telephone numbers and/or home addresses), and other submitted data that is not confidential financial information or that qualifies under the Uniform Trade Secrets Act.
9. **“Contract”** means any agreement for the procurement of items of tangible personal property, services or construction.

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10. **“Contractor”** means any business having a contract with a state agency or local public body.
11. **“DAW”** means Dispense As Written; an order on a prescription directing the pharmacist to fill the prescription exactly as it was written, with no substitution. The DAW Code is transmitted with the claim that indicates special circumstances. The DAW Codes and indications are as follows:
 - A. DAW 0 No product selection indicated
 - B. DAW 1 Substitution not allowed by prescriber
 - C. DAW 2 Substitution allowed - patient requested product dispensed
 - D. DAW 3 Substitution allowed - pharmacist selected product dispensed
 - E. DAW 4 Substitution allowed - generic drug not in stock
 - F. DAW 5 Substitution allowed - brand drug dispensed as generic
 - G. DAW 6 Undefined (not in general use)
 - H. DAW 7 Substitution not allowed - brand drug mandated by law/regulation
 - I. DAW 8 Substitution allowed - generic drug not available in marketplace
 - J. DAW 9 Substitution allowed - plan requests brand dispensed
12. **“Determination”** means the written documentation of a decision of a procurement officer including findings of fact required to support a decision. A determination becomes part of the procurement file to which it pertains.
13. **“Desirable”** - the terms “may,” “can,” “should,” “preferably,” or “prefers” identify a desirable or discretionary item or factor.
14. **“DUR”** means Drug Utilization Review in which the system reviews each claim against all other claims from all sources in the system to determine if there is a detrimental interaction with another drug the member filled.
15. **“EGWP”** means Employer Group Waiver Plan; associated with Medicare Part D.
16. **“Electronic Submission”** means a successful submittal of Offeror's proposal in the eProNM system, in such cases where eProNM submissions are accepted.
17. **“Electronic Version/Copy”** means a digital form consisting of text, images or both readable on computers or other electronic devices that includes all content that the Original and Hard Copy proposals contain. The digital form may be submitted using a compact disc (CD) or USB flash drive. The electronic version/copy can NOT be emailed.
18. **“Evaluation Committee”** means a body appointed to perform the evaluation of Offerors' proposals.
19. **“Evaluation Committee Report”** means a report prepared by the Procurement Manager and the Evaluation Committee to support the Committee's recommendation for contract award. It will contain scores and written evaluations of all responsive Offeror proposals.
20. **“Final Award”** means, in the context of this Request for Proposals and all its attendant documents, that point at which the final required signature on the contract(s) resulting from the procurement has been affixed to the contract(s) thus making it fully executed.
21. **“Finalist”** means an Offeror who meets all the mandatory specifications of this Request for Proposals and whose score on evaluation factors is sufficiently high to merit further consideration by the Evaluation Committee.
22. **“Formulary”** means the listing of current IBAC/UNM preferred, non-preferred, and generic medications.
23. **“Hourly Rate”** means the proposed fully loaded maximum hourly rates that include travel, per diem, fringe benefits and any overhead costs for contractor personnel, as well as subcontractor personnel if appropriate.
24. **“IT”** means Information Technology.
25. **“MAC”** Maximum Allowable Cost or the price paid to the pharmacy (or charged to the group) for a generic drug no matter what NDC or manufacturer is used by the pharmacy.

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26. **"Mandatory"** - the terms "must," "shall" "will," "is required," or "are required," identify a mandatory item or factor. Failure to meet a mandatory item or factor may result in the rejection of the Offeror's proposal.
27. **"Members"** means all eligible employees and their eligible dependents enrolled under the IBAC/UNM prescription benefit program.
28. **"Minor Irregularities"** means anything in the proposal that does not affect the price, quality and/or quantity, or any other mandatory requirement.
29. **"MNOY"** these indicators are nationally published by MediSpan to determine the type of drug dispensed. M-MultiSource Brand or a Brand with another Brand competitor available, N-Single Source Brand, O-Brand Drug with a Generic Available, Y-Generic Drug.
30. **"Multiple Source Award"** means an award of an indefinite quantity contract for one or more similar services, items of tangible personal property or construction to more than one Offeror.
31. **"NCPDP"** National Council for Prescription Drug Programs is a national organization that attempts to set standards for prescription drug programs.
32. **"NDC"** National Drug Code is the universal identifier for each drug processed under a prescription drug program.
33. **"Offeror" or "Bidder"** is any person, corporation, or partnership who chooses to submit a proposal.
34. **"OTC"** means Over The Counter drugs that do not require a prescription to obtain.
35. **"Pass-Through Pricing"** means PBM agrees to pass-through 100% of negotiated discounts with network pharmacies at the point-of-service and to provide auditing protocol, enabling tracking of individual claims back to original pharmacy network contract documents. The PBM agrees to disclose details of all programs and services generating financial remuneration from outside entities.
36. **"Paid Claims"** means all transactions made on eligible members that result in a payment to pharmacies or members from the IBAC/UNM or result in an IBAC/UNM member copay. (Does not include reversals and adjustments.) Each unique prescription that results in payment shall be calculated separately as a paid claim.
37. **"PA"** Prior Authorization is the process of administering a rule to stop the filling of a prescription until it is determined if the member meets specific criteria.
38. **"Plan"** means the prescription drug benefits programs offered by the IBAC member agencies and UNM to eligible individuals.
39. **"Procurement Manager"** means any person or designee authorized by a state agency or local public body to enter into or administer contracts and make written determinations with respect thereto.
40. **"Procuring Agency"** means all State of New Mexico agencies, commissions, institutions, political subdivisions and local public bodies allowed by law to entertain procurements.
41. **"Project"** means a temporary process undertaken to solve a well-defined goal or objective with clearly defined start and end times, a set of clearly defined tasks, and a budget. The project terminates once the project scope is achieved and project acceptance is given by the project executive sponsor.
42. **"QL"** Quantity Limit is the rule put in place through the electronic claims system that limits the number of units of drug a member can get for safety or cost reasons.
43. **"Rebates"** means compensation or remuneration of any kind received or recovered from a pharmaceutical manufacturer by the PBM attributable to the purchase or utilization of covered drugs by eligible persons, including, but not limited to, incentive rebates categorized as mail order purchase discounts; credits; rebates, regardless of how categorized; market share incentives; promotional allowances; commissions; educational grants; market share of utilization; drug pull-through programs; implementation allowances; clinical detailing; rebate submission fees; and administrative or management fees. Rebates also include any fees that PBM receives from a pharmaceutical manufacturer for administrative costs, formulary placement, and/or access.
44. **"Redacted"** means a version/copy of the Offeror's proposal with the information considered proprietary or confidential (as defined by §§57-3A-1 to 57-3A-7, NMSA 1978 and NMAC 1.4.1.45 and

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summarized herein and outlined in Section II.C.8 of this RFP) blacked-out BUT NOT omitted or removed.

45. **“Request for Proposals (RFP)”** means all documents, including those attached or incorporated by reference, used for soliciting proposals.
46. **“Responsible Offeror”** means an Offeror who submits a responsive proposal and who has furnished, when required, information and data to prove that his financial resources, production or service facilities, personnel, service reputation and experience are adequate to make satisfactory delivery of the services, or items of tangible personal property described in the proposal.
47. **“Responsive Offer”** means an offer which conforms in all material respects to the requirements set forth in the request for proposals. Material respects of a request for proposals include, but are not limited to price, quality, quantity or delivery requirements.
48. **“SPD”** means State Purchasing Division of the New Mexico State General Services Department.
49. **“ST”** Step Therapy is the rule applied to the claim administration that prevents the filling of a non-preferred or higher cost medication when a preferred or lower cost medication is available. The member must step through the first drug prior to approval of using a second drug.
50. **“Staff”** means any individual who is a full-time, part-time, or an independently contracted employee with the Offerors' company.
51. **“State (the State)”** means the State of New Mexico.
52. **“State Agency”** means any department, commission, council, board, committee, institution, legislative body, agency, government corporation, educational institution or official of the executive, legislative or judicial branch of the government of this state. “State agency” includes the Purchasing Division of the General Services Department and the State Purchasing Agent but does not include local public bodies.
53. **“State Purchasing Agent”** means the Director of the Purchasing Division of the General Services Department.
54. **“Statement of Concurrence”** means an affirmative statement from the Offeror to the required specification agreeing to comply and concur with the stated requirement(s). This statement shall be included in Offerors proposal. (E.g. “We concur,” “Understands and Complies,” “Comply,” “Will Comply if Applicable,” etc.)
55. **“Traditional Pricing”** means that there may be a difference between what IBAC/UNM is charged by the PBM and what the dispensing pharmacy is paid by the PBM.
56. **“Utilization Management (UM)”** means programs that reduce or change prescription drug utilization either by electronic or manual intervention.
57. **“Unredacted”** means a version/copy of the proposal containing all complete information; including any that the Offeror would otherwise consider confidential, such copy for use only for the purposes of evaluation.
58. **“Written”** means typewritten on standard 8 ½ x 11 inch paper. Larger paper is permissible for charts, spreadsheets, etc.

1.7 PROCUREMENT LIBRARY

A procurement library has been established. Offerors are encouraged to review the material contained in the Procurement Library by selecting the link provided in the electronic version of this document through your own internet connection. The library contains information listed below:

Electronic version of RFP, Questions & Answers, RFP Amendments, etc.

<https://nmpsia.com/NMPSIAPlan.html?type=Proposals>

Other relevant links:

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- The State of New Mexico, General Services Department, Risk Management Division (RMD) (https://www.generalservices.state.nm.us/risk-management/overview_1/) (<https://www.mybenefitsnm.com/index.html>)
- New Mexico Public Schools Insurance Authority (NMPSIA) (<https://nmipsia.com/>)
- Albuquerque Public Schools (APS) (<https://www.aps.edu/human-resources/benefits>)
- The New Mexico Retiree Health Care Authority (RHCA) (www.nmrhca.org)
- The University of New Mexico (UNM) (<https://hr.unm.edu/benefits/prescriptions>)

The attachments in the chart below are available in ProposalTech on the Manage Documents page.

Appendix	Document	Response Required
Appendix A	Acknowledgement of Receipt Form	Bidders must submit this form directly to the Procurement Manager
Appendix B	Campaign Contribution Disclosure Form	Bidders must include this signed form with their proposal
Appendix C-1	Draft Contract (RMD/NMRHCA)	N/A
Appendix C-2	Draft Contract (NMPSIA)	N/A
Appendix C-3	Draft Contract (APS)	N/A
Appendix C-4	Standard Terms and Conditions (UNM)	N/A
Appendix D	Letter of Transmittal Form	Bidders must include this signed form with their proposal
Appendix E	Organizational Reference Questionnaire	Bidders must provide this questionnaire to designated references. References must return the completed response directly to the Procurement Manager
Appendix F	Non-Disclosure Agreement	Bidders must either verify that a global NDA is in place with Segal OR send a request to the Procurement Manager for a specific agreement to be prepared and released through Segal's Ironclad system. A fully-executed NDA is required before detailed claims data can be released.

Attached Document(s): [Appendix A - Acknowledgement of Receipt Form.docx](#), [Appendix B - Campaign Contribution Disclosure Form.docx](#), [Appendix C-1 - Draft Contract RMD NMRHCA.pdf](#), [Appendix C-2 - Draft Contract NMPSIA.pdf](#), [Appendix C-3 - Draft Contract APS.pdf](#), [Appendix C-4 - Standard Terms and Conditions UNM.pdf](#), [Appendix D - Letter of Transmittal Form.docx](#), [Appendix E - Organizational Reference Questionnaire.docx](#), [Appendix F - Non-Disclosure Agreement.pdf](#)

2 CONDITIONS GOVERNING THE PROCUREMENT

2.1 This section of the RFP contains the schedule of events, the descriptions of each event, and the conditions governing this procurement.

SEQUENCE OF EVENTS

The Procurement Manager will make every effort to adhere to the following schedule:

Action	Responsible Party	Due Dates
1. Issue RFP	NMPSIA on behalf of the IBAC/UNM	October 18, 2021
2. Acknowledgement of Receipt Form	Potential Offerors	3:00 PM MST October 25, 2021
3. Deadline to submit Written Questions	Potential Offerors	3:00 PM MST October 29, 2021
4. Response to Written Questions	Procurement Manager	November 5, 2021
5. Organizational Reference Questionnaire	Organizational References	3:00 PM MST November 12, 2021
6. Submission of Proposal	Potential Offerors	3:00 PM MST November 15, 2021
7.* Proposal Evaluation	Evaluation Committee	November 16, 2021 to January 7, 2022
8.* Selection of Finalists	Evaluation Committee	January 7, 2022
9.* Best and Final Offers	Finalist Offerors	January 21, 2022
10.* Oral Presentation(s)	Finalist Offerors	January 21, 2022
11.* Finalize Contractual Agreements	Agency/Finalist Offerors	February 9, 2022 to March 31, 2022 (December 31, 2022 for APS)
12.* Contract Awards	Agency/ Finalist Offerors	July 1, 2022 (January 1, 2023 for APS)
13.* Protest Deadline	NMPSIA on behalf of the IBAC/UNM	+15 days

*Dates indicated in Events 7 through 13 are estimates only, and may be subject to change without necessitating an amendment to the RFP.

2.2 EXPLANATION OF EVENTS

The following paragraphs describe the activities listed in the Sequence of Events shown in Section 2.1., above.

1. Issue RFP

This RFP is being issued on behalf of the State of New Mexico IBAC and UNM on the date indicated in Section 2.1, Sequence of Events.

2. Acknowledgement of Receipt Form

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Potential Offerors may e-mail the Acknowledgement of Receipt Form (APPENDIX A), to the Procurement Manager, Claudette Roybal: Claudette.Roybal@state.nm.us, to have their organization placed on the procurement Distribution List. The form must be returned to the Procurement Manager by 3:00 pm MST/ MDT on the date indicated in Section 2.1, Sequence of Events

The procurement distribution list will be used for the distribution of written responses to questions, and/or any amendments to the RFP. Failure to return the Acknowledgement of Receipt Form does not prohibit potential Offerors from submitting a response to this RFP. However, by not returning the Acknowledgement of Receipt Form, the potential Offeror's representative shall not be included on the distribution list, and will be solely responsible for obtaining from the Procurement Library (Section 1.7) responses to written questions and any amendments to the RFP.

3. Deadline to Submit Written Questions

Potential Offerors may submit written questions to the Procurement Manager as to the intent or clarity of this RFP until the date and time indicated in Section 2.1, Sequence of Events. All written questions must be addressed to the Procurement Manager as declared in Section 1.4. Questions shall be clearly labeled and shall cite the Section(s) in the RFP or other document which form the basis of the question.

4. Response to Written Questions

Written responses to the written questions will be provided via ProposalTech, on or before the date indicated in Section 2.1, Sequence of Events, to all potential Offerors who timely submitted an Acknowledgement of Receipt Form (Section 2.2.2 and APPENDIX A).

An electronic version of the Questions and Answers will be posted to:
<https://nmopsia.com/NMPSIAPlan.html?type=Proposals>

5. Submission of Proposal

At this time, only **electronic** proposal submission is allowed. **Do not** submit hard copies until further notice.

ALL PROPOSALS MUST BE RECEIVED BY THE PROCUREMENT MANAGER VIA PROPOSALTECH NO LATER THAN 3:00 PM MST/MDT ON THE DATE INDICATED IN SECTION 2.1, SEQUENCE OF EVENTS. **NO LATE PROPOSAL CAN BE ACCEPTED.** The date and time of receipt will be recorded on each proposal. Proposals will be time-stamped in the ProposalTech system. Such electronic submissions will be considered sealed in accordance with statute.

*It is the Offeror's responsibility to ensure all documents are completely uploaded and final submissions are posted electronically via ProposalTech at www.proposaltech.com by the deadline set forth in this RFP. Access to the electronic Request for Proposal (eRFP) will be locked after that time. Offerors will not be able to post or change their responses. Late proposals will not be considered. Please ensure that you, as the Offeror, **allow adequate time for large uploads and to fully complete your submittal by the deadline.** A submission that is not both: (1) fully complete; and (2) received, via ProposalTech by the deadline, will be deemed late. Further, a submission that is not fully complete and received via ProposalTech by the deadline because the response was captured, blocked, filtered, quarantined or otherwise prevented from reaching the proper destination server by any anti-virus or other security software will be deemed late. In accordance with statute and rule, **NO LATE PROPOSAL CAN BE ACCEPTED.***

Proposals must be submitted electronically through ProposalTech's electronic procurement system. Refer to Section 3.2 for instructions. Proposals submitted by facsimile, or other

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electronic means other than through ProposalTech's electronic e-procurement system, will not be accepted.

A log will be kept of the names of all Offeror organizations that submitted proposals. Pursuant to §13-1-116, NMSA 1978, the contents of proposals shall not be disclosed to competing potential Offerors during the negotiation process. The negotiation process is deemed to be in effect until the contract is awarded pursuant to this Request for Proposals. Awarded in this context means the final required state agency signature on the contract(s) resulting from the procurement has been obtained.

6. Proposal Evaluation

An Evaluation Committee will perform the evaluation of proposals. This process will take place as indicated in Section 2.1, Sequence of Events, depending upon the number of proposals received. During this time, the Procurement Manager may initiate discussions with Offerors who submit responsive or potentially responsive proposals for the purpose of clarifying aspects of the proposals. However, proposals may be accepted and evaluated without such discussion. Discussions SHALL NOT be initiated by the Offerors.

7. Selection of Finalists

The Evaluation Committee will select and the Procurement Manager will notify the finalist Offerors as per schedule Section 2.1, Sequence of Events or as soon as possible thereafter. A schedule for Oral Presentation, if any, will be determined at this time. Finalists will be comprised of the top Offerors receiving the highest cumulative scores.

8. Best and Final Offers

Finalist Offerors may be asked to submit revisions to their proposals for the purpose of obtaining best and final offers by as per schedule Section 2.1, Sequence of Events or as soon as possible. Best and final offers may also be clarified and amended at finalist Offeror's oral presentation.

9. Oral Presentations

Finalist Offerors, as selected per Section 2.2.8 above, may be required to conduct an oral presentation at a venue to be determined as per schedule Section 2.1, Sequence of Events, or as soon as possible thereafter. If oral presentations are held, Finalist Offerors may be required to make their presentations through electronic means (GoToMeeting, Zoom, etc.). The Agency will provide Finalist Offerors with applicable details. Whether or not Oral Presentations will be held is at the discretion of the Evaluation Committee and IBAC/UNM.

10. Finalize Contractual Agreements

After approval of the Evaluation Committee Report, any contractual agreement(s) resulting from this RFP will be finalized with the most advantageous Offeror(s), taking into consideration the evaluation factors set forth in this RFP, as per Section 2.1, Sequence of Events, or as soon as possible thereafter. The most advantageous proposal may or may not have received the most points. In the event mutually agreeable terms cannot be reached with the apparent most advantageous Offeror in the timeframe specified, the State reserves the right to finalize a contractual agreement with the next most advantageous Offeror(s) without undertaking a new procurement process.

11. Contract Awards

Upon receipt of the signed contractual agreement, the Agency Procurement office will award as per Section 2.1, Sequence of Events, or as soon as possible thereafter. The award is subject to appropriate Department and State approval.

12. Protest Deadline

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Any protest by an Offeror must be timely submitted and in conformance with §13-1-172, NMSA 1978 and applicable procurement regulations. As a Protest Manager has been named in this Request for Proposals, pursuant to §13-1-172, NMSA 1978 and 1.4.1.82 NMAC, ONLY protests delivered directly to the Protest Manager in writing and in a timely fashion will be considered to have been submitted properly and in accordance with statute, rule and this Request for Proposals. The 15 calendar day protest period shall begin on the day following the notice of award of contract(s) and will end at 5:00 pm MST/MDT on the 15th day. Protests must be written and must include the name and address of the protestor and the request for proposal number. It must also contain a statement of the grounds for protest including appropriate supporting exhibits and it must specify the ruling requested from the party listed below. The protest must be delivered to:

Claudette Roybal, Procurement/Protest Manager

Claudette.Roybal@state.nm.us

PROTESTS RECEIVED AFTER THE DEADLINE WILL NOT BE ACCEPTED.

2.3 GENERAL REQUIREMENTS

1. Acceptance of Conditions Governing the Procurement

Potential Offerors must indicate their acceptance of these Conditions Governing the Procurement, Section 2.3, by completing and signing the Letter of Transmittal form, pursuant to the requirements in Section 2.2.30, located in APPENDIX D.

2. Incurring Cost

Any cost incurred by the potential Offeror in preparation, transmittal, and/or presentation of any proposal or material submitted in response to this RFP shall be borne solely by the Offeror. Any cost incurred by the Offeror for set up and demonstration of the proposed equipment and/or system shall be borne solely by the Offeror.

3. Prime Contractor Responsibility

Any contractual agreement that may result from this RFP shall specify that the prime contractor is solely responsible for fulfillment of all requirements of the contractual agreement with a State Agency which may derive from this RFP. The State Agency entering into a contractual agreement with a vendor will make payments to only the prime contractor.

4. Subcontractors/Consent

The use of subcontractors is allowed. The prime contractor shall be wholly responsible for the entire performance of the contractual agreement whether or not subcontractors are used. Additionally, the prime contractor must receive approval, in writing, from the agency awarding any resultant contract, before any subcontractor is used during the term of this agreement.

5. Amended Proposals

An Offeror may submit an amended proposal before the deadline for receipt of proposals. Such amended proposals must be complete replacements for a previously submitted proposal and must be clearly identified as such in the transmittal letter. **Agency personnel will not merge, collate, or assemble proposal materials.**

6. Offeror's Rights to Withdraw Proposal

Offerors will be allowed to withdraw their proposals at any time prior to the deadline for receipt of proposals. The Offeror must submit a written withdrawal request addressed to the Procurement Manager and signed by the Offeror's duly authorized representative.

The approval or denial of withdrawal requests received after the deadline for receipt of the proposals is governed by the applicable procurement regulations, 1.4.1.5 & 1.4.1.36 NMAC.

7. Proposal Offer Firm

Responses to this RFP, including proposal prices for services and best and final offer (if the Offeror is invited or required to submit one), will be considered firm through such time as a contract is executed.

8. Disclosure of Proposal Contents

The contents of all submitted proposals will be kept confidential until the final award has been completed by the Agency. At that time, all proposals and documents pertaining to the proposals will be available for public inspection, except for proprietary or confidential material as follows:

a. *Proprietary and Confidential information is restricted to:*

1. confidential financial information concerning the Offeror's organization; and
2. information that qualifies as a trade secret in accordance with the Uniform Trade Secrets Act, §§57-3A-1 through 57-3A-7, NMSA 1978.

b. An additional but separate redacted version of Offeror's proposal, as outlined and identified in Section 3.2 and 3.5, shall be submitted containing the blacked-out proprietary or confidential information, in order to facilitate eventual public inspection of the non-confidential version of Offeror's proposal.

IMPORTANT: The price of products offered or the cost of services proposed **SHALL NOT** be designated as proprietary or confidential information.

If a request is received for disclosure of proprietary or confidential materials, the Agency shall examine the request and make a written determination that specifies which portions of the proposal should be disclosed. Unless the Offeror takes legal action to prevent the disclosure, the proposal will be so disclosed. The proposal shall be open to public inspection subject to any continuing prohibition on the disclosure of proprietary or confidential information.

9. No Obligation

This RFP in no manner obligates the State of New Mexico or any of its Agencies to the use of any Offeror's services until a valid written contract is awarded and approved by appropriate authorities.

10. Termination

This RFP may be canceled at any time and any and all proposals may be rejected in whole or in part when the Agency determines such action to be in the best interest of the State of New Mexico.

11. Sufficient Appropriation

Any contract awarded as a result of this RFP process may be terminated if sufficient appropriations or authorizations do not exist. Such terminations will be affected by sending written notice to the contractor. The Agency's decision as to whether sufficient appropriations and authorizations are available will be accepted by the contractor as final.

12. Legal Review

The Agency requires that all Offerors agree to be bound by the General Requirements contained in this RFP. Any Offeror's concerns must be promptly submitted in writing to the attention of the Procurement Manager.

13. Governing Law

This RFP and any agreement with an Offeror which may result from this procurement shall be governed by the laws of the State of New Mexico.

14. Basis for Proposal

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Only information supplied in writing by the Procurement Manager or contained in this RFP shall be used as the basis for the preparation of Offeror proposals.

15. Contract Terms and Conditions

The contract between an agency and a contractor will follow the format specified by the Agency and contain the terms and conditions set forth in the Draft Contracts Appendix C-1 (RMD/NMRHCA), Appendix C-2 (NMPSIA), and Appendix C-3 (APS) and UNM's Standard Terms and Conditions Appendix C-4 (UNM). However, the contracting agency reserves the right to negotiate provisions in addition to those contained in this RFP (Draft Contract) with any Offeror. The contents of this RFP, as revised and/or supplemented, and the successful Offeror's proposal will be incorporated into and become part of any resultant contract.

The Agency discourages exceptions from the contract terms and conditions as set forth in the RFP Draft Contract. Such exceptions may cause a proposal to be rejected as nonresponsive when, in the sole judgment of the Agency (and its evaluation committee), the proposal appears to be conditioned on the exception, or correction of what is deemed to be a deficiency, or an unacceptable exception is proposed which would require a substantial proposal rewrite to correct.

Should an Offeror object to any of the terms and conditions as set forth in the RFP Draft Contract (APPENDIX C-1 (RMD/NMRHCA), APPENDIX C-2 (NMPSIA), APPENDIX C-3 (APS), and APPENDIX C-4 (UNM)) strongly enough to propose alternate terms and conditions in spite of the above, the Offeror must propose specific alternative language. The Agency may or may not accept the alternative language. General references to the Offeror's terms and conditions or attempts at complete substitutions of the Draft Contract are not acceptable to the Agency and will result in disqualification of the Offeror's proposal.

Offerors must provide a brief discussion of the purpose and impact, if any, of each proposed change followed by the specific proposed alternate wording.

If an Offeror fails to propose any alternate terms and conditions during the procurement process (the RFP process prior to selection as successful Offeror), no proposed alternate terms and conditions will be considered later during the negotiation process. Failure to propose alternate terms and conditions during the procurement process (the RFP process prior to selection as successful Offeror) is an **explicit agreement** by the Offeror that the contractual terms and conditions contained herein are **accepted** by the Offeror.

16. Offeror's Terms and Conditions

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. See Section 2.3.15 for requirements.

17. Contract Deviations

Any additional terms and conditions, which may be the subject of negotiation (such terms and conditions having been proposed during the procurement process, that is, the RFP process prior to selection as successful Offeror), will be discussed only between the Agency and the Offeror selected and shall not be deemed an opportunity to amend the Offeror's proposal.

18. Offeror Qualifications

The Evaluation Committee may make such investigations as necessary to determine the ability of the potential Offeror to adhere to the requirements specified within this RFP. The Evaluation Committee will reject the proposal of any potential Offeror who is not a Responsible Offeror or fails to submit a Responsive Offer as defined in §13-1-83 and §13-1-85, NMSA 1978.

19. Right to Waive Minor Irregularities

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The Evaluation Committee reserves the right to waive minor irregularities, as defined in Section 1.6.28. The Evaluation Committee also reserves the right to waive mandatory requirements, provided that **all** of the otherwise responsive proposals failed to meet the same mandatory requirements and the failure to do so does not otherwise materially affect the procurement. This right is at the sole discretion of the Evaluation Committee.

20. Change in Contractor Representatives

The Agency reserves the right to require a change in contractor representatives if the assigned representative(s) is (are) not, in the opinion of the Agency, adequately meeting the needs of the Agency.

21. Notice of Penalties

The Procurement Code, §§13-1-28 through 13-1-199, NMSA 1978, imposes civil, and misdemeanor and felony criminal penalties for its violation. In addition, the New Mexico criminal statutes impose felony penalties for bribes, gratuities and kickbacks.

22. Agency Rights

The Agency in agreement with the Evaluation Committee reserves the right to accept all or a portion of a potential Offeror's proposal.

23. Right to Publish

Throughout the duration of this procurement process and contract term, Offerors and contractors must secure from the agency written approval prior to the release of any information that pertains to the potential work or activities covered by this procurement and/or agency contracts deriving from this procurement. Failure to adhere to this requirement may result in disqualification of the Offeror's proposal or removal from the contract.

24. Ownership of Proposals

All documents submitted in response to the RFP shall become property of the State of New Mexico. If the RFP is cancelled, all responses received shall be destroyed by the Agency or IBAC/UNM unless the Offeror either picks up, or arranges for pick-up, the materials within three (3) business days of notification of the cancellation. Offeror is responsible for all costs involved in return mailing/shipping of proposals.

25. Confidentiality

Any confidential information provided to, or developed by, the contractor in the performance of the contract resulting from this RFP shall be kept confidential and shall not be made available to any individual or organization by the contractor without the prior written approval of the Agency.

The Contractor(s) agrees to protect the confidentiality of all confidential information and not to publish or disclose such information to any third party without the procuring Agency's written permission.

26. Electronic mail address required

A large part of the communication regarding this procurement will be conducted by electronic mail (e-mail). Offeror must have a valid e-mail address to receive this correspondence. (See also Section 2.2.4, Response to Written Questions).

27. Use of Electronic Versions of this RFP

This RFP is being made available by electronic means. In the event of conflict between a version of the RFP in the Offeror's possession and the version maintained by the agency, the Offeror acknowledges that the version maintained by the agency shall govern. Please refer to:

<https://nmopsia.com/NMPSIAPlan.html?type=Proposals>

or

www.proposaltech.com

28. New Mexico Employees Health Coverage

A. If the Offeror has, or grows to, six (6) or more employees who work, or who are expected to work, an average of at least 20 hours per week over a six (6) month period during the term of the contract, Offeror must agree to have in place, and agree to maintain for the term of the contract, health insurance for those employees if the expected annual value in the aggregate of any and all contracts between Contractor and the State exceed \$250,000 dollars.

B. Offeror must agree to maintain a record of the number of employees who have (a) accepted health insurance; (b) decline health insurance due to other health insurance coverage already in place; or (c) decline health insurance for other reasons. These records are subject to review and audit by a representative of the state.

C. Offeror must agree to advise all employees of the availability of State publicly financed health care coverage programs by providing each employee with, as a minimum, the following web site link to additional information <https://bewellnm.com>.

D. For Indefinite Quantity, Indefinite Delivery contracts (price agreements without specific limitations on quantity and providing for an indeterminate number of orders to be placed against it); these requirements shall apply the first day of the second month after the Offeror reports combined sales (from state and, if applicable, from local public bodies if from a state price agreement) of \$250,000.

29. Campaign Contribution Disclosure Form

Offeror must complete, sign, and return the Campaign Contribution Disclosure Form, APPENDIX B, as a part of their proposal. This requirement applies regardless whether a covered contribution was made or not made for the positions of Governor and Lieutenant Governor or other identified official. **Failure to complete and return the signed, unaltered form will result in Offeror's disqualification.**

30. Letter of Transmittal

Offeror's proposal must be accompanied by an **unaltered** Letter of Transmittal Form (APPENDIX D), which must be **completed** and **signed** by the individual authorized to contractually obligate the company, identified in #2 below. **DO NOT LEAVE ANY OF THE ITEMS ON THE FORM BLANK** (N/A, None, Does not apply, etc. are acceptable responses).

The Letter of Transmittal MUST:

1. Identify the submitting business entity (its Name, Mailing Address and Phone Number);
2. Identify the Name, Title, Telephone, and E-mail address of the person authorized by the Offeror's organization to (A) contractually obligate the business entity providing the Offer, (B) negotiate a contract on behalf of the organization; and/or (C) provide clarifications or answer questions regarding the Offeror's proposal content (A response to B and/or C is only required if the responses differs from the individual identified in A);
3. Identify sub-contractors, if any, anticipated to be utilized in the performance of any resultant contract award;
4. Describe any relationship with any other entity (such as State Agency, reseller, etc., that is not a sub-contractor identified in #3), if any, which will be used in the performance of this awarded contract; and
5. Be signed and dated by the person identified in #2 above; attesting to the veracity of the information provided, and acknowledging (a) the organization's acceptance of the Conditions

Governing the Procurement stated in Section 2.3.1, (b) the organizations acceptance of the Section 6.2 Evaluation Factors, and (c) receipt of any and all amendments to the RFP.

Failure to respond to ALL items as indicated above, will result in Offeror's disqualification.

31. Disclosure Regarding Responsibility

A. Any prospective Contractor and any of its Principals who enter into a contract greater than sixty thousand dollars (\$60,000.00) with any state agency or local public body for professional services, tangible personal property, services or construction agrees to disclose whether the Contractor, or any principal of the Contractor's company:

1. is presently debarred, suspended, proposed for debarment, or declared ineligible for award of contract by any federal entity, state agency or local public body;
2. has within a three-year period preceding this offer, been convicted in a criminal matter or had a civil judgment rendered against them for:
 - a. the commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) contract or subcontract;
 - b. violation of Federal or state antitrust statutes related to the submission of offers;or
 - c. the commission in any federal or state jurisdiction of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, violation of Federal criminal tax law, or receiving stolen property;
3. is presently indicted for, or otherwise criminally or civilly charged by any (federal state or local) government entity with the commission of any of the offenses enumerated in paragraph A of this disclosure;
4. has, preceding this offer, been notified of any delinquent Federal or state taxes in an amount that exceeds \$3,000.00 of which the liability remains unsatisfied. Taxes are considered delinquent if the following criteria apply.
 - a. The tax liability is finally determined. The liability is finally determined if it has been assessed. A liability is not finally determined if there is a pending administrative or judicial challenge. In the case of a judicial challenge of the liability, the liability is not finally determined until all judicial appeal rights have been exhausted.
 - b. The taxpayer is delinquent in making payment. A taxpayer is delinquent if the taxpayer has failed to pay the tax liability when full payment was due and required. A taxpayer is not delinquent in cases where enforced collection action is precluded.
 - c. Have within a three-year period preceding this offer, had one or more contracts terminated for default by any federal or state agency or local public body.)

B. Principal, for the purpose of this disclosure, means an officer, director, owner, partner, or a person having primary management or supervisory responsibilities within a business entity or related entities.

C. The Contractor shall provide immediate written notice to the State Purchasing Agent or other party to this Agreement if, at any time during the term of this Agreement, the Contractor learns that the Contractor's disclosure was at any time erroneous or became erroneous by reason of changed circumstances.

D. A disclosure that any of the items in this requirement exist will not necessarily result in termination of this Agreement. However, the disclosure will be considered in the determination of the Contractor's responsibility and ability to perform under this Agreement. Failure of the

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Contractor to furnish a disclosure or provide additional information as requested will render the Offeror nonresponsive.

E. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the disclosure required by this document. The knowledge and information of a Contractor is not required to exceed that which is the normally possessed by a prudent person in the ordinary course of business dealings.

F. The disclosure requirement provided is a material representation of fact upon which reliance was placed when making an award and is a continuing material representation of the facts during the term of this Agreement. If during the performance of the contract, the Contractor is indicted for or otherwise criminally or civilly charged by any government entity (federal, state or local) with commission of any offenses named in this document the Contractor must provide immediate written notice to the State Purchasing Agent or other party to this Agreement. If it is later determined that the Contractor knowingly rendered an erroneous disclosure, in addition to other remedies available to the Government, the State Purchasing Agent or Central Purchasing Officer may terminate the involved contract for cause. Still further the State Purchasing Agent or Central Purchasing Officer may suspend or debar the Contractor from eligibility for future solicitations until such time as the matter is resolved to the satisfaction of the State Purchasing Agent or Central Purchasing Officer.

32. New Mexico Preferences

To ensure adequate consideration and application of §13-1-21, NMSA 1978 (as amended), Offerors **must** include a copy of their preference certificate with their proposal. Certificates for preferences must be obtained through the New Mexico Department of Taxation & Revenue <http://www.tax.newmexico.gov/Businesses/in-state-veteran-preference-certification.aspx>.

A. New Mexico Business Preference

A copy of the certification must accompany Offeror's proposal.

B. New Mexico Resident Veterans Business Preference

A copy of the certification must accompany Offeror's proposal.

An agency shall not award a business both a resident business preference and a resident veteran business preference.

The New Mexico Preferences shall not apply if the expenditures for this RFP includes federal funds.

3 RESPONSE FORMAT AND ORGANIZATION

3.1 NUMBER OF RESPONSES

Offerors shall submit only one proposal in response to this RFP.

3.2 NUMBER OF COPIES

ELECTRONIC SUBMISSION ONLY Responses (via ProposalTech)

Proposals in response to this RFP must be submitted through ProposalTech ONLY: (www.proposaltech.com).

Detailed instructions for the completion and submission of your proposal will be found in the electronic RFP (eRFP) on ProposalTech. ProposalTech will be available to assist you with technical aspects of utilizing the system.

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All sections must be answered completely and, as outlined in the RFP, using ProposalTech. It is not acceptable to use the term "See Attached" as a response to any of the questions, fee quotation forms, plan or network comparisons. Such a response may jeopardize your chances for consideration.

Final submissions must be posted with ProposalTech at www.proposaltech.com before the due date and time cited. Access to the eRFP will be locked after that time. Vendors will not be able to post or change their responses. Late proposals will not be considered.

The IBAC/UNM reserves the right to ask Vendors follow-up questions through ProposalTech as may be necessary to fully evaluate bidder capabilities.

3.3 Acknowledgement of Receipt Form and Non Disclosure Agreement (NDA)

By the date specified in **2.1 Sequence of Events**, please send the Acknowledgement of Receipt Form to the Procurement Manager, Claudette Roybal, to the email address noted on the form and state whether you intend to bid. The IBAC/UNM has engaged Segal as a Consultant for this procurement. If your organization currently has a global NDA in place with Segal, a new NDA is not required. This should be confirmed with Ms. Roybal prior to the due date for the Acknowledgement of Receipt Form. The Acknowledgement of Receipt Form and the NDA are posted to ProposalTech. Note the attached NDA is for reference only. If an NDA is required, Segal will use its Ironclad system to have a specific agreement prepared with your organization. Upon receipt of the Acknowledgement of Receipt Form and fully executed NDA, detailed claims data and other information to be used in responding to the RFP will be released to your organization.

Single, Radio group.

- 1: Completed and sent,
- 2: Not provided

Attached Document(s): [Appendix A - Acknowledgement of Receipt Form.docx](#), [Appendix F - Non-Disclosure Agreement.pdf](#)

3.4 Vendor Questions

Any questions regarding content should be submitted directly to the Procurement Manager using the "Ask Question" link in the left-hand side menu of the RFP by **the deadline specified in 2.1 Sequence of Events**. **You DO NOT need to submit your questions separately**, but can include them all in the text field provided. Questions from any bidder that is considering a response to this RFP will be answered. Questions via email or telephone will not be accepted. The IBAC/UNM reserves the right to provide a combined answer to similar questions. **Any and all questions and answers to this RFP will be posted by the date specified in 2.1 Sequence of Events.**

Questions regarding technical issues with the website should be directed to ProposalTech, by calling (877) 211-8316, ext. #84, or by submitting a ticket using the "Tech Support" link in the left-hand side menu of the RFP.

3.5 Confidential Responses

The identification of confidential responses has been turned on for this RFP. If you feel that a response to a question contains proprietary/confidential information, click the "Disclosure" tab located underneath the question and check the box for "Exemption from Disclosure." Provide a reason for the exemption in the text field provided. If you do not provide a reason for exemption, the question will not be considered answered. **DO NOT** make every response confidential. If you have any questions regarding this process, please contact Proposal Tech Support at 877-211-8316 x84.

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Any Vendor that submits trade secrets or confidential commercial or financial information must also provide as an attachment one copy of its RFP response from which all trade secrets and confidential data have been redacted and which may be disclosed without objection in the event that the IBAC/UNM receives a FOIA request for its proposal.

Instructions for downloading the redacted version:

1. Click on the "Standard" link under the Reports/Print heading in the left-hand side menu of the RFP.
2. On the report screen select "External" for report type. Check the box for "Flagged" report, and underneath check the box for "Select Marked" and "Confidential." (All sections are auto-selected.)
3. Click "Generate Report."
4. Save as a PDF and upload back into Proposal Tech.

3.6 Proposal Submission

All electronic proposals must be uploaded to ProposalTech by the date specified in 2.1 Sequence of Events in order to be considered. Proposals posted later than the time and date specified will not be considered. If you choose not to offer a proposal, please confirm this in writing with the specific reasons for your declination.

Any proposal that does not adhere to the requirements of this Section and **Section 3.7 Proposal Format** may be deemed non-responsive and rejected on that basis.

3.7 PROPOSAL FORMAT

All proposals must include the following components:

Technical Proposal - DO NOT INCLUDE ANY COST INFORMATION IN THE TECHNICAL PROPOSAL.

- A. Signed Letter of Transmittal
- B. Signed Campaign Contribution Form
- C. Table of Contents
- D. Proposal Summary (Optional)
- E. Response to Contract Terms and Conditions (from Section 2.3.15)
- F. Offeror's Additional Terms and Conditions (from Section 2.3.16)
- G. Response to Specifications (except Cost information which shall be included ONLY in Cost Proposal)
 - 1. Organizational Experience
 - 2. Organizational References
 - 3. Oral Presentation (if applicable)
 - 4. Statement of Concurrence to Mandatory Specification
 - 5. Completed Technical Proposal Questionnaire
 - 6. Financial Stability -(Financial information considered confidential, as defined in Section 1.6. and detailed in Section 2.3.8, should be placed in the Confidential Information file, per Section 3.2 and 3.5, as applicable)
 - 7. New Mexico Preferences (if applicable)
- H. Other Supporting Material (if applicable)

Cost Proposal:

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1. Completed Cost Proposal Questionnaire

Within each section of the proposal, Offerors should address the items in the order indicated above. All forms provided in this RFP must be thoroughly completed and included in the appropriate section of the proposal. **Any and all discussion of proposed costs, rates or expenses must occur ONLY in the Cost Proposal.**

A Proposal Summary may be included in Offeror's Technical Proposal, to provide the Evaluation Committee with an overview of the proposal; however, this material will not be used in the evaluation process unless specifically referenced from other portions of the Offeror's proposal. **DO NOT INCLUDE COST INFORMATION IN THE PROPOSAL SUMMARY.**

3.8 Please verify that you have provided the required Signed Letter of Transmittal as an attachment to your response. Name the file: **[Your Organization's Name]_Letter of Transmittal.**

Single, Pull-down list.

1: Yes,

2: No

Attached Document(s): [Appendix D - Letter of Transmittal Form.docx](#)

3.9 Please verify that you have provided the required Signed Campaign Contribution Form as an attachment to your response. Name the file: **[Your Organization's Name]_Campaign Contribution Form.**

Single, Pull-down list.

1: Yes,

2: No

Attached Document(s): [Appendix B - Campaign Contribution Disclosure Form.docx](#)

3.10 Please verify that you have provided the required Response to Contract Terms and Conditions (see 2.C.15) by providing the name of all attachments that comprise this component of your response.

500 words.

Attached Document(s): [Appendix C-1 - Draft Contract RMD NMRHCA.pdf](#), [Appendix C-2 - Draft Contract NMPSIA.pdf](#), [Appendix C-3 - Draft Contract APS.pdf](#), [Appendix C-4 - Standard Terms and Conditions UNM.pdf](#)

3.11 Please verify that you have provided the required Offeror's Additional Terms and Conditions (see 2.C.16) by providing the name of all attachments that comprise this component of your response.

500 words.

3.12 Please verify that you have provided the required statement of Organizational Experience as an attachment to your response. Name the file: **[Your Organization's Name]_Organizational Experience.**

Single, Pull-down list.

1: Yes,

2: No

3.13 Please confirm that you have provided the Organizational Reference Questionnaire to three (3) organizational references, each with a minimum of 30,000 covered lives and additionally,

- One must be a current client that has been with the PBM for at least four years.
- The second must be a new client that went through the implementation process within the past 6-12 months.
- The third must be a client that terminated with the PBM within the last 24 months.

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Single, Pull-down list.

- 1: Confirmed,
- 2: Not Confirmed

Attached Document(s): [Appendix E - Organizational Reference Questionnaire.docx](#)

3.14 Please verify that you have provided the required Statement of Concurrence to Mandatory Specification as an attachment to your response. Name the file: **[Your Organization's Name]_Concurrence to Mandatory Specs.**

Single, Pull-down list.

- 1: Yes,
- 2: No

3.15 Please verify that you have provided 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, by providing the name of all attachments that comprise this component of your response.

500 words.

3.16 Please indicate if you have provided a copy of an applicable New Mexico Resident Business Preference or New Mexico Resident Veterans Business Preference.

Single, Pull-down list.

- 1: NM Resident Business Preference,
- 2: NM Resident Veterans Business Preference,
- 3: Not applicable

4 SPECIFICATIONS

4.1 DETAILED SCOPE OF WORK

The IBAC/UNM is seeking pharmaceutical benefit management services to include:

- development and maintenance of a cost-effective formulary of prescription drugs to maintain and improve the health of participating members,
- negotiation of advantageous contracts with pharmacies/providers and drug manufacturers for purchase, provision and delivery of drugs on the formulary to participating IBAC/UNM members,
- clinical evaluation and analysis of the effectiveness of new prescription drugs approved by the FDA,
- consultation with the IBAC/UNM about market changes within the prescription drug industry and how those changes impact costs,
- provision and maintenance of systems for processing and paying prescription claims — with systems that provide the IBAC agencies and UNM with accurate, consistent, timely and comprehensive reports,
- exceptional customer service to IBAC/UNM members and their health care providers in day-to-day questions and also in the areas of clinical information about the proper use and effectiveness of prescribed drugs and cost-effective alternatives,
- a partnership with the selected PBM to identify, recommend and implement cost savings opportunities while ensuring the members obtain healthy outcomes in a cost-effective manner,
- a PBM partner that will coordinate and maintain vigorous clinical and utilization management strategies.

A number of factors will be considered in the selection process. The primary factors include pricing, pharmacy network access, formulary disruption, contractual compliance, reporting capabilities, financial stability,

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performance guarantees, references, ability to integrate successfully with existing health benefit administration and customer service.

4.2 TECHNICAL SPECIFICATIONS

1. Organizational Experience

Offeror **must**:

- a) provide a brief description of relevant corporate experience with state government and private sector. The experience of all proposed subcontractors must be described. The narrative must thoroughly describe how the Offeror has supplied expertise for similar contracts and must include the extent of their experience, expertise and knowledge as a provider of pharmacy benefit management services. All pharmacy benefit management services provided to private sector will also be considered;
- b) Provide a brief bio of all key personnel Offeror proposes to use in performance of the resulting contract, should Offeror be awarded. Key personnel is identified as the Strategic Account Executive, the day-to-day Account Manager, and the Clinical Pharmacist. Offeror must include key personnel education, work experience, relevant certifications/licenses.
- c) indicate how many public sector pharmacy benefit management service contracts of this size have been installed in the last two years and what percentage of business revenue is derived from pharmacy benefit management service engagements.
- d) describe two or three project successes and two or three failures of pharmacy benefit management service engagements. Include how each experience improved the Offeror's services.

2. Organizational References

Offeror must provide a list of three references with over 30,000 covered lives each.

- a) One would be a current client that has been with the PBM for at least four years.
- b) The second would be a new client that went through the implementation process within the past 6-12 months.
- c) The third would be a client that terminated with the PBM within the last 24 months.

Offeror shall include the following Business Reference information as part of its proposals:

- a) Client name;
- b) Client location (city and state);
- c) Type of business;
- d) Number of persons enrolled on the prescription drug plan;
- e) Project description;
- f) Project dates (effective date of coverage with PBM and termination date, if applicable);
- g) Client contact name, telephone number and e-mail address.

Offeror is required to submit APPENDIX E, Organizational Reference Questionnaire ("Questionnaire"), to the business references it lists. **The business references must submit the Questionnaire directly to the designee identified in APPENDIX E. The business references must not return the completed Questionnaire to the Offeror.** It is the Offeror's responsibility to ensure the completed forms are submitted on or before the date indicated in Section 2.1, Sequence of Events, for inclusion in the evaluation process.

Organizational References that are not received or are not complete, may adversely affect the Offeror's score in the evaluation process. Offerors are encouraged to specifically request that their Organizational References provide detailed comments.

3. Mandatory Specifications

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Pricing Philosophy

Offerors shall provide either a traditional pricing arrangement or a transparent pricing arrangement with 100% pass through of costs at retail pharmacies for each of the “Commercial” and EGWP lines of business that are part of this RFP; **all Offeror responses must include 100% pass-through of the Rebates regardless of the pricing arrangement (traditional or transparent/pass-through) offered.**

The PBM will use pricing that pertains to the current average wholesale price (“AWP”) without adjustments (post AWP). Do not submit a response with pre-AWP pricing.

The drug prices offered in the RFP pricing section will represent the guaranteed minimum to the IBAC/UNM. Each component in the pricing is a stand-alone minimum guarantee. No excess savings in one area or on one line of the pricing can be applied to offset a deficiency in another area. Usual and customary (“U&C”), submitted, and other pricing features can be used to achieve discounts but must comply with the pricing logic provided in the Cost Proposal or it will not be considered. The use of Excess Copay or Zero Balance claims are allowed but limited.

Single Source Generics will be priced as generics. The many pricing scenarios that have been used to determine a “Single Source Generic” have caused a discrepancy in pricing comparisons, so a MediSpan indicator of MNOY will be used to ultimately determine the category of drug as Brand or Generic. No use of Single Source Generics will be allowed in the contract as exceptions or changes to pricing.

Pricing for administration shall include all expected services to the IBAC/UNM. Any additional pricing detail documents will not be included in the contract and will not be considered in the pricing analysis.

IBAC agencies and UNM will enter into a four (4) year agreement. At the start of the second year, a market check is required to determine if the reimbursement rates, administrative fees and rebates are current. If they are not the PBM will be subject to changing the contract rates subject to successful negotiation. If an agreement cannot be reached, IBAC/UNM will have the option to terminate the agreement.

IBAC/UNM reserves the right to withdraw, change or terminate this RFP, the proposal evaluation process and any negotiations at any time and without notice. Any changes or addenda to the RFP will be communicated to all prospective Offerors.

Your proposal is a firm and irrevocable offer to contract with IBAC/UNM on the terms set forth in this RFP and may be accepted by IBAC/UNM within 180 calendar days from the date and time your proposal is first delivered to IBAC/UNM. Any subsequent offer solicited by IBAC/UNM will supersede any previous offer and will also be in effect for 180 calendar days from the date and time the subsequent offer is delivered to IBAC/UNM. After the proposal deadline, you may not revise your proposal without the permission of IBAC/UNM.

Each IBAC agency and UNM is responsible for negotiating the final terms and conditions of any resulting agreement. Each IBAC agency and UNM may include your responses to this RFP as a part of any definitive agreement.

This RFP does not represent a commitment, legal or otherwise, to select or procure any products or services from you or any other person. IBAC/UNM is not bound to accept the lowest price or any other proposal submitted. There is no guarantee that the Project will be undertaken in the form proposed or at all. Neither IBAC, nor any of the IBAC member agencies nor UNM will be bound to any agreement, except pursuant to the terms of a definitive written agreement duly executed by an authorized representative of the applicable IBAC member agency or UNM.

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IBAC/UNM will not be liable under any circumstance for any costs you incur relating to this RFP, including costs incurred to prepare or submit a proposal. You will indemnify, defend and hold harmless IBAC, its member agencies, UNM, and their respective officers, directors, managers, employees and representatives from and against any and all liabilities, claims or expenses whatsoever incurred by or on behalf of you, your subcontractors and any of your or their employees or representatives in connection with this RFP, and any resulting definitive agreement, and that such language and requirements will be included in any final definitive agreement.

All proposals become the property of IBAC/UNM when submitted and will not be returned. IBAC/UNM has the right to use all proposals submitted in any manner it chooses, including any included concepts or ideas, provided that IBAC/UNM will not disclose material pricing information to any other Offeror.

You must treat this RFP and the information contained herein, and any other information or materials provided by IBAC/UNM in connection with this RFP, as confidential and proprietary information of IBAC/UNM. You must not disclose this RFP or any portion of the information contained herein to anyone other than your employees and employees of wholly owned subsidiaries and/or approved subcontractors, and their respective representatives, who are directly involved in preparing the response to the RFP. You must not use such information other than for the purpose of responding to the RFP. You must not disclose this RFP or any part of it to any proposed subcontractor without the prior approval of IBAC/UNM. This RFP is furnished for evaluation purposes only. Terms of this RFP and any terms or other information provided by IBAC/UNM may be further covered by any Confidential and Non-Disclosure Agreement executed by you in connection with this RFP.

The reproduction of any part of this RFP by any means is permitted for the sole purpose of preparing a proposal in response to this RFP.

If you elect not to submit a proposal in response to this RFP or are notified that your participation has been terminated, you must promptly return to IBAC/UNM or, if requested by IBAC/UNM, securely destroy and verify destruction of all copies of this RFP and related information.

You must observe all standards and policies relating to your ethical conduct and regulatory compliance as they have been provided to you in connection with your registration as a vendor or otherwise through the RFP process.

You represent that your company has not been excluded, debarred or suspended and is not ineligible to participate in any state or federal governmental program (collectively, "Governmental Programs"), is not the subject of any investigation regarding its participation in any Governmental Programs, and has not been convicted of any crime relating to any Governmental Programs. You agree to notify IBAC/UNM immediately if you become aware of any adverse action, including but not limited to an action described above, related to your company's eligibility to participate in Governmental Programs, and that such language and requirements will be included in any final definitive agreement.

You represent that your organization does not currently employ, or subcontract with, any individuals or entities on the Office of the Inspector General for the U.S. Department of Health and Human Services' List of Excluded Individuals and Entities. You agree to notify IBAC/UNM immediately if you become aware of any adverse action related to any of your company's employees' or subcontractors' eligibility to participate in Governmental Programs, and that such language and requirements will be included in any final definitive agreement.

You represent that all information contained in your proposal, as of the date of the proposal, is true and correct in all material respects and that you have the authority to submit your proposal

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on your organization's behalf and to bind your organization as provided for in this RFP. You further represent that you have not neglected to state any material fact, the omission of which would render the information contained in your proposal misleading in the light of the circumstances under which it was presented. If any part of your response may be reasonably interpreted in more than one way, the IBAC/UNM interpretation will be considered the intended response.

4. Desirable Specifications

The Offeror must complete the following sections of the Technical Response Questionnaire:

Member Service and Account Management

The PBM should agree to provide the highest levels of customer service to the IBAC/UNM. The focus is serving the IBAC/UNM membership and the agencies and UNM will hold the PBM responsible for a member-centered program.

IBAC/UNM expects a high level of responsive action from account team personnel. Quarterly Plan management updates should be provided to each agency and UNM as well as customized, scheduled, and reporting packages.

Formulary Management

A clinically sound, cost-effective formulary is important to managing pharmacy spend and trend. The PBM should propose a formulary that will help contain costs while ensuring members have access to clinically appropriate medications. The proposed formulary may utilize product exclusions however any utilization management rules must clearly be identified in the proposal.

Clinical Programs

IBAC/UNM is interested in clinical initiatives that will improve compliance to drug regimens and improve member health. Cost containment is important when it supports the appropriate use of drugs. An effective prescription clinical management program for the IBAC/UNM's population will be an important consideration in the eventual award decision.

Retail Network Management

A broad pharmacy network is important to the service of the members, but a reduction in providers, which does not unreasonably prohibit access, would be considered if it results in improved pricing. Many members live in rural areas and the PBM should be willing and able to add outlier pharmacies as needed.

Copay Assistance Program

The PBM should be able to administer a member-centric specialty program that proactively manages trend. The use of member copay support programs from manufacturers is expected. Include in your response to this RFP any copay support programs that you will make available to the IBAC/UNM.

Fraud Waste and Abuse

An area of concern for the IBAC/UNM is the management of highly abuseable drugs as well as the fraudulent submission of claims. The PBM may be responsible for management of fraud and abuse prevention for the program.

IBAC/UNM has found that compound drugs are highly suspect and the agencies are looking for a proactive management program to curtail waste and abuse. Include in your response to this RFP any programs that you will make available to the IBAC/UNM to support this endeavor.

Medicare Part D - Employer Group Waiver Plan (EGWP)

New Mexico Retiree Health Care Authority is seeking a PBM that will offer a high quality, cost effective prescription drug benefits program for EGWP with Wrap (Supplemental Plan) to the

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Plan's Medicare-eligible members. The Plan requires matching the existing plan design and incurring minimal disruption to the current drug formulary and pharmacy network.

4.3 BUSINESS SPECIFICATIONS

1. 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).

2. Performance Surety Bond (Reserved)

Performance bond **will not be required** for this RFP.

3. Letter of Transmittal Form

The Offeror's proposal **must** be accompanied by the Letter of Transmittal Form located in APPENDIX D. The form **must** be completed and must be signed by the person authorized to obligate the company. **Failure to respond to ALL items, as indicated in Section 2.3.30 and APPENDIX D, and to return a signed, unaltered form will result in Offeror's disqualification.**

4. Campaign Contribution Disclosure Form

The Offeror must complete an unaltered Campaign Contribution Disclosure Form and submit a signed copy with the Offeror's proposal. This must be accomplished whether or not an applicable contribution has been made. (See APPENDIX B). **Failure to complete and return the signed, unaltered form will result in Offeror's disqualification.**

5. Other Business Specifications

The Offeror must complete the following sections of the Technical Response Questionnaire:

- General Bid Requirements
- Required Contract Provisions
- Minimum Bid Qualifications
- Term/Termination
- Financial Contractual Requirements
- Financial Definitions and Assumptions
- Audit Rights
- Implementation
- Legal Responsibilities
- Implementation and Ongoing Service Performance Guarantees

6. Oral Presentation

If selected as a finalist, Offerors agree to provide the Evaluation Committee the opportunity to interview proposed staff members identified by the Evaluation Committee, at the option of the Agency. The Evaluation Committee may request a finalist to provide an oral presentation of the proposal as an opportunity for the Evaluation Committee to ask questions and seek clarifications.

7. Cost

Offerors must complete the Cost Proposal Questionnaire. Cost will be measured by the most competitive lowest net cost offer.

8. Resident Business or Resident Veterans Preference

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To ensure adequate consideration and application of NMSA 1978, § 13-1-21 (as amended), Offerors MUST include a copy, in this section, of its NM Resident preference certificate, as issued by the New Mexico Taxation and Revenue Department.

5 EVALUATION

5.1 EVALUATION POINT SUMMARY

The following is a summary of evaluation factors with point values assigned to each. These weighted factors will be used in the evaluation of individual potential Offeror proposals by sub-category.

Evaluation Factors <i>(Correspond to section 4.2 and 4.3)</i>		Points Available
4.2. Technical Specifications		
4.2.1. Organizational Experience		30
4.2.2. Organizational References		30
4.2.3. Mandatory Specifications		Pass/Fail
4.2.4. Desirable Specifications		
Member Service and Account Management		15
Formulary Management		20
Clinical Programs		15
Retail Network Management		20
Copay Assistance Program		30
Fraud Waste and Abuse		10
Medicare Part D - Employer Group Waiver Plan (EGWP)		10
4.3. Business Specifications		
4.3.1. Financial Stability		Pass/Fail
4.3.2. Performance Surety Bond		N/A
4.3.3. Letter Of Transmittal		Pass/Fail
4.3.4. Campaign Contribution Disclosure Form		Pass/Fail
4.3.5. Other Business Specifications		
General Bid Requirements		15

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Required Contract Provisions	30
Minimum Bid Qualifications	30
Term/Termination	15
Financial Contractual Requirements	30
Financial Definitions and Assumptions	30
Audit Rights	30
Implementation	10
Legal Responsibilities	15
Implementation and Ongoing Service Performance Guarantees	15
4.3.6. Oral Presentations	100
4.3.7. Cost	500
TOTAL POINTS AVAILABLE	1,000
4.3.8.A. New Mexico Preference - Resident Vendor Points per Section 4.3.8	50
4.3.8.B. New Mexico Preference - Resident Veterans Points per Section 4.3.8	100

Table 1: Evaluation Point Summary

5.2 EVALUATION FACTORS

1. **4.2.1 Organizational Experience (See Table 1)**

Points will be awarded based on the thoroughness and clarity of Offeror's response in this Section. The Evaluation Committee will also weigh the relevancy and extent of Offeror's experience, expertise and knowledge; and of personnel education, experience and certifications/licenses. In addition, points will be awarded based on Offeror's candid and well-thought-out response to successes and failures, as well as the ability of the Offeror to learn from its failures and grow from its successes.

2. **4.2.2 Organizational References (See Table 1)**

Points will be awarded based upon an evaluation of the responses to a series of questions on the Organizational Reference Questionnaire (APPENDIX E). Offeror will be evaluated on references that show positive service history, successful execution of services and evidence of satisfaction by each reference. References indicating significantly similar services/scopes of work and comments provided by a submitted reference will add weight and value to a recommendation during the evaluation process. Points will be awarded for each individual response up to 1/3 of the total points for this category. Lack of a response will receive zero (0) points.

The Evaluation Committee may contact any or all business references for validation of information submitted. If this step is taken, the Procurement Manager and the Evaluation Committee must all be together on a conference call with the submitted reference so that the Procurement Manager and all members of the Evaluation Committee receive the same information. Additionally, the Agency reserves the right to consider any and all information available to it (outside of the Organizational Reference information required herein), in its evaluation of Offeror responsibility per Section 2.3.18.

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3. **4.2.3 Mandatory Specifications (See Table 1)**

Pass/Fail only. No points assigned.

4. **4.2.4 Desirable Specifications (See Table 1)**

Points will be awarded based on an evaluation of the responses to the following sections of the Technical Proposal Questionnaire:

- Member Service and Account Management
- Formulary Management
- Clinical Programs
- Retail Network Management
- Copay Assistance Program
- Fraud Waste and Abuse
- Medicare Part D - Employer Group Waiver Plan (EGWP)

5. **4.3.1 Financial Stability (See Table 1)**

Pass/Fail only. No points assigned.

6. **4.3.2 Performance Bond (See Table 1) (Reserved)**

Performance bond will not be required for this RFP.

7. **4.3.3 Letter of Transmittal (See Table 1)**

Pass/Fail only. No points assigned.

8. **4.3.4 Campaign Contribution Disclosure Form (See Table 1)**

Pass/Fail only. No points assigned.

9. **4.3.5 Other Business Specifications (See Table 1)**

Points will be awarded based on an evaluation of the responses to the following sections of the Technical Proposal Questionnaire:

- General Bid Requirements
- Required Contract Provisions
- Minimum Bid Qualifications
- Term/Termination
- Financial Contractual Requirements
- Financial Definitions and Assumptions
- Audit Rights
- Implementation
- Legal Responsibilities
- Implementation and Ongoing Service Performance Guarantees

10. **4.3.6 Oral Presentation (See Table 1)**

Points will be awarded based on the quality, organization and effectiveness of communication of the information presented, as well as the professionalism of the presenters and technical knowledge of the proposed staff. Prior to Oral Presentation, Agency will provide the Offeror a presentation agenda. (If no Oral Presentations are held all Offerors will receive the maximum amount of total points for this Evaluation Factor).

11. **4.3.7 Cost (See Table 1)**

The evaluation of each Offeror's cost proposal will be conducted using the following formula:

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Lowest Responsive Offeror's Cost

----- X Available Award Points

Each Offeror's Cost

In order to determine Offeror's cost, each Offeror's pricing will be applied to each IBAC agency's or UNM's actual claims, thus taking into account weighting for retail, mail, specialty, and drug mix.

12. 4.3.8. New Mexico Preferences

Percentages will be determined based upon the point-based system outlined in NMSA 1978, § 13-1-21 (as amended).

A. New Mexico Resident Business Preference

If the Offeror has provided a copy of their Preference Certificate, the Preference Points for a New Mexico Resident Business is 5% of the total points available in this RFP.

B. New Mexico Resident Veterans Business Preference

If the Offeror has provided a copy of their Preference Certificate, the Preference Points for a New Mexico Resident Veteran Business is 10% of the total points available in this RFP.

5.3 EVALUATION PROCESS

1. All Offeror proposals will be reviewed for compliance with the requirements and specifications stated within the RFP. Proposals deemed non-responsive will be eliminated from further consideration.
2. The Procurement Manager may contact the Offeror for clarification of the response as specified in Section 2.2.6.
3. Responsive proposals will be evaluated on the factors in Section 4, which have been assigned a point value in Section 5. The responsible Offerors with the highest scores will be selected as finalist Offerors, based upon the proposals submitted. In accordance with 13-1-117 NMSA 1978, the responsible Offerors whose proposals are most advantageous to the State taking into consideration the Evaluation Factors in Section 5 will be recommended for award (as specified in Section 2.2.11). Please note, however, that a serious deficiency in the response to any one factor may be grounds for rejection regardless of overall score.

6 TECHNICAL PROPOSAL QUESTIONNAIRE

6.1 Member Service and Account Management

6.1.1 PBM agrees to service the IBAC/UNM from its national accounts service unit.

Single, Pull-down list.

- 1: Yes,
2: No

6.1.2 PBM agrees to provide designated account resources including, but not limited to, an implementation manager, strategic account executive, clinical director - pharmacist, account manager, claims advocate and an underwriter/financial analyst. Include biographies in attachments.

Single, Pull-down list.

- 1: Yes,
2: No

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6.1.3 PBM agrees to obtain the IBAC/UNM's approval for all member communication materials before distribution to members. The PBM will not automatically enroll the IBAC/UNM in any programs that involve any type of communications with members or alterations of members' medications, without express written consent from the IBAC/UNM.

Single, Pull-down list.

- 1: Yes,
- 2: No

6.1.4 The IBAC/UNM reserves the right to review, edit, or customize any communication from the PBM to its membership.

Single, Pull-down list.

- 1: Yes,
- 2: No

6.1.5 Indicate how the PBM will personalize member communications based on the IBAC/UNM's various demographics (e.g., language, age, new hires) and type of enrolled plan.

500 words.

6.1.6 Confirm that postage is included when mailing ID cards and duplicate cards.

Single, Pull-down list.

- 1: Yes,
- 2: No

6.1.7 The PBM will be able to print out the full name of the primary member and dependents on the ID Card at no additional charge to the IBAC/UNM.

Single, Pull-down list.

- 1: Yes,
- 2: No

6.1.8 Describe how the PBM will ensure that the PBM does not create unnecessary duplicate ID cards that will be incorrectly charged to the IBAC/UNM when receiving and loading eligibility files.

500 words.

6.1.9 All member service call recordings and notes between the PBM and the IBAC/UNM's members will be the IBAC/UNM's property. PBM confirms ability to pull and listen to member calls and agrees to provide feedback or additional training to their Member Services Representative if incorrect information was given during the call.

Single, Pull-down list.

- 1: Yes,
- 2: No

6.1.10 The PBM agrees to document 100% of the IBAC/UNM's member service calls through call recordings and call notes. PBM will forward written transcripts of calls at the IBAC/UNM's request within two business days of the request being made.

Single, Pull-down list.

- 1: Yes,
- 2: No

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6.1.11 The IBAC/UNM reserves the right to access all call recordings or call notes from member service calls with its members. PBM agrees to allow the IBAC/UNM the right to request call recordings and/or notes at any time. PBM agrees to allow the IBAC/UNM to listen to any recorded calls within 24 hours of the IBAC/UNM's request.

Single, Pull-down list.

- 1: Yes,
- 2: No

6.1.12 All customer service operations requiring verbal communication with the IBAC/UNM and the IBAC/UNM's members will be performed in the United States (i.e., will not be provided offshore).

Single, Pull-down list.

- 1: Yes,
- 2: No

6.1.13 The PBM agrees to allow the IBAC/UNM to access its member website with a dummy login prior to the go-live date.

Single, Pull-down list.

- 1: Yes,
- 2: No

6.1.14 The PBM will provide the IBAC/UNM with a virtual tour of its CSR system and any custom messaging system.

Single, Pull-down list.

- 1: Yes,
- 2: No

6.1.15 The PBM agrees to, at minimum, quarterly calls to review member service issues. The PBM agrees to allow the IBAC/UNM to review member service quality issues to the resolution endpoint.

Single, Pull-down list.

- 1: Yes,
- 2: No

6.1.16 The PBM agrees to a minimum of one annual IBAC/UNM meeting with call center executives to discuss services regarding enrollment and member issues.

Single, Pull-down list.

- 1: Yes,
- 2: No

6.1.17 The PBM agrees to provide online, real time, claim system access to the IBAC/UNM or its designee, including the ability to override claims, and access to historical claims data for up to four (4) years following termination of the agreement.

Single, Pull-down list.

- 1: Yes,
- 2: No

6.1.18 The PBM agrees to provide different levels of access to each of the IBAC/UNM's designees to the online, real time, claim system so that not all of the IBAC/UNM's designees are able to see all details related to member claims in the system.

Single, Pull-down list.

- 1: Yes,
- 2: No

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6.1.19 The PBM agrees that all future edits required because of plan design changes implemented by the IBAC/UNM shall be completed, after testing, by the PBM within forty-five (45) calendar days of request/advisory by the IBAC/UNM.

Single, Pull-down list.

1: Yes,

2: No

6.1.20 Describe your firm's process for providing training to member service representatives to serve a senior (age 65+) membership.

500 words.

6.1.21 The PBM agrees to provide weekly and/or monthly data transmissions (may include feeds to data warehouses) to at least 10 chosen vendors per IBAC agency or UNM at no charge and two full, annual electronic claims files, in NCPDP format, at no charge as needed. PBM will also interact/exchange data with all vendors as needed at no additional charge.

Single, Pull-down list.

1: Yes,

2: No

6.1.22 Provide information on programs your organization offers that would allow members to contact the same Care Representative.

500 words.

6.1.23 Confirm that multi-language communication phone line support is included in the base administrative fee. List the languages available to the IBAC members speaking to your customer service representatives.

500 words.

6.1.24 How do you track member complaints? List the top 5 member complaints related to retail, mail order, and the specialty pharmacy program. What processes/ remedies have been put into effect to resolve these complaints?

500 words.

6.1.25 Do you maintain statistics with respect to customer and member service telephone response time? Abandonment? Inquiries made? If so, provide results for the last calendar year.

500 words.

6.1.26 How are disabled (e.g., hearing-impaired) member calls facilitated through your member services area?

500 words.

6.1.27 Describe what portion of the IBAC's business with your organization will be serviced by a subcontractor or through leased services/networks.

500 words.

6.1.28 List all functions you currently outsource to any third party and name sub-contractor for the following functions:

	Response	If "yes", provide subcontractor name.
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Claim processing system	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>500 words.</i>
Formulary Management	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>500 words.</i>
Appeals	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>500 words.</i>
Clinical programs	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>500 words.</i>
Pharmacy and Therapeutics Committee	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>500 words.</i>
Customer service	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>500 words.</i>
Rebate contracting	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>500 words.</i>
Network contracting	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>500 words.</i>
Mail order	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>500 words.</i>
Specialty Pharmacy	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>500 words.</i>
Data Reporting	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>500 words.</i>

6.1.29 Provide the following information regarding your organization in **CY2020**:

	Response
Total Number of Covered Lives	<i>Integer.</i>
Total Number of Scripts Dispensed	<i>Integer.</i>
Total AWP Dollars Processed	<i>Dollars.</i>
Total Number of Pharmacy Benefit Client Accounts	<i>Integer.</i>
Total Number of Pharmacy Benefit Client Accounts with over 30,000 covered lives	<i>Integer.</i>
Major Owners of the Organization	<i>500 words.</i>

6.1.30 Provide the following information regarding the proposed call center in **CY2020**:

	Response
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Location	
Days of Operation when live representatives are available	500 words.
Hours of Operation when live representatives are available	500 words.
Percent of Calls Abandoned	Percent.
Average Number of Seconds to Reach Representative	500 words.
Languages available	500 words.

6.1.31 Provide the following information regarding the proposed mail order facility in **CY2020**:

	Response.
Location	500 words.
Days of Operation	500 words.
Hours of Operation	500 words.
Total Scripts Filled	Integer.
Utilization as Percent of Capacity	Percent.
Average Turnaround (No Intervention)	500 words.
Average Turnaround (Intervention Required)	500 words.
Average Generic Dispensing Rate	Percent.
Average Generic Substitution Rate	Percent.

6.1.32 Provide the following information regarding the proposed account team:

	Name of Team Member	Years of PBM Experience	Number of Assigned Accounts	Location
Strategic Account Executive	10 words.	Integer.	Integer.	500 words.
Account Manager	10 words.	Integer.	Integer.	500 words.
Implementation Manager	10 words.	Integer.	Integer.	500 words.
Clinical Pharmacist	10 words.	Integer.	Integer.	500 words.

6.1.33 Provide the PBM's Book-of-Business Turnover Rate for the following divisions in **CY2020**:

	Response
Overall Book-of-Business	Percent.
Call Center Representatives	Percent.
Strategic Account Executives	Percent.
Account Managers	Percent.
Client-Facing Clinical Pharmacists	Percent.

6.2 Formulary Management

6.2.1 Provide the name of the Formulary you are proposing to the IBAC/UNM. Provide the number of drug exclusions as well as a list of the excluded drugs and the therapeutic alternatives. Provide Information and Names of Attachments.

500 words.

6.2.2 Provide the name of the Specialty Formulary you are proposing to the IBAC/UNM. If applicable, provide the number of drug exclusions as well as a list of the excluded drugs and the therapeutic alternatives. (Provide names of any attachments.)

500 words.

6.2.3 Provide descriptions of the other formulary options available to the IBAC/UNM. There is no need to provide the revised pricing under these alternative formulary options at this time.

500 words.

6.2.4 Confirm the PBM will allow members to obtain formulary excluded drugs with a prior authorization for medical necessity without impacting the rebate guarantees.

Single, Pull-down list.

1: Yes,

2: No

6.2.5 Provide a description of the PBM's process to introduce non-specialty and specialty drug exclusions.

500 words.

6.2.6 The PBM agrees to remove drugs from coverage or the non-specialty and specialty formulary (other than FDA recalls and other safety reasons) at most one-time per year by any non-specialty and specialty formulary deletions or all non-specialty and specialty deletions in total, on an annual basis.

Single, Pull-down list.

1: Yes,

2: No

6.2.7 Confirm the IBAC/UNM has the right to opt in or opt out of any additional non-specialty/ specialty formulary drug exclusions without penalty.

Single, Pull-down list.

1: Yes,

2: No

6.2.8 The PBM agrees to notify the IBAC/UNM or its designee ninety (90) calendar days in advance of when a drug is targeted to be excluded from coverage or moved to/from the non-specialty and specialty preferred drug list. The PBM must provide a detailed disruption and financial impact analysis at the same time.

Single, Pull-down list.

1: Yes,

2: No

6.2.9 The PBM agrees to notify members sixty (60) calendar days in advance of when a member's utilized drug is targeted to be removed from the non-specialty and specialty preferred drug list and thus become excluded from coverage. The PBM must provide at least two notifications to the member with the formulary alternative.

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Single, Pull-down list.

1: Yes,

2: No

6.2.10 The PBM agrees to notify the IBAC/UNM or its designee ninety (90) calendar days in advance of when a drug is targeted to change tiers or be moved to or from a preferred or non-preferred non-specialty/ specialty formulary tier. The PBM must provide a detailed disruption and financial impact analysis at the same time.

Single, Pull-down list.

1: Yes,

2: No

6.2.11 The PBM agrees to notify members sixty (60) calendar days in advance of when a member's utilized drug is targeted to be moved to a higher cost tier. The PBM must provide at least one notification to the member with the formulary alternative.

Single, Pull-down list.

1: Yes,

2: No

6.2.12 Provide a description of the PBM's process on how impacted members will be notified regarding formulary drug exclusions or shifts from a Preferred to a Non-Preferred Tier.

500 words.

6.2.13 Does the PBM use an external rebate aggregator? If yes, which one?

Single, Pull-down list.

1: Yes: [500 words],

2: No

6.2.14 Confirm the PBM will be able to provide a list of the non-preferred brand drugs that are covered by the IBAC/UNM upon request at any time during the term.

Single, Pull-down list.

1: Yes,

2: No

6.2.15 Confirm the PBM agrees to grandfather the IBAC/UNM's current formulary for up to ninety (90) calendar days following the contract effective date, with no impact on rebate guarantees.

Single, Pull-down list.

1: Yes,

2: No

6.2.16 As a reminder, all bidders must complete and submit a formulary disruption, **separate for each IBAC agency and UNM**, based on your proposed formulary with drug exclusions that allows for prior authorization for medical necessity and on the claims data that will be provided upon the submission of the "Acknowledgement of Receipt" Form. Results to be included are the number of members that will require a change as well as the number of prescriptions associated with the formulary change. An Excel file that lists the specific drugs that will be negatively impacted (excluded or higher-cost tier) along with the total number of scripts and members impacted for each of these drugs shall also be provided. Please verify that you have provided the required formulary disruption files, **separate for each IBAC agency and UNM**, by providing the name of all attachments that comprise this component of your response.

500 words.

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6.2.17 Provide a summary of your formulary disruption analysis, **separate for each IBAC agency and UNM, below:**

	Member Impact	% of Total Members	Number of Scripts Impacted	% of Total Scripts (including all brands and generics)
Risk Management Division (RMD)				
No Change	<i>Integer.</i>	<i>Percent.</i>	<i>Integer.</i>	<i>Percent.</i>
Positive (higher-cost tier to lower tier)	<i>Integer.</i>	<i>Percent.</i>	<i>Integer.</i>	<i>Percent.</i>
Negative (lower tier to higher-cost tier)	<i>Integer.</i>	<i>Percent.</i>	<i>Integer.</i>	<i>Percent.</i>
Moving from covered to not covered/excluded	<i>Integer.</i>	<i>Percent.</i>	<i>Integer.</i>	<i>Percent.</i>
Total	<i>Integer.</i>	<i>Percent.</i>	<i>Integer.</i>	<i>Percent.</i>
New Mexico Public Schools Insurance Authority (NMPSIA)				
No Change	<i>Integer.</i>	<i>Percent.</i>	<i>Integer.</i>	<i>Percent.</i>
Positive (higher-cost tier to lower tier)	<i>Integer.</i>	<i>Percent.</i>	<i>Integer.</i>	<i>Percent.</i>
Negative (lower tier to higher-cost tier)	<i>Integer.</i>	<i>Percent.</i>	<i>Integer.</i>	<i>Percent.</i>
Moving from covered to not covered/excluded	<i>Integer.</i>	<i>Percent.</i>	<i>Integer.</i>	<i>Percent.</i>
Total	<i>Integer.</i>	<i>Percent.</i>	<i>Integer.</i>	<i>Percent.</i>
Albuquerque Public Schools (APS)				
No Change	<i>Integer.</i>	<i>Percent.</i>	<i>Integer.</i>	<i>Percent.</i>
Positive (higher-cost tier to lower tier)	<i>Integer.</i>	<i>Percent.</i>	<i>Integer.</i>	<i>Percent.</i>
Negative (lower tier to higher-cost tier)	<i>Integer.</i>	<i>Percent.</i>	<i>Integer.</i>	<i>Percent.</i>
Moving from covered to not covered/excluded	<i>Integer.</i>	<i>Percent.</i>	<i>Integer.</i>	<i>Percent.</i>
Total	<i>Integer.</i>	<i>Percent.</i>	<i>Integer.</i>	<i>Percent.</i>
New Mexico Retiree Health Care Authority (RHCA) - Commercial				
No Change	<i>Integer.</i>	<i>Percent.</i>	<i>Integer.</i>	<i>Percent.</i>
Positive (higher-cost tier to lower tier)	<i>Integer.</i>	<i>Percent.</i>	<i>Integer.</i>	<i>Percent.</i>
Negative (lower tier to higher-cost tier)	<i>Integer.</i>	<i>Percent.</i>	<i>Integer.</i>	<i>Percent.</i>
Moving from covered to not covered/excluded	<i>Integer.</i>	<i>Percent.</i>	<i>Integer.</i>	<i>Percent.</i>

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Total				
New Mexico Retiree Health Care Authority (RHCA) – EGWP				
No Change	<i>Integer.</i>	<i>Percent.</i>	<i>Integer.</i>	<i>Percent.</i>
Positive (higher-cost tier to lower tier)	<i>Integer.</i>	<i>Percent.</i>	<i>Integer.</i>	<i>Percent.</i>
Negative (lower tier to higher-cost tier)	<i>Integer.</i>	<i>Percent.</i>	<i>Integer.</i>	<i>Percent.</i>
Moving from covered to not covered/excluded	<i>Integer.</i>	<i>Percent.</i>	<i>Integer.</i>	<i>Percent.</i>
Total	<i>Integer.</i>	<i>Percent.</i>	<i>Integer.</i>	<i>Percent.</i>
University of New Mexico (UNM)				
No Change	<i>Integer.</i>	<i>Percent.</i>	<i>Integer.</i>	<i>Percent.</i>
Positive (higher-cost tier to lower tier)	<i>Integer.</i>	<i>Percent.</i>	<i>Integer.</i>	<i>Percent.</i>
Negative (lower tier to higher-cost tier)	<i>Integer.</i>	<i>Percent.</i>	<i>Integer.</i>	<i>Percent.</i>
Moving from covered to not covered/excluded	<i>Integer.</i>	<i>Percent.</i>	<i>Integer.</i>	<i>Percent.</i>
Total	<i>Integer.</i>	<i>Percent.</i>	<i>Integer.</i>	<i>Percent.</i>

6.2.18 For each IBAC agency and UNM, provide the following information for the top 3 drugs that are moving from Covered to Not Covered/Excluded based on impacted members

	Name of Drug	Member Impact	% of Total Members	Number of Scripts	% of Total Scripts (including all brands and generics)
Risk Management Division (RMD)					
Top #1 Drug that is Moving from Covered to Not Covered/Excluded based on impacted Members	20 words.	<i>Integer.</i>	<i>Percent.</i>	<i>Integer.</i>	<i>Percent.</i>
Top #2 Drug that is Moving from Covered to Not Covered/Excluded based on impacted Members	20 words.	<i>Integer.</i>	<i>Percent.</i>	<i>Integer.</i>	<i>Percent.</i>
Top #3 Drug that is Moving from Covered to Not Covered/Excluded based on impacted Members	20 words.	<i>Integer.</i>	<i>Percent.</i>	<i>Integer.</i>	<i>Percent.</i>
New Mexico Public Schools Insurance Authority (NMPSIA)					
Top #1 Drug that is Moving from Covered to Not Covered/Excluded based on impacted Members	20 words.	<i>Integer.</i>	<i>Percent.</i>	<i>Integer.</i>	<i>Percent.</i>
Top #2 Drug that is Moving from Covered to Not Covered/Excluded based on impacted Members	20 words.	<i>Integer.</i>	<i>Percent.</i>	<i>Integer.</i>	<i>Percent.</i>

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Top #3 Drug that is Moving from Covered to Not Covered/Excluded based on impacted Members	20 words.	Integer.	Percent.	Integer.	Percent.
Albuquerque Public Schools (APS)					
Top #1 Drug that is Moving from Covered to Not Covered/Excluded based on impacted Members	20 words.	Integer.	Percent.	Integer.	Percent.
Top #2 Drug that is Moving from Covered to Not Covered/Excluded based on impacted Members	20 words.	Integer.	Percent.	Integer.	Percent.
Top #3 Drug that is Moving from Covered to Not Covered/Excluded based on impacted Members	20 words.	Integer.	Percent.	Integer.	Percent.
New Mexico Retiree Health Care Authority (RHCA) - Commercial					
Top #1 Drug that is Moving from Covered to Not Covered/Excluded based on impacted Members	20 words.	Integer.	Percent.	Integer.	Percent.
Top #2 Drug that is Moving from Covered to Not Covered/Excluded based on impacted Members	20 words.	Integer.	Percent.	Integer.	Percent.
Top #3 Drug that is Moving from Covered to Not Covered/Excluded based on impacted Members	20 words.	Integer.	Percent.	Integer.	Percent.
New Mexico Retiree Health Care Authority (RHCA) - EGWP					
Top #1 Drug that is Moving from Covered to Not Covered/Excluded based on impacted Members	20 words.	Integer.	Percent.	Integer.	Percent.
Top #2 Drug that is Moving from Covered to Not Covered/Excluded based on impacted Members	20 words.	Integer.	Percent.	Integer.	Percent.
Top #3 Drug that is Moving from Covered to Not Covered/Excluded based on impacted Members	20 words.	Integer.	Percent.	Integer.	Percent.
University of New Mexico (UNM)					
Top #1 Drug that is Moving from Covered to Not Covered/Excluded based on impacted Members	20 words.	Integer.	Percent.	Integer.	Percent.
Top #2 Drug that is Moving from Covered to Not Covered/Excluded based on impacted Members	20 words.	Integer.	Percent.	Integer.	Percent.
Top #3 Drug that is Moving from Covered to Not Covered/Excluded based on impacted Members	20 words.	Integer.	Percent.	Integer.	Percent.

6.3 Clinical Programs

6.3.1 Provide descriptions of the PBM's capabilities regarding compounds and ability to only administer them when it is clinically appropriate based on the IBAC/UNM's guidance.

500 words.

6.3.2 Describe your home infusion capabilities. Provide the contractual discounts, dispensing fees, administrative fees and rebates you are proposing to the IBAC/UNM for home infusion claims.

500 words.

6.3.3 Provide descriptions of the PBM's capabilities to use medical claims data and prescription claims data to identify safety and health risks.

500 words.

6.3.4 Provide descriptions of the PBM's online capabilities to allow members to view actionable items and enhance the care for patients with chronic and complex conditions.

500 words.

6.3.5 Provide descriptions of the PBM's Prior Authorization, Drug Quantity Management, Step Therapy capabilities for non-specialty and specialty drugs.

500 words.

6.3.6 Confirm the PBM will not charge more than once for a Prior Authorization fee for a single prescription (e.g., the PBM won't charge multiple times if they have to reach out to the doctor multiple times for a single prescription). Confirm the PBM will guarantee to charge the lowest of the Prior Authorization fee or the IBAC/UNM's Net Cost (before rebates).

500 words.

6.3.7 Provide descriptions of the PBM's products to better manage the high cost of Hepatitis C, PCSK9 inhibitors and Oncology drugs.

500 words.

6.3.8 Provide a description of how the PBM will manage Non-FDA approved drugs.

500 words.

6.3.9 Provide a description of how the PBM will manage DESI drugs.

500 words.

6.3.10 Provide descriptions of the PBM's process to better manage drug inflation.

500 words.

6.3.11 Provide a description of how the PBM will manage 510k products based on the IBAC/UNM's benefits coverage.

500 words.

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6.3.12 Provide descriptions of the PBM's programs to better manage high cost non-specialty generics and brands as well as hyperinflation drugs. Does the PBM guarantee to refund the IBAC/UNM for every non-specialty drug over \$1,000 that the IBAC/UNM adjudicates was not properly reviewed by the PBM?

500 words.

6.3.13 Provide descriptions of PBM's process to introduce new clinical programs to the IBAC/UNM that would take into consideration what is currently in place, what is needed and what is no longer needed. Describe how you will provide adequate time to inform the IBAC/UNM about the program, provide the IBAC/UNM with member and financial specific information and allow the IBAC/UNM sufficient time to come up with a decision on the program.

500 words.

6.3.14 Provide information on how prior authorizations and step therapies will work for those members that have already gone through the process prior to the implementation date assuming you'll receive a claims history file, open mail refill file and a prior authorization file for only the past 12 months. Provide information how these members will be impacted at a retail pharmacy (assuming the member is paying the higher copay for maintenance drug refills at retail) and via mail order.

500 words.

6.3.15 Do you require two generic products in order for a brand drug with a DAW 1 or 2 code to get the DAW penalty? Does the DAW penalty process apply to just DAW 1 and 2 or all DAW codes? Describe any additional details on how your organization's DAW penalty process works. Does your process allow an appeals process that allows a member's doctor to provide information showing that the brand name drug is medically necessary? If so, how does that process work? Would the regular brand discount, fee, rebate and member copay apply to that drug?

500 words.

6.3.16 Given that the IBAC/UNM excludes Over-the-counter (OTC) products from coverage unless otherwise specified, how will the PBM confirm with the IBAC/UNM of the revised coverage parameters of a prescription product, including the specific date of discontinuance of coverage, once the OTC product is available to purchase without a prescription.

500 words.

6.4 Retail Network Management

6.4.1 Provide a description of the program you are proposing that will allow a member to fill a maintenance medication at one retail chain (or network) at the mail order copay and mail order pricing to the IBAC/UNM. Confirm the proposed offer will remain the same if the IBAC/UNM participates in this program assuming the current plan design stays in place?

500 words.

6.4.2 Provide the names of the retail chain(s) that are part of your proposed retail 90 Network that allows members to pay the mail order copay and the IBAC/UNM obtain the mail order pricing. Provide names of attachments, if any.

500 words.

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6.4.3 Does your mandatory mail program require members to fill maintenance drugs at mail/retail 90 after two fills or does it require members to fill all drugs at mail/retail 90 after two fills? If the former, how does the PBM determine which drugs are “maintenance” drugs and what is the process for the PBM to update that list?

500 words.

6.4.4 The PBM agrees that it will not remove any participating network pharmacies that impact greater than 2% of the IBAC/UNM's prescriptions without communicating to the IBAC/UNM at least sixty (60) calendar days in advance of the scheduled change. The current guarantees will be honored if the IBAC/UNM opts out of the network changes. If the change is not agreeable to the IBAC/UNM, the IBAC/UNM will have the right to terminate the agreement without penalty with thirty (30) calendar days' notice.

Single, Pull-down list.

1: Yes,

2: No

6.4.5 Confirm the PBM agrees that it offers a performance guarantee that will guarantee that at least 95% of members will have access to a network pharmacy within a five-mile radius of their residence.

Single, Pull-down list.

1: Yes,

2: No

6.4.6 Confirm the PBM agrees to offer improved pricing terms to the IBAC/UNM if greater than 2% of utilizing members are impacted by proposed changes to the participating retail 30 and retail 90 pharmacy network.

Single, Pull-down list.

1: Yes,

2: No

6.4.7 Confirm the IBAC/UNM reserves the right to remove any retail pharmacy from its retail pharmacy network.

Single, Pull-down list.

1: Yes,

2: No

6.4.8 Confirm the PBM will not withhold any financial recoveries from audits performed on the contracted pharmacy network including mail order and specialty pharmacies. Any recoveries will be disclosed and credited to the IBAC/UNM.

Single, Pull-down list.

1: Yes,

2: No

6.4.9 Confirm the PBM will not charge the IBAC/UNM or offset any costs from a retail pharmacy audit recovery even if the PBM has to pursue additional collection action to recover retail pharmacy audit discrepancies.

Single, Pull-down list.

1: Yes,

2: No

6.4.10 Confirm the PBM will maintain the retail pharmacy audit recovery fee paid to the PBM at 0% of the collections throughout the life of the contract.

Single, Pull-down list.

1: Yes,

2: No

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6.4.11 Confirm the PBM will recover all outstanding payments from retail pharmacies as a result of incorrect charges and pay all the amounts owed from these audits to the agency regardless of whether the PBM is able to recover all of these amounts from the delinquent retail pharmacies under each of the Commercial and EGWP/Supplemental Plan contracts.

Single, Pull-down list.

- 1: Yes,
- 2: No

6.4.12 Provide a description of the escalation process for urgent drug claim issues in which a claim is rejecting at the pharmacy and members need immediate assistance and resolution.

Single, Pull-down list.

- 1: Yes,
- 2: No

6.4.13 As a reminder, all bidders must complete and submit a retail network disruption, **separate for each IBAC agency and UNM**, based on your proposed retail 30 and the retail 90 network and on the claims data that will be provided upon the submission of the “Acknowledgement of Receipt” Form. Results to be included are the number of members that will be required to change the utilized retail pharmacy as well as the number of prescriptions associated with the retail pharmacy change. An Excel file that lists the specific retail pharmacies that will be negatively impacted (will be considered out of network for the proposed retail 30 and/or the retail 90 network) along with the total number of scripts and members impacted for each of these retail pharmacies should also be provided. Please verify that you have provided the required network disruption files, **separate for each IBAC agency and UNM**, by providing the name of all attachments that comprise this component of your response.

500 words.

6.4.14 Provide a summary of your retail network disruption analysis **for each IBAC agency and UNM** below:

	Number of currently utilized retail pharmacies that are not part of proposed network and are eligible to solicit	Number of members that are using those retail pharmacies that are not part of proposed network and are eligible to solicit	Number of prescriptions that adjudicated via those retail pharmacies that are not part of proposed network and are eligible to solicit	Number of currently utilized retail pharmacies that are part of proposed network	Number of members that are using those retail pharmacies that are part of proposed network	Number of prescriptions that adjudicated via those retail pharmacies that are part of proposed network
Risk Management Division (RMD)						
Retail 30 Network	<i>Integer.</i>	<i>Integer.</i>	<i>Integer.</i>	<i>Integer.</i>	<i>Integer.</i>	<i>Integer.</i>
Retail 90 Network	<i>Integer.</i>	<i>Integer.</i>	<i>Integer.</i>	<i>Integer.</i>	<i>Integer.</i>	<i>Integer.</i>
New Mexico Public Schools Insurance						

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Authority (NMPSIA)						
Retail 30 Network	<i>Integer.</i>	<i>Integer.</i>	<i>Integer.</i>	<i>Integer.</i>	<i>Integer.</i>	<i>Integer.</i>
Retail 90 Network	<i>Integer.</i>	<i>Integer.</i>	<i>Integer.</i>	<i>Integer.</i>	<i>Integer.</i>	<i>Integer.</i>
Albuquerque Public Schools (APS)						
Retail 30 Network	<i>Integer.</i>	<i>Integer.</i>	<i>Integer.</i>	<i>Integer.</i>	<i>Integer.</i>	<i>Integer.</i>
Retail 90 Network	<i>Integer.</i>	<i>Integer.</i>	<i>Integer.</i>	<i>Integer.</i>	<i>Integer.</i>	<i>Integer.</i>
New Mexico Retiree Health Care Authority (RHCA) - Commercial						
Retail 30 Network	<i>Integer.</i>	<i>Integer.</i>	<i>Integer.</i>	<i>Integer.</i>	<i>Integer.</i>	<i>Integer.</i>
Retail 90 Network	<i>Integer.</i>	<i>Integer.</i>	<i>Integer.</i>	<i>Integer.</i>	<i>Integer.</i>	<i>Integer.</i>
New Mexico Retiree Health Care Authority (RHCA) - EGWP						
Retail 30 Network	<i>Integer.</i>	<i>Integer.</i>	<i>Integer.</i>	<i>Integer.</i>	<i>Integer.</i>	<i>Integer.</i>
Retail 90 Network	<i>Integer.</i>	<i>Integer.</i>	<i>Integer.</i>	<i>Integer.</i>	<i>Integer.</i>	<i>Integer.</i>
University of New Mexico (UNM)						
Retail 30 Network	<i>Integer.</i>	<i>Integer.</i>	<i>Integer.</i>	<i>Integer.</i>	<i>Integer.</i>	<i>Integer.</i>
Retail 90 Network	<i>Integer.</i>	<i>Integer.</i>	<i>Integer.</i>	<i>Integer.</i>	<i>Integer.</i>	<i>Integer.</i>

6.4.15 Top 3 Currently Utilized Retail Pharmacies that are Not Part of Proposed Network based on impacted number of members, Location of Pharmacies, Number of members that use each of those pharmacies and Number of prescriptions that use each of those pharmacies.

Provide the following for each IBAC agency and UNM.

	City, State	# of Members	# of Scripts
Risk Management Division (RMD)			

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Out-of-Network Retail Pharmacy #1	20 words.	Integer.	Integer.
Out-of-Network Retail Pharmacy #2	20 words.	Integer.	Integer.
Out-of-Network Retail Pharmacy #3	20 words.	Integer.	Integer.
New Mexico Public Schools Insurance Authority (NMPSIA)			
Out-of-Network Retail Pharmacy #1	20 words.	Integer.	Integer.
Out-of-Network Retail Pharmacy #2	20 words.	Integer.	Integer.
Out-of-Network Retail Pharmacy #3	20 words.	Integer.	Integer.
Albuquerque Public Schools (APS)			
Out-of-Network Retail Pharmacy #1	20 words.	Integer.	Integer.
Out-of-Network Retail Pharmacy #2	20 words.	Integer.	Integer.
Out-of-Network Retail Pharmacy #3	20 words.	Integer.	Integer.
New Mexico Retiree Health Care Authority (RHCA) - Commercial			
Out-of-Network Retail Pharmacy #1	20 words.	Integer.	Integer.
Out-of-Network Retail Pharmacy #2	20 words.	Integer.	Integer.
Out-of-Network Retail Pharmacy #3	20 words.	Integer.	Integer.
New Mexico Retiree Health Care Authority (RHCA) - EGWP			
Out-of-Network Retail Pharmacy #1	20 words.	Integer.	Integer.
Out-of-Network Retail Pharmacy #2	20 words.	Integer.	Integer.
Out-of-Network Retail Pharmacy #3	20 words.	Integer.	Integer.
University of New Mexico (UNM)			
Out-of-Network Retail Pharmacy #1	20 words.	Integer.	Integer.
Out-of-Network Retail Pharmacy #2	20 words.	Integer.	Integer.
Out-of-Network Retail Pharmacy #3	20 words.	Integer.	Integer.

6.5 Copay Assistance Program

6.5.1 The PBM agrees to have programs in place to counter the use of manufacturer's coupons/ copay assistance cards for non-specialty drugs and specialty drugs that promote the dispensing of higher cost brand name drugs when a lower cost generic or alternative is available.

Single, Pull-down list.

- 1: Yes,
- 2: No

6.5.2 Describe the PBMs strategy to combat the use of manufacturer's coupons/ copay assistance cards.
500 words.

6.5.3 Confirm there is no cost to the IBAC/UNM for this program.

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Single, Pull-down list.

1: Yes,

2: No

6.5.4 Confirm you can administer a specialty drug (including specialty generic products and biosimilars) variable copay plan design to leverage available specialty drug and biosimilar manufacturer patient assistance programs at both Retail and Specialty Pharmacies.

Single, Pull-down list.

1: Yes,

2: No

6.5.5 Please note if you use an outside third-party vendor to administer this program.

500 words.

6.5.6 Confirm you can administer a non-specialty drug variable copay plan design to leverage available non-specialty drug manufacturer patient assistance programs at Retail and Mail.

Single, Pull-down list.

1: Yes,

2: No

6.5.7 If you don't have a variable copay program for non-specialty drugs at retail, please indicate so and provide your plans to develop one within the next 12 months.

500 words.

6.5.8 For the variable copay plan design currently administered, confirm the PBM will be able to exclude the portion of cost funded by the manufacturer from a member's accumulators (i.e., out-of-pocket maximum).

Single, Pull-down list.

1: Yes,

2: No

6.5.9 Provide a list of drugs, and the respective monthly/annual copay limit, included in your variable copay plan design. Provide the name of the attachment(s).

500 words.

6.5.10 Describe the member enrollment process in the patient assistance program and describe the claims adjudication process under the variable copay plan, including the role of the member, PBM, and pharmacy.

500 words.

6.5.11 How long have you been administering this copay assistance program, and what is your client satisfaction scoring or rate on this program? Provide any costs associated with the copay assistance program in your cost proposal. (Do not include any costs in your technical response to the RFP.)

500 words.

6.5.12 State whether the PBM currently works or will work with outside vendors selected by the IBAC/UNM and not those selected by the PBM to administer the Variable Copay/ Copay Assistance program.

500 words.

6.6 Fraud Waste and Abuse

Provide your response to the questions below. If additional space is needed, please provide as an attachment and include the name of attachment(s) in the answer field.

6.6.1 Do you have edits or programs in place designed to detect and address potential drug fraud and/or abuse and notify the IBAC/UNM?

Single, Pull-down list.

1: Yes,

2: No

6.6.2 Explain and include a listing of the specific drugs targeted in this program,
500 words.

6.6.3 Describe the enrollee outreach after fraud or abuse is identified, and
500 words.

6.6.4 Detail the controls put into place after fraud or abuse is identified.
500 words.

6.6.5 Provide the name of any attachments.
500 words.

6.7 Medicare Part D - Employer Group Waiver Plan (EGWP)

The objective of the EGWP portion of this RFP is to solicit competitive proposals from qualified bidders that will offer high quality, cost effective prescription drug benefits programs for EGWP with Wrap (Supplemental Plan) to the Plan's Medicare-eligible members. The Plan requires matching the existing plan design and incurring minimal disruption to the current drug formulary and pharmacy network.

6.7.1 Do you maintain a Center for Medicare and Medicaid Services (CMS) approved prescription drug Medicare Part D plan in the form of an Employer Group Waiver Plan (EGWP)?

Single, Pull-down list.

1: Yes,

2: No

6.7.2 Confirm that you are able to duplicate the current EGWP plan design consistent with CMS regulation. Please describe any exceptions.
500 words.

6.7.3 Describe your capabilities to provide a Supplemental Plan, secondary commercial wrap benefit to the EGWP, in order to maximize the pharmaceutical manufacturers coverage gap discount program (CGDP).
500 words.

6.7.4 Verify that your P&T Committee meets CMS' requirements for objectivity and validity.
500 words.

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6.7.5 Provide the name of the Formulary you are proposing to the NMRHCA EGWP. Provide the number of drug exclusions as well as a list of the excluded drugs and the therapeutic alternatives. Provide Information and Names of Attachments.

500 words.

6.7.6 Provide the name of the Specialty Formulary you are proposing to the NMRHCA EGWP. If applicable, provide the number of drug exclusions as well as a list of the excluded drugs and the therapeutic alternatives. (Provide names of any attachments.)

500 words.

6.7.7 Provide descriptions of the other formulary options available to the NMRHCA EGWP. There is no need to provide the revised pricing under these alternative formulary options at this time.

500 words.

6.7.8 Provide descriptions of the Utilization Management programs you are proposing to the NMRHCA EGWP. Provide information and Names of Attachments.

500 words.

6.7.9 Provide descriptions of the other Utilization Management programs available to the NMRHCA EGWP. Provide information and Names of Attachments.

500 words.

6.7.10 Provide an NDC-level, copy of your Medicare Part D formulary in a Microsoft Excel format that includes formulary indicators.

500 words.

6.7.11 Confirm that you will provide all CMS required filings related to formulary, medication therapy management (MTM), and other clinical programs on a timely basis.

500 words.

6.7.12 How many group EGWP contracts do you presently insure or administer? Provide the number of lives covered for each of the top 10 largest clients.

500 words.

6.7.13 Confirm that you will provide all CMS required filings related to certification of compliance to all waste, fraud, and abuse requirements.

500 words.

6.7.14 Confirm you provide a pharmacy network per CMS requirements by providing a GeoAccess report using the zip codes in the claims data.

500 words.

6.7.15 Confirm you are able to administer a Medicare B vs. D program at point of sale, at no additional cost to the Plan.

500 words.

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6.7.16 Confirm you will coordinate benefits with Medicare at point-of-sale to ensure members receive benefits seamlessly, including the routing of Part B drugs through the medical plan to CMS for Part B reimbursement, at no additional cost to the Plan.

500 words.

6.7.17 Confirm you will apply the required brand and generic Pharma discounts for Part D applicable drugs at point-of-sale.

500 words.

6.7.18 Confirm that you will provide all CMS-required member communications and that this is included in your base administrative fee.

500 words.

6.7.19 Confirm that the Plan will have the ability to customize member communications at no additional charge when permitted by CMS.

500 words.

6.7.20 Please provide a sample member communications package for the EGWP.

500 words.

6.7.21 Describe the transition process you will utilize for members who are currently using non-formulary prescription drugs, drugs requiring prior authorization, step therapy, and quantity level limits.

500 words.

6.7.22 Describe the enrollment/disenrollment process and include detail regarding the timing of when enrollment/disenrollment changes go into effect. How do you handle the CMS required "opt hold" period such that there is the least amount of benefit disruption to the member if the Plan notifies you retroactively within thirty (30) calendar days of Medicare enrollment?

500 words.

6.7.23 Confirm that you will provide separate reporting and billing for the EGWP group.

500 words.

6.7.24 Describe the member termination process under the EGWP, including the timing of termination after termination date is received from the Plan.

500 words.

6.7.25 Describe how you will handle the following scenario to ensure that the retiree has no disruption in coverage: On 1/7/2023, the Plan notifies you, via an 834 file, that a non-Medicare retiree became Medicare Part B eligible on 1/1/2023 (retiree will need to be moved from the non-Medicare Commercial plan to the EGWP plan).

500 words.

6.7.26 Describe how you will handle the following: The EGWP 834 file shows that on 1/1/2023 a new Medicare retiree enrolls in plans with a non-Medicare spouse. Does your system have the capability to cover the Medicare retiree in the EGWP plan and the non-Medicare spouse in the Commercial plan (even though the non-Medicare spouse does not show up on the Commercial 834 file)?

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500 words.

6.7.27 Confirm you will process low-income premium subsidy refund to members and the Plan as well as low-income cost sharing refund requests to the members.

500 words.

6.7.28 Are there any charges for CMS required services that are not included in the EGWP base administrative fee? List each service and associated charge separately.

500 words.

6.7.29 Are you offering EGWP-specific call centers? If so, describe how these call centers differ from the ones that are available to the Commercial populations.

500 words.

6.7.30 Explain your plan to implement the Department of Health and Human Services proposal to eliminate rebates from drug pricing under the Medicare Part D and Medicaid managed care programs and instead permit drug discounts at the point of sale if it goes into effect.

500 words.

6.7.31 Confirm the PBM agrees to maintain the overall relative economic value of the proposed EGWP offer and will offer a price neutral alternative that is acceptable to the Plan if the Department of Health and Human Services proposal to eliminate rebates from drug pricing under the Medicare Part D and Medicaid managed care programs and instead permit drug discounts at the point of sale goes into effect.

500 words.

6.7.32 Do you agree to provide the following services under the EGWP Plan? Are the services included in your base administrative fee?

	Response
Collect and validate Medicare MBI	<i>Single, Pull-down list.</i> 1: Agree to provide (included in base admin fee), 2: Agree to provide (NOT included in base admin fee), 3: Do NOT agree to provide
Research and resolve enrollment errors	<i>Single, Pull-down list.</i> 1: Agree to provide (included in base admin fee), 2: Agree to provide (NOT included in base admin fee), 3: Do NOT agree to provide
Medication Therapy Management (MTM) Program	<i>Single, Pull-down list.</i> 1: Agree to provide (included in base admin fee), 2: Agree to provide (NOT included in base admin fee), 3: Do NOT agree to provide
Monitor and track all changes made by CMS	<i>Single, Pull-down list.</i> 1: Agree to provide (included in base admin fee), 2: Agree to provide (NOT

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	included in base admin fee), 3: Do NOT agree to provide
Enrollment modifications resulting in Low-Income assistance as granted or removed by CMS	<i>Single, Pull-down list.</i> 1: Agree to provide (included in base admin fee), 2: Agree to provide (NOT included in base admin fee), 3: Do NOT agree to provide
Benefit Consultation and Actuarial Equivalence validation	<i>Single, Pull-down list.</i> 1: Agree to provide (included in base admin fee), 2: Agree to provide (NOT included in base admin fee), 3: Do NOT agree to provide
Fraud, Waste and Abuse Program	<i>Single, Pull-down list.</i> 1: Agree to provide (included in base admin fee), 2: Agree to provide (NOT included in base admin fee), 3: Do NOT agree to provide
Grievance, Appeals (internal and external), and coverage determination – investigate and resolve complaints from the CMS Complaint Tracking Module	<i>Single, Pull-down list.</i> 1: Agree to provide (included in base admin fee), 2: Agree to provide (NOT included in base admin fee), 3: Do NOT agree to provide
Full enrollment reports (accepted, rejected, or CMS changes)	<i>Single, Pull-down list.</i> 1: Agree to provide (included in base admin fee), 2: Agree to provide (NOT included in base admin fee), 3: Do NOT agree to provide
Evidence of Coverage (EOC)/ID Card/Abridged Formulary/Pharmacy Directory	<i>Single, Pull-down list.</i> 1: Agree to provide (included in base admin fee), 2: Agree to provide (NOT included in base admin fee), 3: Do NOT agree to provide
Annual Notices of Changes/EOC	<i>Single, Pull-down list.</i> 1: Agree to provide (included in base admin fee), 2: Agree to provide (NOT included in base admin fee), 3: Do NOT agree to provide
Low-Income Subsidy (LIS) Rider	<i>Single, Pull-down list.</i> 1: Agree to provide (included in base admin fee), 2: Agree to provide (NOT included in base admin fee), 3: Do NOT agree to provide
LIS premium refunds directly to low-income retirees	<i>Single, Pull-down list.</i> 1: Agree to provide (included in base admin fee),

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	2: Agree to provide (NOT included in base admin fee), 3: Do NOT agree to provide
Transition Letters	<i>Single, Pull-down list.</i> 1: Agree to provide (included in base admin fee), 2: Agree to provide (NOT included in base admin fee), 3: Do NOT agree to provide
Explanation of Benefits (Monthly)	<i>Single, Pull-down list.</i> 1: Agree to provide (included in base admin fee), 2: Agree to provide (NOT included in base admin fee), 3: Do NOT agree to provide
Receive and reconcile CMS Direct Subsidy (paid – 45 days after receipt), LIS, LICS, (Paid at time of reconciliation) and Catastrophic Payments (paid at time of reconciliation)	<i>Single, Pull-down list.</i> 1: Agree to provide (included in base admin fee), 2: Agree to provide (NOT included in base admin fee), 3: Do NOT agree to provide
Reconcile LIS eligibility with CMS on a monthly basis	<i>Single, Pull-down list.</i> 1: Agree to provide (included in base admin fee), 2: Agree to provide (NOT included in base admin fee), 3: Do NOT agree to provide
Manage TrOOP	<i>Single, Pull-down list.</i> 1: Agree to provide (included in base admin fee), 2: Agree to provide (NOT included in base admin fee), 3: Do NOT agree to provide

6.7.33 How will the Plan's members be notified of the following events? (phone, written document, other)

	Response
Plan change	<i>Compound, Pull-down list.</i> 1: Phone, 2: Written document, 3: Other (describe): [500 words]
New Drug Additions/Formulary changes	<i>Compound, Pull-down list.</i> 1: Phone, 2: Written document, 3: Other (describe): [500 words]
Change in Pharmacy Network	<i>Compound, Pull-down list.</i> 1: Phone, 2: Written document, 3: Other (describe): [500 words]
Ineligible, Banned, or Recalled Drug	<i>Compound, Pull-down list.</i> 1: Phone, 2: Written document, 3: Other (describe): [500 words]

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Approaching True Out of Pocket Limit	<i>Compound, Pull-down list.</i> 1: Phone, 2: Written document, 3: Other (describe): [500 words]
Generic substitution	<i>Compound, Pull-down list.</i> 1: Phone, 2: Written document, 3: Other (describe): [500 words]

6.8 General Bid Requirements

The following addresses each bid, contract and service requirement. Please review this section thoroughly to determine your ability to meet these requirements. Indicate “yes” or “no” as to your organization's ability to comply. If you are unable to comply, you must clarify your deviation in the field provided.

6.8.1 Compliance with Specifications. Bidders must fully respond in writing to the RFP's questionnaire, forms and other requests for information. All proposals are to be prepared according to these specifications.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.8.2 Form of Your Proposal. Your responses to the Cost and Technical Proposal Questionnaires and Statement of Concurrence to the Mandatory Specifications will constitute the essence of your proposal and should be made in writing.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.8.3 Finalist Interview. Bidders must be available for a possible finalist evaluation meeting with the IBAC/UNM and Segal (date to be determined).

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.8.4 Implementation. The successful bidder must be able and fully committed to support the IBAC/UNM with all aspects of the installation process. To this end, your proposal must include a detailed implementation timetable and key task checklist separately **for each of the IBAC agencies and UNM.**

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.9 Required Contract Provisions

The following addresses each bid, contract and service requirement. Please review this section thoroughly to determine your ability to meet these requirements. Indicate “yes” or “no” as to your organization's ability to comply. If you are unable to comply, you must clarify your deviation in the field provided.

The proposal must contain provisions reserving these rights to the IBAC/UNM:

6.9.1 Maintenance and Ownership of Records. Your company will be required to maintain all pertinent records for seven years. This is in conjunction with prudent business practices and applicable state and Federal law. Your company would be charged with the safekeeping of plan experience information and, in the event of

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contract termination, would be required to cooperate with the IBAC/UNM, or their representative, in the orderly transfer of this plan experience information to the IBAC/UNM or its designated succeeding health plan/carrier.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.9.2 Effective Date and Contract Anniversaries. July 1, 2022 (January 1, 2023 for APS) are the proposed effective dates and contract anniversary months thereafter.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.9.3 Contract Pricing Dates: Please confirm the pricing for the IBAC/UNM will go into effect on July 1, 2022 (January 1, 2023 for APS) as long as the IBAC/UNM agrees to that pricing upon selection of a vendor. Please confirm no document needs to be signed prior to the implementation of the new pricing as long as both parties agree in good faith to the agreed upon financial and contractual terms via email.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.9.4 Renewal Notification. The PBM must provide any rate changes in writing with full justification at least 180 calendar days prior to a contract anniversary. The long lead-time is required due to the annual budget pricing, communications, and administration requirements associated with the IBAC/UNM's benefit program.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.9.5 Performance Guarantee. As the IBAC/UNM's Claims Administrator, you must agree to serve the IBAC/UNM and its staff under the terms of a performance guarantee agreement executed between the IBAC/UNM and your company. The objective of the Performance Guarantees is not to reduce your client revenue by invoking penalties but rather to reinforce your verbal and written assurances of quality service with tangible measurements. At a minimum, the Performance Guarantees must include, but are not limited to:

- Objective accuracy benchmarks and associated penalties for failure to consistently meet the following measurements:
 - Member satisfaction
 - Initial implementation and enrollment process
 - On-time delivery of periodic and annual reports and delivery of information or notifications to the IBAC/UNM.
- A subjective service measurement that will be solely determined by the IBAC/UNM; and
- A level of financial risk that is challenging yet fair.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.9.6 Staffing. Employ sufficient and appropriately trained designated staff, familiar with administering your proposed plan of benefits, to meet the service specifications outlined herein and subsequently detailed in a performance standards agreement that would be executed between the IBAC/UNM and your company.

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Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.9.7 Eligibility Questions. Communicate directly with the IBAC/UNM staff regarding any uncertain claimant eligibility situations before notifying the claimant directly of an ineligible status.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.9.8 Member Inquiries and Requests. Respond to all inquiries and requests made by the IBAC/UNM's plan members with a sense of urgency. Phone calls and all correspondence are to be handled by a reasonable number of service personnel who have been trained in the area of customer service and who are familiar with the IBAC/UNM's programs.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.9.9 Phone Service. An 800-telephone number is to be available for all IBAC/UNM members. A dedicated customer service line shall be provided separately for each IBAC member agency and UNM.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.9.10 System Capacity. Maintain sufficient system capacity to meet the service specifications outlined herein and subsequently in the agreement(s) between your company and the IBAC/UNM.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.9.11 On-Line Historical Data. Maintain at least four years of the IBAC/UNM's claim and eligibility information at all times. Provide data feeds as requested by the IBAC/UNM.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.9.12 System Problems -- IBAC/UNM Notification. Notify the IBAC/UNM if your claim system experiences, or is scheduled to experience delays or shut down that either: a) exceeds your internal standards in this area, or b) would have an adverse impact on claim payment or customer service. Notify the IBAC/UNM if your Customer Service Center will be unavailable or scheduled to be unavailable, and your process for handling member inquiries during the outage.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.10 Minimum Bid Qualifications

6.10.1 Confirm your organization has at least ten years of experience in providing prescription drug benefit plan services, including claims administration and retail pharmacy network services, to at least ten Commercial groups each with more than 30,000 covered lives.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.10.2 Confirm your organization is compliant with all state and federal applicable regulations and currently not restricted or prohibited from conducting business in all states where the IBAC/UNM's members reside or access care.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.10.3 Confirm your organization is contracted directly with CMS to provide an EGWP and subcontractors will not be used to provide any EGWP services to the Plan.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.10.4 Confirm your organization has at least five years of experience in providing EGWP services, including claims administration and retail pharmacy network services, to at least five EGWP groups with at least 20,000 covered lives under the EGWP.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.11 Term/Termination

6.11.1 Confirm the PBM agrees to a four-year Initial Term effective July 1, 2022 (January 1, 2023 for APS).

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.11.2 Confirm the PBM will provide contract attachments reflecting all agreed upon provisions within this RFP and subsequent responses as indicated in this RFP.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.11.3 Confirm the IBAC/UNM reserves the right to terminate the contract for cause at any time with thirty (30) calendar days' notice if an effective remedy is not provided to the satisfaction of the IBAC/UNM. The financial guarantees for any partial contractual year that results from an early termination will still be guaranteed, reconciled and the PBM will still make payments for any shortfalls for those resulting partial contractual years of less than 12 months.

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Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.11.4 The IBAC/UNM will have the right to terminate the contract without cause given a 90-day notice period without penalty to the IBAC/UNM. The financial guarantees for any partial contractual year that results from an early termination will still be guaranteed, reconciled and the PBM will still make payments for any shortfalls for those resulting partial contractual years of less than 12 months.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.12 Annual Market Check

6.12.1 The PBM agrees to an annual mid-contract term market check, that may start as soon as the second quarter of the second contract year.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.12.2 The market check will be conducted by an independent third party to ensure the IBAC/UNM is receiving appropriate current pricing terms competitive within the industry based on its volume and membership.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.12.3 The PBM agrees to improve pricing in the event that the IBAC/UNM's contract terms are less than current based on the Market Check.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.12.4 The PBM will review the financial terms of the IBAC/UNM compared to financial offering presented to similar employers in the marketplace as deemed appropriate as part of the Market Check process and offer improved pricing to the IBAC/UNM if there is savings of over 1% in the marketplace.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.12.5 The financial guarantees for any partial contractual year that results from the implementation of new pricing will still be guaranteed, reconciled and the PBM will still make payments for any shortfalls for those resulting partial contractual years of less than 12 months and those contractual years of over 12 months.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.12.6 Confirm that the improved pricing terms will become effective on the earlier of 1) the first day of the third year of the contract or 2) thirty (30) calendar days following a fully executed amendment reflecting the agreed upon financial and contractual terms.

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Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.12.7 Confirm the PBM will allow **each IBAC agency and UNM** to determine if automatic renewal language should be included in the contract or not.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.12.8 Confirm all rebate revenue earned by the IBAC/UNM under the contract will be paid to the IBAC/UNM regardless of their termination status as a client. Lag rebates on claims incurred prior to the termination date will continue to be paid to the IBAC/UNM after termination until 100% of earned rebates are paid.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.13 Financial Contractual Requirements

6.13.1 Each distinct non-rebate pricing guarantee (including discounts and dispensing fees) will be measured and reconciled on a component (e.g. retail 30 brand, retail 30 generic, retail 90 brand, retail 90 generic, mail order brand, mail order generic, specialty drugs at participating retail pharmacies, and specialty drugs at the PBM's Specialty Pharmacy) basis only and guaranteed on a dollar-for-dollar basis with 100% of any shortfalls recouped by the IBAC/UNM. **Surpluses in one component (including rebates) may not be utilized to offset deficits in another component.**

If "no", provide your proposed contractual language.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.13.2 Each distinct rebate guarantee will be measured and reconciled on a component (e.g. retail 30 brand, retail 90 brand, mail order brand, specialty drugs at participating retail pharmacies, and specialty drugs at the PBM's Specialty Pharmacy) basis only and guaranteed on a dollar-for-dollar basis with 100% of any shortfalls recouped by the IBAC/UNM. Surpluses in one component may not be utilized to offset deficits in another component. **Surpluses in one component may not be utilized to offset deficits in another component.**

Rebates surpluses will not be utilized to offset deficits in any other non-rebate guaranteed component.

If "no", provide your proposed contractual language.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.13.3 The PBM will provide a financial reconciliation report within ninety (90) calendar days after the end of each contractual year, and the report will include the contractual and actual discounts and dispensing fees for each component (e.g. retail 30 brand, retail 30 generic, retail 90 brand, retail 90 generic, mail order brand, mail order generic, specialty drugs at participating retail pharmacies, and specialty drugs at the PBM's Specialty Pharmacy).

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

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6.13.4 The PBM will pay a fine of \$10,000 per month or any fraction thereof for late or incomplete reports in addition to any amount owed if its financial reconciliation reports fail to provide the actual and achieved result for each component guarantee. In addition to this, provide a sample of the financial reconciliation report that will be used as a contractual exhibit to demonstrate the financial reconciliation report that the IBAC should expect at the end of each contractual period. Please indicate the name of this attachment.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.13.5 Confirm retail 30 network guarantees for prescriptions with up to 83 days' supply and retail 90 network guarantees for prescriptions with 84 to 90 days' supply are measured and reconciled on a separate component basis given that they have separate guaranteed rates. A surplus for either of these guarantees will not be used to offset a shortfall for one of the other retail components or any other component guarantees.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.13.6 The PBM agrees that any shortfall between the actual result and the guarantee will be paid, dollar-for-dollar, to the IBAC within ninety (90) calendar days of the end of each contractual year.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.13.7 The PBM agrees that any shortfall amount between the actual result and the guarantee that is not paid, dollar-for-dollar, to the IBAC within the agreed upon time frame after the end of each contractual year will accrue a pro-rated 2% monthly late fee.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.13.8 The PBM's financial reconciliation that occurs after the end of the contract year will use the lower of the AWP pricing at the point of adjudication or the retroactive AWP pricing, if the pricing source the PBM uses issues retroactive AWP pricing for that annual reconciliation time period.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.13.9 All pricing submitted will **NOT** be contingent on participation in any proposed clinical management programs, group medical or behavioral health programs proposed by you or any other vendor other than programs that are requested by the IBAC. Further, the pricing guaranteed in the Financial Section of this RFP reflects a) the PBM's broad national retail 30 network that includes all national retail chains similar to what is currently in place b) a retail 90 network at one retail chain (or multiple) similar to what is currently in place and c) the PBM's formulary or preferred drug listing with drug coverage exclusions for the contract, unless otherwise authorized or requested by the IBAC.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.13.10 Confirm the PBM will, at a minimum, duplicate the plan features and levels of coverage presently offered by the IBAC without impacting the proposed pricing.

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Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.13.11 Confirm that mail order and specialty drug dispensing fees will remain constant throughout the contract term and will not be increased for any increases in postage charges (i.e., U.S. mail and/or applicable commercial courier services).

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.13.12 Confirm mail order pricing and rebates will apply to all claims that adjudicate at mail regardless of days' supply.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.13.13 Confirm retail 90 pricing and rebates will apply to all claims that adjudicate at the retail 90 network with greater than 83 days' supply.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.13.14 Confirm retail 30 pricing and rebates will apply to all claims that adjudicate at the retail 30 network with 1 - 83 days' supply.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.13.15 Confirm specialty pricing and rebates will apply to all claims that adjudicate at the PBM's specialty pharmacy regardless of days' supply.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.13.16 Guaranteed rebates will apply to all brand prescription claims dispensed (i.e., not only on formulary prescriptions dispensed and not limited to products that should be eligible to receive a rebate based on products from which the PBM receives a rebate).

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.13.17 Confirm all rebates are guaranteed on a minimum (i.e., not fixed or flat) basis, and the PBM will pass through 100% of the rebates, including non-specialty and specialty, it has received to the IBAC.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.13.18 Confirm that quarterly rebate payments will be based on the minimum rebate guarantees (i.e., not limited to the amount of rebates collected).

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Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.13.19 Confirm that within ninety (90) calendar days after the end of each quarter, the PBM will pay to the IBAC the minimum rebate guarantees and provide detailed reports listing the number of brand drugs per delivery channel, rebate amount per brand drug at each delivery channel, and the resulting minimum guaranteed rebate payment per delivery channel owed to the IBAC as well as the rebates received by the PBM from manufacturers for the IBAC's utilization without a request being made by the IBAC.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.13.20 The PBM will provide the annual rebate reconciliation report within ninety (90) calendar days of the end of each contract year. Confirm any shortfall between the rebates paid and the greater of the minimum rebate payments or the rebates invoiced by the PBM for the IBAC's utilization will be paid, dollar-for-dollar, to the IBAC within ninety (90) calendar days of the end of the contract year.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.13.21 Confirm that lag rebates will continue to be paid to the IBAC throughout the term of the contract until 100% of all earned rebates are paid even after all of the minimum rebate guarantees have been paid.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.13.22 Confirm rebates will be paid per the terms of the agreement as long as both parties agree in good faith via email accepting the proposed pricing while the contract is finalized.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.13.23 The IBAC will be notified of any switch to the source of the aggregate AWP with at least a 180-day notice. Any switch must be based on a book of business decision and apply to similarly situated clients like the IBAC. In the event that a switch is made it must be price neutral and acceptable to the IBAC.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.13.24 The PBM will be responsible for collecting any outstanding member cost shares for prescriptions dispensed through the mail order facility. The PBM will not invoice the IBAC for any uncollected member cost shares even if there is a debit threshold in place.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.13.25 The PBM will invoice the IBAC weekly or twice monthly for claims and once monthly for the administrative services. The IBAC agencies cannot pay administrative fees in advance, therefore awarded PBM must agree to accept payment of administrative fees in arrears.

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Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.13.26 The IBAC will pay all undisputed claim invoice amounts to the PBM within five (5) business days after the IBAC receives such invoice from the PBM and all undisputed administrative services invoice amounts to the PBM within fifteen (15) calendar days of the end of the calendar month for which the fees apply.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.13.27 Confirm that if the IBAC disputes all or a portion of any invoice, the IBAC will pay the undisputed amount timely and notify the PBM in writing, of the specific reason and amount of any dispute before the due date of the invoice. The PBM and the IBAC will work together, in good faith, to resolve any dispute. Upon resolution, the IBAC or the PBM will remit the amount owed to the other party, if any, within five (5) business days as the parties agree based on the resolution.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.13.28 Confirm the PBM will provide a paid claims data file that corresponds to the invoices at no additional cost to the IBAC.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.13.29 There are NO additional fees (beyond those outlined in the Cost Response Questionnaire) required to administer the services outlined in this RFP. Any mandatory fees, including clinical and formulary program fees, must be clearly outlined in the Cost Response Questionnaire.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.13.30 All applicable fees include the cost of claims incurred/filled during the effective dates of this contract regardless of when they are actually processed and paid (run-out).

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.13.31 Confirm the PBM will provide run-out claims processing for the IBAC for twelve (12) months after contract termination.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.13.32 Confirm all pricing will be effective and guaranteed for the term of the agreement and will not include adjustments for claims volume changes or claims volume shifts amongst the various provider channels (e.g., mail utilization rates decline or 90-day retail utilization increases).

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

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6.13.33 Confirm all pricing will be effective and guaranteed for the term of the agreement and will not be modified or amended unless the IBAC agency's membership decreases by 30% or more.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.13.34 Confirm all pricing will be effective and guaranteed for the term of the agreement and will not be modified or amended if the IBAC/UNM expands its current high deductible health plan/consumer-driven health plan options.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.13.35 The PBM mail order service must notify the individual member and the IBAC/UNM or its designee prior to substituting products that will result in higher member co-pay.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.13.36 The PBM will NOT implement, administer, or allow any program that results in the conversion from lower discounted ingredient cost drug products to higher ingredient cost drug products or increases the member's cost share without the prior written consent of the IBAC/UNM or its designee.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.13.37 Confirm the PBM guarantees that any preferred drug or program the PBM recommends the IBAC/UNM to implement will result in a lower ingredient cost before the application of rebates on the promoted drug to both the member and the IBAC/UNM.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.13.38 Confirm the proposed pricing is not part of a coalition pricing arrangement that is not IBAC/UNM.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.13.39 Confirm that no third party will receive compensation should you be awarded the business.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.13.40 Confirm products subject to patent actions are not excluded from the financial discount, dispensing fee and rebate guarantees.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

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6.13.41 Confirm the PBM agrees to produce a date-sensitive comparison report showing unit costs charged to the IBAC/UNM at a GCN-level, and reimburse the IBAC/UNM on a dollar-for-dollar basis for all instances where mail order unit costs exceed retail unit's costs. Report and reconciliation will be provided on a quarterly basis, without a request being made by the IBAC/UNM.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.13.42 Confirm the PBM will guarantee Retail/Mail Order unit cost equalization meaning that Mail Order unit costs prior to member cost sharing, dispensing fees, and sales taxes charged will be no greater than the unit cost for the same NDC-11 adjusted for quantity and days' supply at Retail.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.13.43 Confirm the PBM guarantees that the cost of a drug at mail will be equal to or less than the cost of the identical drug at retail on the same day, inclusive of U&C pricing. In the case that the IBAC/UNM identifies any situation in which the IBAC/UNM paid more for a prescription at mail than would have been paid at retail on the same day, including U&C pricing, the PBM will reimburse the IBAC/UNM on a dollar-for-dollar basis.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.13.44 In order to ensure the PBM is managing the MAC list appropriately and its impact on member cost, confirm the PBM will limit the impact of MAC price increases on member copays to not exceed 25% from one quarter to the next quarter.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.13.45 The PBM will provide the discounts, dispensing fees and logic associated with the compounds the PBM administers when it is clinically appropriate.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.13.46 Confirm there are no additional fees to coordinate the deductible and the maximum out of pocket with the medical carrier.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.13.47 The PBM will credit the IBAC/UNM the cost difference for any claims in which the IBAC/UNM was considered "primary" for the claim, but the claim should have been considered "secondary" for the IBAC/UNM (e.g., workers' compensation claim).

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

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6.13.48 Confirm that the PBM will not bill for medical supplies and services in the dispensing/usage of specialty medications not covered by the IBAC/UNM's prescription drug plan.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.13.49 For the EGWP, confirm that the fully negotiated price of the brand name drugs purchased in the gap will count toward the out-of-pocket limit that triggers catastrophic coverage.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.13.50 Confirm rebates are paid on Wrap/Supplemental Plan claims.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.13.51 For the Supplemental Plan, confirm that the brand name manufacturers will subsidize brand name drugs in the coverage gap at 50% of member cost sharing and that 100% of the manufacturer coverage gap discount payments will be credited to the Plan.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.14 Financial Definitions and Assumptions

6.14.1 **"100% Pass Through of Rebates"** - The PBM agrees to pass through 100% of ALL rebate revenue earned and will not charge an administrative fee for this arrangement. The PBM also agrees to disclose details of all other programs and services generating financial remuneration from outside entities, including manufacturers and retailers.

If "no", provide your proposed contractual language.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.14.2 Confirm the PBM will pass through 100% of Manufacturer Administrative Fees paid by manufacturers to the PBM in relation to the IBAC/UNM's utilization.

If "no", provide your proposed contractual language.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.14.3 Confirm the PBM will pass through 100% of Inflation Protection Payments paid by pharmaceutical manufacturers to the PBM in relation to the IBAC/UNM's utilization.

If "no", provide your proposed contractual language.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

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6.14.4 Confirm the PBM will pass through 100% of rebates invoiced and collected from pharmaceutical manufacturers/rebate aggregators for excluded products that are not included in the rebate and financial guarantee calculations.

If "no", provide your proposed contractual language.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.14.5 Confirm the PBM agrees to pay participating pharmacies at the PBM's contracted rate. In the event that the amount paid to the participating pharmacy does not equal the amount invoiced to the IBAC/UNM, the PBM may retain the difference under a traditional pricing arrangement.

If "no", provide your proposed contractual language.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.14.6 **"Rebates"** - Compensation or remuneration of any kind received or recovered from a pharmaceutical manufacturer by the PBM attributable to the purchase or utilization of covered drugs by eligible persons, including, but not limited to, incentive rebates categorized as mail order purchase discounts; credits; rebates, regardless of how categorized; market share incentives; promotional allowances; commissions; educational grants; market share of utilization; drug pull-through programs; implementation allowances; clinical detailing; rebate submission fees; and administrative or management fees. Rebates also include any fees that PBM receives from a pharmaceutical manufacturer for administrative costs, formulary placement, and/or access.

If "no", provide your proposed contractual language.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.14.7 **AWP** (Average Wholesale Price) is based on the actual date sensitive, 11-digit NDC for the strength and form of the drug being dispensed as supplied by a nationally-recognized pricing source (i.e., Medi-Span) for retail, mail order, and specialty adjudicated claims (Subject to outstanding litigation).

If "no", provide your proposed contractual language.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.14.8 **Member Copay** - Members will pay the lowest of the following: plan copay/coinsurance, plan-negotiated discounted ingredient cost plus dispensing fee, usual and customary charges (if at retail), MAC (maximum allowable cost) or retail cash price (if at retail) at retail, mail and specialty pharmacies.

If "no", provide your proposed contractual language.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.14.9 **Members** - All eligible employees and their eligible dependents enrolled under the IBAC/UNM's prescription benefit program.

If "no", provide your proposed contractual language.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

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6.14.10 Paid Claims - Defined as all transactions made on eligible members that result in a payment to pharmacies or members from the IBAC/UNM or the IBAC/UNM member copays. (Does not include reversals, rejected claims and adjustments.) Each unique prescription that results in payment shall be calculated separately as a paid claim.

If "no", provide your proposed contractual language.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.14.11 Confirm the PBM will only charge a fee (e.g., administrative fee or dispensing fee) for Paid Claims and will not charge a fee for reversals, rejected claims, adjustments or reprocessed claims.

If "no", provide your proposed contractual language.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.14.12 Client eligibility - All eligibility records are the sole property of the IBAC/UNM. Selling or providing of the IBAC/UNM's eligibility data to ANY outside entities must be approved in advance, reported on a monthly basis and all income derived must be disclosed and shared per agreement with the IBAC/UNM. Even if PBM has not "sold" the eligibility data, it is NOT free to use the eligibility data for analyses that they publish or provide to outside entities.

If "no", provide your proposed contractual language.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.14.13 Client claims data - All claims data records are the sole property of the IBAC/UNM and must be made available upon request to the IBAC/UNM and its designees. Selling or providing of the IBAC/UNM's claims data to ANY outside entities must be approved in advance, reported on a monthly basis and all income derived must be disclosed and shared per agreement with the IBAC/UNM. Even if PBM has not "sold" the claims data, it is NOT free to use the claims data for analyses that they publish or provide to outside entities.

If "no", provide your proposed contractual language.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.14.14 Confirm the pricing listed in this proposal reflects the following:

All guarantees are calculated using the date sensitive AWP based on the 11-digit NDC of the actual product and actual package size that is dispensed.

If "no", provide your proposed contractual language.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.14.15 All-in generic guarantee inclusive of single-source generics.

If "no", provide your proposed contractual language.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

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6.14.16 Drugs with an “Insufficient Supply” are included in the guarantees.

If "no", provide your proposed contractual language.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.14.17 Select, sole source or authorized generics from at least one FDA-approved generic manufacturer with exclusivity, limited supply, limited availability, or limited competition will be included in the generic pricing guarantees and excluded from the brand pricing guarantees.

If "no", provide your proposed contractual language.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.14.18 No single-source generic or generic drug will be included in the brand drug component for the annual discount guarantee reconciliation.

If "no", provide your proposed contractual language.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.14.19 Confirm “House Generics”/ Brand claims with a DAW 5 will be included in the generic guarantee financial reconciliation calculations and GDR guarantee calculations.

If "no", provide your proposed contractual language.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.14.20 Confirm how the PBM will calculate the “House Generics” or DAW 5 claims AWP that will be used in the generic guarantee financial reconciliation calculations and GDR guarantee calculations.

If "no", provide your proposed contractual language.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.14.21 Confirm “House Generics”/ Brand Claims with DAW 5 will be included as brands in the minimum rebate guarantee calculations.

If "no", provide your proposed contractual language.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.14.22 Confirm any rebates derived from “House Generics” or DAW 5 claims will be passed through at 100% to the IBAC/UNM.

If "no", provide your proposed contractual language.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

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6.14.23 Confirm the IBAC/UNM will not pay more for any “House Generics” or DAW 5 claims compared to the respective generic equivalent before the application of rebates.

If "no", provide your proposed contractual language.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.14.24 Confirm members will pay the generic copay for any “House Generics” or DAW 5 claims.

If "no", provide your proposed contractual language.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.14.25 Confirm all “House Generics” or Brand Claims with DAW 5 will adjudicate at the generic member copay regardless of whether the doctor checks off a DAW on the script.

If "no", provide your proposed contractual language.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.14.26 Confirm brands with a DAW code (DAW 1 or DAW 2) requiring the substitution of a brand product over a generic product will be included in the brand discount guarantees, dispensing fees, and minimum rebate guarantees.

If "no", provide your proposed contractual language.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.14.27 Confirm brands with a DAW code of 0, 3, 4, 6, 7, 8, and 9 will be included in the brand discount guarantees, dispensing fees, and minimum rebate guarantee calculations.

If "no", provide your proposed contractual language.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.14.28 Confirm any formulary excluded brand products that were adjudicated as a result of an exception process such as for medical necessity will be included in the discount, dispensing fee, minimum rebate guarantees and any rebates associated with such drugs will be passed through at 100% to the IBAC/UNM.

If "no", provide your proposed contractual language.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.14.29 Confirm any penalty amounts paid by the member as a result of the DAW 1 or 2 penalty program will not be used by the PBM in discount guarantee reconciliations.

If "no", provide your proposed contractual language.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

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6.14.30 Confirm all multi-source brand claims are included in the minimum rebate guarantee calculations.

If "no", provide your proposed contractual language.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.14.31 Member Cost Share at the point-of-sale (for retail and mail) is based on the lowest of the plan copay/coinsurance, usual and customary charges, negotiated discounted ingredient cost plus dispensing fee or retail cash price.

If "no", provide your proposed contractual language.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.14.32 All guarantees are calculated before the application of member cost share.

If "no", provide your proposed contractual language.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.14.33 Confirm all of the proposed dispensing fee guarantees are on a maximum guaranteed basis.

If "no", provide your proposed contractual language.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.14.34 Confirm all applicable claims from all 50 states and the District of Columbia will be included in the discount, dispensing fee and rebate guarantee calculations.

If "no", provide your proposed contractual language.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.14.35 Confirm that the stated pricing below will apply to the IBAC/UNM. Otherwise, clearly identify deviations.

If "no", provide your proposed contractual language.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.14.36 Please confirm your proposed drug type designation or classification (e.g. brand, generic) source (i.e. First DataBank, Medi-Span, Redbook, Other). If other, please specify.

Multi, Checkboxes.

1: First DataBank,

2: Medi-Span,

3: Redbook,

4: Other: [500 words]

6.14.37 How do you guarantee that members will always pay the lowest price (member cost share, discounted ingredient cost plus dispensing fee, MAC, U&C)? What procedures are established to ensure that the pharmacy

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is in compliance with this provision? Confirm the IBAC/UNM's members will never pay a full co-payment in instances where the plan co-pay is greater than the discounted cost plus dispensing fee plus any sales taxes.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.14.38 Provide a list, with NDCs, of any non-specialty drug products that are excluded from your drug pricing guarantees (discounts, dispensing fees, and/or rebates).

Single, Radio group.

1: Attached,

2: Not provided

6.14.39 Using the IBAC/UNM's detailed claim-by-claim prescription drug data, provide an exhibit with NDCs identifying the IBAC/UNM's applicable claims that are excluded from your non-specialty drug pricing guarantees (discount, dispensing fee, and/or rebate). **Provide separately for Non-Specialty Drugs Dispensed at Participating Retail 30 Pharmacies, Non-Specialty Drugs Dispensed at Participating Retail 90 Pharmacies, and Non-Specialty Drugs Dispensed at the PBM's Mail Order Pharmacy.**

(Provide name of attachment(s))

Single, Radio group.

1: Attached,

2: Not provided

6.14.40 Provide a list with NDCs of any specialty drug products (whether found in the claims data or not) that are excluded from your specialty drug pricing guarantees (Overall Effective Discount, Dispensing Fee, and/or Rebate). **Provide separately for Specialty Drugs Dispensed at Participating Retail 30 Pharmacies, Specialty Drugs Dispensed at Participating Retail 90 Pharmacies, and Specialty Drugs Dispensed at the PBM's Specialty Pharmacy.**

(Provide name of attachment(s))

Single, Radio group.

1: Attached,

2: Not provided

6.14.41 Using the IBAC/UNM's detailed claim-by-claim prescription drug data, provide an exhibit with NDCs identifying the IBAC/UNM's applicable specialty drug claims that are excluded from your specialty drug pricing guarantees. **Provide separately for Specialty Drugs Dispensed at Participating Retail 30 Pharmacies, Specialty Drugs Dispensed at Participating Retail 90 Pharmacies, and Specialty Drugs Dispensed at the PBM's Specialty Pharmacy.**

(Provide name of attachment(s))

Single, Radio group.

1: Attached,

2: Not provided

6.15 Brand and Generic Discount Guarantee Calculations

6.15.1 Minimum Brand and Minimum Generic Discount Guarantees for retail, mail and specialty shall be defined and calculated as follows: (1-Aggregate Ingredient Cost/Aggregate AWP)

If "no", provide your proposed contractual language.

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Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.15.2 Aggregate Ingredient Cost prior to the application of the plan specific co-payments (including member paid penalties) will be the basis of the calculation.

If "no", provide your proposed contractual language.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.15.3 All guarantee measurements will be calculated prior to the application of member cost share (including member paid penalties).

If "no", provide your proposed contractual language.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.15.4 Aggregate AWP will be from a single, nationally recognized price source for all claims. Please indicate source.

If "no", provide your proposed contractual language.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.15.5 Dispensing Fees are not included in the Aggregate Ingredient Cost.

If "no", provide your proposed contractual language.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.15.6 Zero balance due claims or zero amount claims will be included in the guaranteed measurement for AWP, ingredient cost, achieved discounts or dispensing fee calculations at the discounted cost before copay.

If "no", provide your proposed contractual language.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.15.7 Both the Aggregate Ingredient Cost and Aggregate AWP from the actual date of claim adjudication will be used.

If "no", provide your proposed contractual language.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.15.8 Aggregate AWP will be the date sensitive, 11-digit NDC of the actual product dispensed.

If "no", provide your proposed contractual language.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

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6.15.9 Both non-MAC, MAC, single-source and multiple source generic products are to be included in the generic guarantee measurement.

If "no", provide your proposed contractual language.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.15.10 The guarantee measurement must exclude the savings impact from DUR programs, formulary programs, utilization management programs, and/or other therapeutic interventions.

If "no", provide your proposed contractual language.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.15.11 Confirm all of the proposed discount guarantees are on a minimum guaranteed basis (i.e., not a flat, fixed or locked basis) and any discount achieved beyond the minimum guarantee will be passed on to the IBAC/UNM.

If "no", provide your proposed contractual language.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.15.12 Indicate if the following products are included or excluded from your proposed discount and dispensing fee guarantees:

List of Products	Response	Comments
a. Compounds	<i>Single, Pull-down list.</i> 1: Included, 2: Excluded	500 words. Nothing required
b. 340b Pharmacy Claims	<i>Single, Pull-down list.</i> 1: Included, 2: Excluded	500 words. Nothing required
c. Out of Network Claims	<i>Single, Pull-down list.</i> 1: Included, 2: Excluded	500 words. Nothing required
d. Paper Submitted Claims	<i>Single, Pull-down list.</i> 1: Included, 2: Excluded	500 words. Nothing required
e. Secondary Payor Claims (COB or Subrogation)	<i>Single, Pull-down list.</i> 1: Included, 2: Excluded	500 words. Nothing required
f. Vaccines	<i>Single, Pull-down list.</i>	500 words. Nothing required

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	1: Included, 2: Excluded	
g. Over the Counter (OTC) Products that are not Glucose/ Blood Glucose/ Ketone Test Strips/ Diabetic Test Strips or Prescription Vitamins/ Contraceptives/ Smoking Cessation Products	<i>Single, Pull-down list.</i> 1: Included, 2: Excluded	500 words. Nothing required
h. All Glucose/ Blood Glucose/ Ketone Test Strips/ Diabetic Test Strips (Including those considered as OTC Products)	<i>Single, Pull-down list.</i> 1: Included, 2: Excluded	500 words. Nothing required
i. Prescription Vitamins, Smoking Cessation Products, Contraceptives (Including those considered as OTC Products)	<i>Single, Pull-down list.</i> 1: Included, 2: Excluded	500 words. Nothing required
j. Lipid Disorder – PCSK9 Products	<i>Single, Pull-down list.</i> 1: Included, 2: Excluded	500 words. Nothing required
k. Long Term Care (LTC) Claims	<i>Single, Pull-down list.</i> 1: Included, 2: Excluded	500 words. Nothing required
l. Home Infusion	<i>Single, Pull-down list.</i> 1: Included, 2: Excluded	500 words. Nothing required
m. Indian Health Services and Tribal Claims	<i>Single, Pull-down list.</i> 1: Included, 2: Excluded	500 words. Nothing required
n. Ancillary Supplies	<i>Single, Pull-down list.</i> 1: Included, 2: Excluded	500 words. Nothing required
o. HIV HIV Products. If included, confirm if HIV products are included with the specialty or the non-specialty guarantees.	<i>Single, Pull-down list.</i> 1: Included, 2: Excluded	500 words. Nothing required
p. Insulin pumps	<i>Single, Pull-down list.</i> 1: Included, 2: Excluded	500 words. Nothing required

6.15.13 Indicate if the following products are included or excluded from your proposed rebate guarantees:

List of Products	Response	Comments
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a. Compounds	<i>Single, Pull-down list.</i> 1: Included, 2: Excluded	500 words. Nothing required
b. 340b Pharmacy Claims	<i>Single, Pull-down list.</i> 1: Included, 2: Excluded	500 words. Nothing required
c. Out of Network Claims	<i>Single, Pull-down list.</i> 1: Included, 2: Excluded	500 words. Nothing required
d. Paper Submitted Claims	<i>Single, Pull-down list.</i> 1: Included, 2: Excluded	500 words. Nothing required
e. Secondary Payor Claims (COB or Subrogation)	<i>Single, Pull-down list.</i> 1: Included, 2: Excluded	500 words. Nothing required
f. Vaccines	<i>Single, Pull-down list.</i> 1: Included, 2: Excluded	500 words. Nothing required
g. Over the Counter (OTC) Products that are not Glucose/ Blood Glucose/ Ketone Test Strips/ Diabetic Test Strips or Prescription Vitamins/ Contraceptives/ Smoking Cessation Products	<i>Single, Pull-down list.</i> 1: Included, 2: Excluded	500 words. Nothing required
h. All Glucose/ Blood Glucose/ Ketone Test Strips/ Diabetic Test Strips (Including those considered as OTC Products)	<i>Single, Pull-down list.</i> 1: Included, 2: Excluded	500 words. Nothing required
i. Prescription Vitamins, Smoking Cessation Products, Contraceptives (Including those considered as OTC Products)	<i>Single, Pull-down list.</i> 1: Included, 2: Excluded	500 words. Nothing required
j. Lipid Disorder – PCSK9 Products	<i>Single, Pull-down list.</i> 1: Included, 2: Excluded	500 words. Nothing required
k. Long Term Care (LTC) Claims	<i>Single, Pull-down list.</i> 1: Included, 2: Excluded	500 words. Nothing required
l. Home Infusion	<i>Single, Pull-down list.</i> 1: Included, 2: Excluded	500 words. Nothing required

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m. Indian Health Services and Tribal Claims	<i>Single, Pull-down list.</i> 1: Included, 2: Excluded	500 words. Nothing required
n. Ancillary Supplies	<i>Single, Pull-down list.</i> 1: Included, 2: Excluded	500 words. Nothing required
o. HIV HIV Products. If included, confirm if HIV products are included with the specialty or the non-specialty guarantees.	<i>Single, Pull-down list.</i> 1: Included, 2: Excluded	500 words. Nothing required
p. Insulin pumps	<i>Single, Pull-down list.</i> 1: Included, 2: Excluded	500 words. Nothing required

6.15.14 Confirm the PBM agrees to provide upon request any proprietary algorithms, hierarchy or other logic employed to define a prescription drug as generic or brand. If "no", please provide your proposed contractual language.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.15.15 Confirm the PBM will agree to the Medispan MONY multisource indicators:

- Generics are indicated as "Y"
- Brands are indicated as either "O", "M" or "N"

If "no", please provide your proposed contractual language.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.16 Audit Rights

6.16.1 The IBAC/UNM or its designee will have the right to audit annually, with an auditor of its choice, (for both claims and rebate audits), with full cooperation of the selected PBM, the claims, services and pricing and/or rebates, including the manufacturer rebate contracts held by the PBM, to verify compliance with all program requirements and contractual guarantees with no additional charge from the PBM to the IBAC/UNM. Confirm the IBAC/UNM's auditor will not be limited to public accounting firms and does not need to be mutually agreed upon by the PBM but will have to sign a confidentiality agreement.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.16.2 Confirm the IBAC/UNM will have the right to use an auditor of its choice for rebate audits, and the auditor of manufacturer agreements may be an auditing consulting company and is not restricted to a mutually agreed upon CPA accounting firm whose audit department is a separate stand-alone division of the business, which carries insurance for professional malpractice of at least Two Million Dollars (\$2,000,000).

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Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.16.3 The IBAC/UNM or its designee will have the right to audit up to the last four complete contractual years (48 months) of claims at no additional charge from the PBM as long as the audit period has not been previously audited. Confirm all audits will not be limited to information relating to the calendar year in which the audit is conducted or the immediately preceding calendar year.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.16.4 The IBAC/UNM or its designee will have the right to conduct an audit at any time during the year, at any point during the contract term, and the selected PBM will provide all documentation necessary to perform the audit. Confirm the IBAC/UNM may conduct such audit every year regardless of when the prior audit was conducted as long as the audit period has not been previously audited.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.16.5 The IBAC/UNM will not be held responsible for time or miscellaneous costs incurred by the PBM in association with any audit process including, all costs associated with provision of data, audit finding response reports, or systems access, provided to the IBAC/UNM or its designee by the PBM during the life of the contract. Note: This includes any data required to transfer the business to another vendor and money collected from lawsuits and internal audits.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.16.6 The PBM will provide complete claim files and documentation (i.e., full claim files, financial reconciliation reports, inclusion files, and plan documentation) to the auditor within fifteen (15) calendar days of receipt of the audit data request as long as a non-disclosure agreement is in place between the auditor and the PBM.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.16.7 The PBM will not set a maximum of claim samples per audit. The IBAC/UNM or the auditor, on behalf of the IBAC/UNM, will be able to access all claims in question (e.g., claim samples separately without limit) during an audit for each contract year that is being audited regardless of whether the scope of the audit is for one year or multiple contractual years.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.16.8 The PBM agrees to a 30-day turnaround time to provide the full responses to all of the sample claims and claims audit findings regardless of the number of claim samples sent to the PBM or the number of years that encompass the scope of the audit.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

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6.16.9 The IBAC/UNM or its designee will have the right to audit the pharmaceutical manufacturer rebate contracts during the selected audit period during an on-site rebate audit.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.16.10 Confirm the PBM will correct any errors that the IBAC/UNM, or its designee, brings up to the PBM's attention whether identified by an audit or otherwise. Describe the process that the PBM will undergo to correct the error and make the appropriate payments to the member and/or the IBAC/UNM, if applicable.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.16.11 Confirm the audit provision shall survive the termination of the agreement between the parties for a period equivalent to the Initial Term of the contract, at no additional cost to the IBAC/UNM.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.16.12 Confirm only the IBAC/UNM, or the auditor on behalf of the IBAC/UNM, is able to formally close an audit initiated by the IBAC/UNM or the auditor on behalf of the IBAC/UNM.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.16.13 Confirm the IBAC/UNM is able to initiate a new audit even if all parties have not agreed that the prior audit is closed.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.16.14 Confirm how the PBM will be able to proactively provide analytical reports throughout the contract year indicating the actual performance versus the financial guarantees without a formal audit. This is in addition to the annual reconciliation reports that the PBM is expected to proactively provide to the IBAC/UNM.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.16.15 Confirm the PBM will provide the response to the suspected errors in no more than 30 calendar days from the PBM's receipt of such findings during an audit.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.16.16 Confirm the IBAC/UNM will have the ability to fully inspect the contracts between participating pharmacies and the PBM for up to 80% of retail pharmacy claims if a transparent pricing arrangement is proposed.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.17 Implementation

6.17.1 The PBM agrees to load all current prior authorizations, open mail order refills, specialty transfer files, claim history files, and accumulator files that exist for current members from the existing PBM at NO charge to the IBAC/UNM (with no charges being deducted from the implementation allowance for file loading or IT) at any point of the contractual term even if the IBAC/UNM terminates the contract with or without cause at any point of the contractual term.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.17.2 The PBM agrees to send at least the most current 12 months of claims history data, all current prior authorizations, open mail order refills, specialty transfer files, and accumulator files that exist for the IBAC/UNM members to the next/successor PBM at NO charge if the IBAC/UNM terminates the contract with or without cause at any point of the contractual term.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.17.3 The PBM agrees to waive any charges to the IBAC/UNM or the IBAC/UNM's medical plan claims administrators such as a set-up fee, a programming fee, or a monthly fee, for establishing a connection with a Third Party Administrator/Claims processor for real-time, bidirectional data integration, including non-standard data integration formats.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.17.4 Confirm the PBM agrees to absorb any programming or other administrative costs to meet any existing or future requirements of the Affordable Care Act or other applicable state or Federal law.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.17.5 The PBM agrees to work with the IBAC/UNM's designee during a pre/post implementation audit to run test claims in a test environment utilizing the IBAC/UNM's actual plan parameters.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.17.6 The PBM will provide draft Summary Plan Document/benefits booklet language for any clinical programs that are to be implemented upon the IBAC/UNM's request.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.17.7 The PBM will have the IBAC/UNM's specific 800-telephone number available to all plan members prior to the go-live date.

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Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.17.8 Include a detailed implementation calendar for each of the IBAC agencies and UNM. This calendar should include specific dates related to a July 1, 2022 or January 1, 2023 effective date. Schedule should indicate the specific items/data that will be required from each IBAC agency and UNM, the specific items/data that will be required from the outgoing PBM, and the specific due dates for each of those items or data sets. Implementation schedule should also include detailed information about the data requirements and format for the 834 files, and the time frame for the testing of 834 files. Confirm that this is included in your proposal response.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.18 Legal Responsibilities

6.18.1 The following is applicable for RMD, RHCA, and NMPSIA: The PBM shall defend, indemnify and hold harmless the Agency and the State of New Mexico from all actions, proceeding, claims, demands, costs, damages, attorneys' fees and all other liabilities and expenses of any kind from any source which may arise out of the performance of the Agreement, caused by the negligent act or failure to act of the PBM, its officers, employees, servants, subcontractors or agents, or if caused by the actions of any client of the PBM resulting in injury or damage to persons or property during the time when the PBM or any officer, agent, employee, servant or subcontractor thereof has or is performing services pursuant to the Agreement. In the event that any action, suit or proceeding related to the services performed by the PBM or any officer, agent, employee, servant or subcontractor under the Agreement is brought against the PBM, the PBM shall, as soon as practicable but no later than two (2) days after it receives notice thereof, notify the legal counsel of the Agency and the Risk Management Division of the New Mexico General Services Department by certified mail.

If "no", provide your requested modifications.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.18.2 The following is applicable for APS: The PBM shall defend, indemnify and hold harmless APS from all actions, proceeding, claims, demands, costs, damages, reasonable attorneys' fees and all other liabilities and expenses of any kind from any source which may arise out of the performance of the Agreement caused by the negligent act or failure to act of the PBM, its officers, employees, or subcontractor. In the event that any action, suit or proceeding related to the services performed by the PBM or any officer, agent, employee, or subcontractor under this Agreement is brought against the PBM, the PBM shall, as soon as practicable but no later than two (2) Albuquerque Public Schools business days, notify APS and APS legal counsel.

If "no", provide your requested modifications.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.18.3 The following is applicable for UNM: The PBM assumes the entire responsibility and liability for losses, expenses, damages, demands and claims in connection with or arising out of any actual or alleged personal injury (including death) and/or damage or destruction to property sustained or alleged to have been sustained

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in connection with or arising out of the goods delivered by PBM or the performance of the work by PBM, its agents, employees, subcontractors or consultants, except to the extent of liability arising out of the negligent performance of the work by or willful misconduct of the University. PBM shall indemnify, defend and hold harmless the University, its officers, agents, and employees from any and all liability for such losses, expenses, damages, demands, and claims and shall defend any suit or action brought against any or all of them based on any actual or alleged personal injury or damages and shall pay any damage costs and expenses including attorneys' fees, in connection with or resulting from such suit or action. PBM will also indemnify, defend and hold harmless the University against any joint and several liabilities imposed against the University with respect to strict products liability claims attributable to the fault of the PBM. PBM agrees that it and its subcontractors will maintain general liability, product liability and property damage insurance in reasonable amounts (at least equal to the New Mexico Tort Claims Act limits) covering the above obligation and will maintain workers' compensation coverage covering all employees performing under this Purchase Order on premises occupied by or under the control of the University. The liability of the University will be subject to all cases to the immunities and limitations of the New Mexico Tort Claims Act, Sections 41-4-1 et seq. NMSA 1978, as amended.

If "no", provide your requested modifications.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.18.4 The indemnification set forth above shall cover a breach of protected health information.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.18.5 The PBM acknowledges that it is compliant with the Electronic Data Interchange ("EDI"), Privacy and Security Rules of the Health Insurance Portability and Accountability Act ("HIPAA"), and will execute the appropriate Business Associate Agreement ("BAA"). PBM also agrees that in the event of a privacy violation or data breach, that the PBM will notify the IBAC/UNM and the impacted members of the breach and provide any required remedies and comply with all requirements of applicable Federal law.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.18.6 Confirm the PBM agrees to hold the IBAC/UNM harmless for any HIPAA Violations made by the PBM or its Network Pharmacies.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.18.7 The PBM will agree to be claims fiduciary for clinical based determinations.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.18.8 The PBM agrees that these Agreements or any of the functions to be performed hereunder shall not be assigned by either party to another party, absent advance notice to the other party, and written consent to said assignment by the IBAC/UNM, which consent shall not be unreasonably withheld.

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Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.18.9 The PBM must agree that in the event of a dispute between the parties, about the payment or entitlement to receive payment, or any administrative fees hereunder, the PBM and the IBAC/UNM shall endeavor to meet and negotiate a reasonable outcome of said dispute. In NO event shall PBM undertake unilateral offset against any monies due and owed the IBAC/UNM, whether from manufacturer rebates, credit adjustment or otherwise.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.18.10 The PBM agrees to provide the PBM's alternative mediation or appeal options for conflict resolution to help the IBAC/UNM resolve disputes. This appeal option should provide a simple, efficient and fair method of providing resolutions to the member and the plan sponsors issues. The IBAC/UNM reserves the right to require arbitration pursuant to the Uniform Arbitration Act [Sections 44-7A-1, et. Seq. NMSA 1978].

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.18.11 What general and professional errors and omissions liability coverage does the PBM currently have in place? Include name of insurer, per occurrence \$ limits and total policy coverage limits.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.18.12 Confirm the IBAC/UNM will have the option of choosing legal counsel to defend claims litigation based on decisions made by the PBM to deny coverage, and that PBM will fully cooperate in the defense, the cost of which shall be borne by the PBM to the extent the PBM is found to have been negligent or at fault in the denial decision.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.18.13 Confirm the PBM will respond to and timely incorporate future changes in full compliance with state and Federal law and at no additional cost to the IBAC/UNM.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.18.14 Confirm the PBM will agree to handle claims/appeals processing in accordance with the minimum requirements of state and Federal law.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.18.15 Confirm the PBM will agree to be responsible for selecting and contracting the external review organizations sufficient to allow the IBAC/UNM to comply with state and Federal law.

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Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.18.16 Confirm the PBM will agree to provide data and reporting information for lawsuits and settlements and will agree to list out their responsibilities regarding these actions (e.g., notify IBAC/UNM about them, and provide the appropriate information).

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.18.17 Confirm any disputes between the PBM and the IBAC/UNM shall be governed by laws of the State of New Mexico and the exclusive jurisdiction for any judicial suit, action or proceeding relating to the agreements shall be the courts in the State of New Mexico.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.18.18 Confirm that the PBM will comply with all requirements of the Americans with Disabilities Act and other state and Federal laws regarding disabilities, including, but not limited to website accessibility.

Single, Radio group.

1: Yes,

2: No, explain: [500 words]

6.19 Implementation and Ongoing Service Performance Guarantees Questions

6.19.1 Indicate the Total Amount at Risk (per Member dollar amount or flat dollar amount) you are proposing to the IBAC/UNM for Implementation Performance Guarantees.

Total Amount at Risk	Per Member or Flat Dollar
<i>Dollars.</i>	<i>Single, Radio group.</i> 1: Per Member, 2: Flat Dollar

6.19.2 Indicate the Total Annual Amount at Risk (per Member dollar amount or flat dollar amount) you are proposing to the IBAC/UNM for Ongoing Annual Service Performance Guarantees.

Total Amount at Risk	Per Member or Flat Dollar
<i>Dollars.</i>	<i>Single, Radio group.</i> 1: Per Member, 2: Flat Dollar

6.19.3 Confirm the penalties described in this section will not be the sole and exclusive remedy available to the IBAC/UNM for such failure.

Single, Radio group.

1: Confirmed,

2: Not confirmed, explain: [500 words]

6.19.4 Confirm the PBM will pay any amount owed to the IBAC/UNM and/or its members if the PBM fails to properly administer claims in addition to the missed performance guarantee metric.

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Single, Radio group.

1: Confirmed,

2: Not confirmed, explain: [500 words]

6.19.5 Confirm the IBAC/UNM may determine the weighting from 0% to 30% for each of the proposed Performance Guarantees prior to the start of each Contractual Year as long as the total amount equals to 100%.

Single, Radio group.

1: Confirmed,

2: Not confirmed, explain: [500 words]

6.19.6 Confirm the PBM agrees to the list below of requested Implementation and Ongoing Service Performance Guarantees. Indicate the measurement criteria (Book of Business or IBAC/UNM Specific) and the timing for the criteria measurement and payments (quarterly and/or annually). In addition, the PBM may provide other guarantees designated to differentiate the PBM's program.

Single, Radio group.

1: Confirmed,

2: Not confirmed, explain: [500 words]

6.19.7 Confirm the PBM will include all Retail 30 and Retail 90 prescriptions in the same nonfinancial performance guarantees for the proposed retail network.

Single, Radio group.

1: Confirmed,

2: Not confirmed, explain: [500 words]

6.19.8 Confirm that if the implementation time period is less than ninety (90) calendar days, implementation guarantees will still apply.

Single, Radio group.

1: Confirmed,

2: Not confirmed, explain: [500 words]

6.19.9 Confirm that if the implementation time period is less than ninety (90) calendar days, first quarter performance guarantees will still apply.

Single, Radio group.

1: Confirmed,

2: Not confirmed, explain: [500 words]

6.19.10 Confirm first quarter performance will be tracked, reported, and results will be included in the annual calculations.

Single, Radio group.

1: Confirmed,

2: Not confirmed, explain: [500 words]

6.19.11 Confirm the PBM's Account Team will be available to meet with the IBAC/UNM and update an action log on a weekly basis, and meet with the IBAC/UNM quarterly, upon request, to review utilization reports and service performance metrics.

Single, Radio group.

1: Confirmed,

2: Not confirmed, explain: [500 words]

6.19.12 Confirm the PBM will include a Performance Guarantee on the Account Team's responsiveness.

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Single, Radio group.

1: Confirmed,

2: Not confirmed, explain: [500 words]

6.20 Implementation and Ongoing Performance Guarantees

6.20.1 Implementation Performance Guarantees

Implementation Performance Guarantees	PBM's Proposed Standard if Different from Requested Standard	Measurement Criteria	Timing of Measurement and Payments
Clean Implementation - No systems errors, ID card delays, and the IBAC/UNM's online access to all tools prior to effective date	500 words. Nothing required	Single, Pull-down list. 1: BOB, 2: IBAC Specific	Single, Pull-down list. 1: Quarterly, 2: Annually
Implementation Timeline - Implementation team will be assigned and introduced to the IBAC at least 6 months in advance of effective date	500 words. Nothing required	Single, Pull-down list. 1: BOB, 2: IBAC Specific	Single, Pull-down list. 1: Quarterly, 2: Annually
Implementation Team - Implementation team members will not change and will be responsible for the accurate installation of all administrative, clinical and financial parameters for the IBAC's program	500 words. Nothing required	Single, Pull-down list. 1: BOB, 2: IBAC Specific	Single, Pull-down list. 1: Quarterly, 2: Annually
Implementation Satisfaction Scorecard - Assigned Account Executive will work with the IBAC prior to the start of implementation to agree on terms of a satisfaction scorecard to be issued to the IBAC after effective date for completion	500 words. Nothing required	Single, Pull-down list. 1: BOB, 2: IBAC Specific	Single, Pull-down list. 1: Quarterly, 2: Annually

6.20.2 Payment Accuracy & System Performance

Payment Accuracy & System Performance	PBM's Proposed Standard if Different from Requested Standard	Measurement Criteria	Timing of Measurement and Payments
Protected Health Information - PBM shall allow no incidents in violation of HIPAA Security Rules, which results in a breach of PHI or electronic PHI for the IBAC's covered members. This is measured and reported on a quarterly basis and on an IBAC-specific basis.	500 words. Nothing required	Single, Pull-down list. 1: BOB, 2: IBAC Specific	Single, Pull-down list. 1: Quarterly, 2: Annually
Plan Administration Accuracy - Standard for implementation of plan design and all plan design changes will be 100% accuracy. This is measured and reported on a quarterly basis and on an IBAC-specific basis.	500 words. Nothing required	Single, Pull-down list. 1: BOB, 2: IBAC Specific	Single, Pull-down list. 1: Quarterly, 2: Annually

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Pricing Change Accuracy - Standard for implementation of pricing and all pricing changes will be 100% accuracy. This is measured and reported on a quarterly basis and on an IBAC-specific basis.	500 words. Nothing required	Single, Pull-down list. 1: BOB, 2: IBAC Specific	Single, Pull-down list. 1: Quarterly, 2: Annually
Financial accuracy (electronic and paper claims) - Percentage of claim payments made without error relative to the total dollars paid will be at least 99.5%. This is measured and reported on a quarterly basis and on an IBAC-specific basis.	500 words. Nothing required	Single, Pull-down list. 1: BOB, 2: IBAC Specific	Single, Pull-down list. 1: Quarterly, 2: Annually
Mail Service Non-Financial Accuracy - The mail service pharmacy shall guarantee dispensing accuracy of at least 99.996% (correct member name, correct member address, correct drug, correct dosage form, and correct strength). This is measured and reported on a quarterly basis and on an IBAC-specific basis.	500 words. Nothing required	Single, Pull-down list. 1: BOB, 2: IBAC Specific	Single, Pull-down list. 1: Quarterly, 2: Annually
Home Delivery Accuracy - At least 99.996% of home delivery and specialty pharmacy prescriptions dispensed with no errors.	500 words. Nothing required	Single, Pull-down list. 1: BOB, 2: IBAC Specific	Single, Pull-down list. 1: Quarterly, 2: Annually
Home Delivery Pharmacy - The Home Delivery will dispense all non-routine prescriptions (those Home Delivery Pharmacy Program prescriptions for Covered Drugs received by the PBM Home Delivery that require physician or patient contact or other non-standard procedures prior to dispensing by Home Delivery) within an average of four (4) business days of receipt of the order at the Home Delivery Pharmacy.	500 words. Nothing required	Single, Pull-down list. 1: BOB, 2: IBAC Specific	Single, Pull-down list. 1: Quarterly, 2: Annually
System Downtime - At least 99.5% access to its systems by all the retail pharmacies in PBM's network 24 hours a day, 7 days a week, 365 days a year. This is measured and reported on a quarterly basis and on an IBAC-specific basis.	500 words. Nothing required	Single, Pull-down list. 1: BOB, 2: IBAC Specific	Single, Pull-down list. 1: Quarterly, 2: Annually
Invoicing Errors - All invoicing errors will be credits back to the IBAC by next billing cycle or PBM will pay interest. This is measured and reported on a quarterly basis and on an IBAC-specific basis.	500 words. Nothing required	Single, Pull-down list. 1: BOB, 2: IBAC Specific	Single, Pull-down list. 1: Quarterly, 2: Annually
Claims Eligibility Data - Accurate and complete eligibility loads not to exceed 24-hours after receipt. This is measured and reported on a quarterly basis and on an IBAC-specific basis.	500 words. Nothing required	Single, Pull-down list. 1: BOB, 2: IBAC Specific	Single, Pull-down list. 1: Quarterly, 2: Annually
Eligibility Data Error Reporting - Eligibility file error reporting on all eligibility file updates will be provided to the IBAC within 2 business days. This is measured and reported on a quarterly basis and on an IBAC-specific basis.	500 words. Nothing required	Single, Pull-down list. 1: BOB, 2: IBAC Specific	Single, Pull-down list. 1: Quarterly, 2: Annually
Eligibility Processing Accuracy - Standard is 100% of usable, error-free program eligibility files received by the PBM will be loaded without error. This is measured and	500 words. Nothing required	Single, Pull-down list. 1: BOB, 2: IBAC Specific	Single, Pull-down list. 1: Quarterly, 2: Annually

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reported on a contract year basis and on an IBAC-specific basis.			
Eligibility Error Rate Audits - Error rate identified through quarterly audits shall not exceed, on an average basis, 2%. This is measured and reported on a quarterly basis and on an IBAC-specific basis.	500 words. Nothing required	Single, Pull-down list. 1: BOB, 2: IBAC Specific	Single, Pull-down list. 1: Quarterly, 2: Annually
Retail Pharmacy Audit - Standard is 100% of participating retail pharmacies will be subject to automated review audits and 20% of participating pharmacies will be subject to further investigation (e.g., desk audits, on-site audits, etc.) as a result of the automated review audits. This is measured and reported on a quarterly basis and on an IBAC-specific basis.	500 words. Nothing required	Single, Pull-down list. 1: BOB, 2: IBAC Specific	Single, Pull-down list. 1: Quarterly, 2: Annually
Retail Pharmacy Turnover - Less than 5% of retail pharmacies will leave the retail network. This is measured and reported on a quarterly basis and on an IBAC-specific basis.	500 words. Nothing required	Single, Pull-down list. 1: BOB, 2: IBAC Specific	Single, Pull-down list. 1: Quarterly, 2: Annually
Network Pharmacy Geographic Access - The PBM agrees that at least 95% of members, based on IBAC-supplied eligibility, will have access to a network pharmacy within a five-mile radius of their residence in the PBMs Network Program, if there is an existing pharmacy within that radius. The PBM agrees to cure within ninety (90) calendar days, if the percent drops below the above stated percentages. This is measured and reported on an annual basis and on an IBAC-specific basis.	500 words. Nothing required	Single, Pull-down list. 1: BOB, 2: IBAC Specific	Single, Pull-down list. 1: Quarterly, 2: Annually
Claims Detail File - All claims detail files sent to external vendors will be provided within eight (8) calendar days of request or scheduled delivery date. This is measured and reported on a quarterly basis and on an IBAC-specific basis.	500 words. Nothing required	Single, Pull-down list. 1: BOB, 2: IBAC Specific	Single, Pull-down list. 1: Quarterly, 2: Annually

6.20.3 Account Management

Account Management	PBM's Proposed Standard if Different from Requested Standard	Measurement Criteria	Timing of Measurement and Payments
Contracting Cooperation - Response to recommended contract language changes within 10 business days. This is measured and reported on a quarterly basis and on an IBAC-specific basis.	500 words. Nothing required	Single, Pull-down list. 1: BOB, 2: IBAC Specific	Single, Pull-down list. 1: Quarterly, 2: Annually
Client Approval of Member Communications - Standard is 100% of all member communications will be approved by the IBAC - exceptions for drug recalls and urgent patient safety communications. This is measured and reported on a quarterly basis and on an IBAC-specific basis.	500 words. Nothing required	Single, Pull-down list. 1: BOB, 2: IBAC Specific	Single, Pull-down list. 1: Quarterly, 2: Annually

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Online Reporting Data Availability - Online reporting data will be available within an annual average of fifteen (15) business days after the billing cycle that contains the last day of the month. This is measured and reported on annual basis and on an IBAC-specific basis.	500 words. Nothing required	Single, Pull-down list. 1: BOB, 2: IBAC Specific	Single, Pull-down list. 1: Quarterly, 2: Annually
Delivery of Standard Reports - Within thirty (30) calendar days of end of reporting quarter. This is measured and reported on a quarterly basis and on an IBAC-specific basis.	500 words. Nothing required	Single, Pull-down list. 1: BOB, 2: IBAC Specific	Single, Pull-down list. 1: Quarterly, 2: Annually
Accuracy of Standard Reports - Standard is all standard reports provided will be 100% accurate. This is measured and reported on a quarterly basis and on an IBAC-specific basis.	500 words. Nothing required	Single, Pull-down list. 1: BOB, 2: IBAC Specific	Single, Pull-down list. 1: Quarterly, 2: Annually
Pharmacy Audit Resolution - 48 hours after receipt of findings. This is measured and reported on a quarterly basis and on an IBAC-specific basis.	500 words. Nothing required	Single, Pull-down list. 1: BOB, 2: IBAC Specific	Single, Pull-down list. 1: Quarterly, 2: Annually
PBM Account Team's Performance - The PBM account team's performance for each Contract Year will receive an average of 3 or better on a scale of 1 to 5 (5 being the best based on a range of performance criteria agreed to between the IBAC and the PBM at the beginning of such Contract Year) from the IBAC Agency's benefits staff. This is measured and reported on an annual basis and on an IBAC-specific basis.	500 words. Nothing required	Single, Pull-down list. 1: BOB, 2: IBAC Specific	Single, Pull-down list. 1: Quarterly, 2: Annually
Account Management Reporting - The Account Manager will provide a monthly status report that highlights outstanding open issues and will be available to meet with each agency on a monthly basis to discuss the status report. This is measured and reported on a contract year and IBAC-specific basis.	500 words. Nothing required	Single, Pull-down list. 1: BOB, 2: IBAC Specific	Single, Pull-down list. 1: Quarterly, 2: Annually
Account Management Client Meetings - During first quarter after the Effective Date, the PBM will be available to meet with the IBAC on a minimum of a monthly basis and thereafter on a minimum of a quarterly basis. This is measured and reported on a contract year and IBAC specific basis.	500 words. Nothing required	Single, Pull-down list. 1: BOB, 2: IBAC Specific	Single, Pull-down list. 1: Quarterly, 2: Annually
Account Management Turnover - Account team members will remain constant for at least the first 18 months of the contract period, unless a change in account management staff is requested by the IBAC. This is measured and reported on a quarterly basis and on an IBAC-specific basis.	500 words. Nothing required	Single, Pull-down list. 1: BOB, 2: IBAC Specific	Single, Pull-down list. 1: Quarterly, 2: Annually
Issue Resolution: The IBAC Staff Involvement / Escalation - PBM will resolve member issues within 48 business hours for any case that required the involvement of the IBAC's staff due to incorrect or incomplete information being provided by the PBM. If not resolved within 48 hours, a penalty will be applied per case, up to an annual maximum.	500 words. Nothing required	Single, Pull-down list. 1: BOB, 2: IBAC Specific	Single, Pull-down list. 1: Quarterly, 2: Annually

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This is measured and reported on a quarterly basis and on an IBAC-specific basis.			
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6.20.4 Member Service

Member Service	PBM's Proposed Standard if Different from Requested Standard	Measurement Criteria	Timing of Measurement and Payments
Mail Turnaround – Prescriptions not requiring intervention - Standard is 100% of prescriptions will be dispensed within 2 business days. This is measured and reported on a quarterly basis and on an IBAC-specific basis.	500 words. Nothing required	Single, Pull-down list. 1: BOB, 2: IBAC Specific	Single, Pull-down list. 1: Quarterly, 2: Annually
Mail Turnaround – Prescriptions requiring intervention - Standard is 100% of prescriptions will be dispensed within 4 business days. This is measured and reported on a quarterly basis and on an IBAC-specific basis.	500 words. Nothing required	Single, Pull-down list. 1: BOB, 2: IBAC Specific	Single, Pull-down list. 1: Quarterly, 2: Annually
Paper Claims Turnaround - 95% of prescriptions reimbursed within average of 10 business days and 100% within average of 14 business days. This is measured and reported on a quarterly basis and on an IBAC-specific basis.	500 words. Nothing required	Single, Pull-down list. 1: BOB, 2: IBAC Specific	Single, Pull-down list. 1: Quarterly, 2: Annually
ID Cards Mailing - 98% of all ID cards are sent within 5 business days of receipt of eligibility. 100% mailed within 10 business days. This is measured and reported on a quarterly basis and on an IBAC-specific basis.	500 words. Nothing required	Single, Pull-down list. 1: BOB, 2: IBAC Specific	Single, Pull-down list. 1: Quarterly, 2: Annually
Replacement ID Card Mailing - Standard replacement ID cards will be produced within an annual average of five (5) business days of the request. This is measured and reported on a quarterly basis and on an IBAC-specific basis.	500 words. Nothing required	Single, Pull-down list. 1: BOB, 2: IBAC Specific	Single, Pull-down list. 1: Quarterly, 2: Annually
Mailing Member Materials - Standard is all applicable member materials (for example, mail order forms) will be mailed at least ten (10) calendar days prior to the effective date and will be 100% accurate (provided that eligibility file was received at least thirty (30) calendar days prior to the effective date). This is measured and reported on a quarterly basis and on an IBAC-specific basis.	500 words. Nothing required	Single, Pull-down list. 1: BOB, 2: IBAC Specific	Single, Pull-down list. 1: Quarterly, 2: Annually
Phone Average Speed of Answer - Standard is 100% of calls to the IBAC-specific toll free line shall be answered within 20 seconds (excluding IVR). This is measured and reported on a quarterly basis and on an IBAC-specific basis.	500 words. Nothing required	Single, Pull-down list. 1: BOB, 2: IBAC Specific	Single, Pull-down list. 1: Quarterly, 2: Annually
Telephone Blockage Rate/ Busy Signal - Blockage rate will be 1% or less. Blockage is defined as a caller receiving a busy signal. Measured at a book of business level.	500 words. Nothing required	Single, Pull-down list. 1: BOB, 2: IBAC Specific	Single, Pull-down list. 1: Quarterly, 2: Annually
Phone Abandonment Rate - All calls to the IBAC-specific toll free line shall be answered with an abandonment rate	500 words. Nothing required	Single, Pull-down list.	Single, Pull-down list.

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of 2.5% or less. This is measured and reported on a quarterly basis and on an IBAC-specific basis.		1: BOB, 2: IBAC Specific	1: Quarterly, 2: Annually
Written Inquiry Answer Time - 95% of inquiries responded to in 5 business days - 100% in 10 business days. This is measured and reported on a quarterly basis and on an IBAC-specific basis.	500 words. Nothing required	<i>Single, Pull-down list.</i> 1: BOB, 2: IBAC Specific	<i>Single, Pull-down list.</i> 1: Quarterly, 2: Annually
Member Satisfaction Survey - The PBM agrees to conduct a Member Satisfaction Survey for each contract year and that the Satisfaction Rate will be 92% or greater. A penalty of \$100,000 per Contract Year may be assessed against the PBM for failure to meet this standard. "Member Satisfaction Rate" means (i) the number of Eligible Persons responding to PBM annual standard Patient Satisfaction Survey as being satisfied with the overall performance under the Integrated Program divided by (ii) the number of Eligible Persons responding to such annual Patient Satisfaction Survey; the IBAC agencies must provide timely approvals and responses, and a minimum of 20% of surveys must be returned for the Performance standard to be applicable. This is measured and reported on a quarterly basis and on an IBAC-specific basis.	500 words. Nothing required	<i>Single, Pull-down list.</i> 1: BOB, 2: IBAC Specific	<i>Single, Pull-down list.</i> 1: Quarterly, 2: Annually
Issue Resolution: Verbal Inquiries - PBM will resolve 99% of all telephone issues at the first point of contact (the number of telephone inquiries completely resolved at the time of initial contact divided by the total number of calls). This is measured and reported on a quarterly basis and on an IBAC-specific basis.	500 words. Nothing required	<i>Single, Pull-down list.</i> 1: BOB, 2: IBAC Specific	<i>Single, Pull-down list.</i> 1: Quarterly, 2: Annually
Issue Resolution: Written Inquiries - PBM will resolve 98% of all written inquiries within 10 business days of receipt of inquiry. This is measured and reported on a quarterly basis and on an IBAC-specific basis.	500 words. Nothing required	<i>Single, Pull-down list.</i> 1: BOB, 2: IBAC Specific	<i>Single, Pull-down list.</i> 1: Quarterly, 2: Annually

7 COST PROPOSAL QUESTIONNAIRE

Bidders should provide proposed fees and minimum guarantees separately for each year of the four-year contracts so that the IBAC/UNM's pricing terms keep pace with expected market trends. Bidders shall provide either a traditional pricing arrangement or a transparent pricing arrangement with 100% pass through of costs at retail pharmacies; all bids shall include 100% pass through of all rebates. Bids on a "pass through" pricing arrangement will be measured based on the minimum guaranteed discounts and 100% pass-through of rebate revenue (retail, mail and specialty). All pricing arrangements will be evaluated based on minimum guaranteed discounts, fees, and rebates.

Administrative fees and dispensing fees are requested on a per-prescription paid basis unless noted below. Note that fees must be based on prescriptions dispensed (not adjustments, errors, or redo's) and include, but not be limited to, the following services:

- Claims Adjudication

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- Ability to Integrate PBM services with Current Vendors, as applicable
- Providing ID cards (initial, duplicate, additional and replacement cards), pharmacy directories, and formulary lists
- Standard systems edits (must include “refill-too-soon” edit)
- Network Pharmacy Management
- Formulary Management and Rebate Sharing
- Eligibility Verification and Maintenance
- Customer Service, including dedicated Toll-free Telephone and Website with Membership Portal
- Patient and Provider education
- Complete Availability of IT services, including Online/Real Time Availability to the IBAC/UNM and/or its designee(s)
- Systematic Prospective, Concurrent, and Retrospective Drug Utilization Review
- Data Reporting, Ad-Hoc Reporting, Data File Requests and Data Feeds
- Mail Service Pharmacy
- Specialty Pharmacy Program
- Clinical Programs
- Copay assistance program

All services covered under the fee should be listed. However, some services may be offered as optional or ancillary and be covered by separate add-on fees. For example, separate fees for providing EOBs, COB, appeals, integration with potential HDHP plans and subrogation or for providing duplicate ID cards can be offered and excluded from the base fees. These fees should be listed separately as an option.

All fees must be binding until the assumed implementation date specified in this proposal and must be guaranteed for a minimum of the initial July 1, 2022 to June 30, 2026 contract period. (The APS contract period is January 1, 2023 to December 31, 2026).

7.1 Administrative Fees Questions

7.1.1 Detail all services and supplies to be provided under your basic fees that are not included in your response to the Administrative Fee tables (Commercial, EGWP, and Supplemental Plan) on the prior tabs.
500 words.

7.1.2 Detail all data related services included under the base administrative fees including ad hoc reporting, electronic claims files, plan design options, custom mailings, etc. In addition, detail any data-related service fees not included in the base administrative fees.
500 words.

7.1.3 Do you offer a Vaccine Program? If so, what is the cost for Influenza and Other Vaccines at Participating Pharmacies? Please ensure to include the Ingredient Cost, Dispensing Fee, Professional Service Fee, Program Fee and any other cost/fee in your description of this program.

Single, Pull-down list.

1: Yes, explain: [500 words],

2: No

7.1.4 How will your system ensure retail pharmacies will only charge members \$0 for ACA vaccines?
500 words.

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7.1.5 Confirm that postage is included in all mail order prescriptions and any mailings.

Single, Pull-down list.

1: Confirmed,

2: Not confirmed, explain: [500 words]

7.1.6 Confirm that quoted fees include postage paid mail order envelopes for member prescription submission.

Single, Pull-down list.

1: Confirmed,

2: Not confirmed, explain: [500 words]

7.1.7 Will there be any additional charges if plans/benefits are restructured or new classes of eligible members are added? If so, how are these charges determined and state amount of charges?

Single, Pull-down list.

1: Yes, explain: [500 words],

2: No

7.1.8 Provide a complete list of your clinical programs with pricing and projected savings associated with each program and highlight those programs recommended for the IBAC/UNM. Describe the type of impact members will face for each of these programs.

500 words.

7.2 Administrative Fees

7.2.1 Commercial

7.2.1.1 Complete the following Administrative Fee Table: **Commercial**

Broad Retail 30 Network with all retail chains/ Retail 90 Network at one retail chain (or multiple)/ Exclusive Specialty/ 100% Rebate Pass Through	Year 1 7/1/2022- 6/30/2023 (APS 1/1/2023- 12/31/2023)	Year 2 7/1/2023- 6/30/2024 (APS 1/1/2024- 12/31/2024)	Year 3 7/1/2024- 6/30/2025 (APS 1/1/2025- 12/31/2025)	Year 4 7/1/2025- 6/30/2026 (APS 1/1/2026- 12/31/2026)
PROPOSAL ADMINISTRATIVE SERVICES				
Administrative Fee – Per Member Per Month	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Administrative Fee – Per Paid Claim	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Administrative Fee – Per Paid Claim at Retail Only	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Administrative Fee – Per Employee Per Month	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Administrative Fee – Flat Amount Per Year	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Indicate which of these services below are included with the proposed Administrative Fee:				

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Toll Free Phone Lines	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Monthly Data Feeds to the IBAC or Designee(s)	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Prospective /Concurrent DUR	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Standard Reports	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Ad Hoc Reports	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
COB Program	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Mandatory Mail Program	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Dose Optimization Program	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Prior Authorization Program	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Step Therapy Program	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Quantity Limitations	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Custom System Overrides	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No

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Annual EOB Statements	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Retro Termination Letters	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Group Coding	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Drug Notification Letters	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Formulary Administration/Management	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
ID Cards (Including duplicate ID cards)	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Pharmacy Directories and other member materials	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Standard 1st level appeals processing	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Standard 2nd level appeals processing	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Urgent appeals processing	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Overrides	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Retail Pharmacy Network Audit Recovery Fees	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No

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Fraud Waste and Abuse Program	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Opioid Management Program	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Compound Drug Management	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Copay Assistance Program	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
·Medicaid/Medicare Subrogation Claims	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
·Retrospective DUR	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
·ePrescribing Fees	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
·Opioid Management Fees	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
·Utilization Management Fee	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
·Urgent Appeal Service for UM, formulary, and benefit reviews	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
·Copay Assistance Program	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No

7.2.2 EGWP7.2.2.1 Complete the following Administrative Fee Table: **EGWP**

Broad Retail 30 Network with all retail chains/ Retail 90 Network at one retail chain (or multiple)/ Open Specialty/ 100% Rebate Pass Through	Year 1 7/1/2022- 6/30/2023 (APS 1/1/2023- 12/31/2023)	Year 2 7/1/2023- 6/30/2024 (APS 1/1/2024- 12/31/2024)	Year 3 7/1/2024- 6/30/2025 (APS 1/1/2025- 12/31/2025)	Year 4 7/1/2025- 6/30/2026 (APS 1/1/2026- 12/31/2026)
PROPOSAL ADMINISTRATIVE SERVICES				
Administrative Fee – Per Member Per Month	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Administrative Fee – Per Paid Claim	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Administrative Fee – Per Paid Claim at Retail Only	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Administrative Fee – Per Employee Per Month	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Administrative Fee – Flat Amount Per Year	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Indicate which of these services below are included with the proposed Administrative Fee:				
Toll Free Phone Lines	<i>Single, Pull-down list. 1: Yes, 2: No</i>	<i>Single, Pull-down list. 1: Yes, 2: No</i>	<i>Single, Pull-down list. 1: Yes, 2: No</i>	<i>Single, Pull-down list. 1: Yes, 2: No</i>
Monthly Data Feeds to the IBAC or Designee(s)	<i>Single, Pull-down list. 1: Yes, 2: No</i>	<i>Single, Pull-down list. 1: Yes, 2: No</i>	<i>Single, Pull-down list. 1: Yes, 2: No</i>	<i>Single, Pull-down list. 1: Yes, 2: No</i>
Prospective /Concurrent DUR	<i>Single, Pull-down list. 1: Yes, 2: No</i>	<i>Single, Pull-down list. 1: Yes, 2: No</i>	<i>Single, Pull-down list. 1: Yes, 2: No</i>	<i>Single, Pull-down list. 1: Yes, 2: No</i>
Standard Reports	<i>Single, Pull-down list. 1: Yes, 2: No</i>	<i>Single, Pull-down list. 1: Yes, 2: No</i>	<i>Single, Pull-down list. 1: Yes, 2: No</i>	<i>Single, Pull-down list. 1: Yes, 2: No</i>
Ad Hoc Reports	<i>Single, Pull-down list. 1: Yes, 2: No</i>	<i>Single, Pull-down list. 1: Yes, 2: No</i>	<i>Single, Pull-down list. 1: Yes, 2: No</i>	<i>Single, Pull-down list. 1: Yes, 2: No</i>
COB Program	<i>Single, Pull-down list. 1: Yes, 2: No</i>	<i>Single, Pull-down list. 1: Yes, 2: No</i>	<i>Single, Pull-down list. 1: Yes, 2: No</i>	<i>Single, Pull-down list. 1: Yes, 2: No</i>
Mandatory Mail Program	<i>Single, Pull-down list. 1: Yes, 2: No</i>	<i>Single, Pull-down list. 1: Yes, 2: No</i>	<i>Single, Pull-down list. 1: Yes, 2: No</i>	<i>Single, Pull-down list. 1: Yes, 2: No</i>

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Dose Optimization Program	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Prior Authorization Program	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Step Therapy Program	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Quantity Limitations	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Custom System Overrides	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Annual EOB Statements	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Retro Termination Letters	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Group Coding	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Drug Notification Letters	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Formulary Administration/Management	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
ID Cards (Including duplicate ID cards)	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Pharmacy Directories and other member materials	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No

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Standard 1st level appeals processing	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Standard 2nd level appeals processing	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Urgent appeals processing	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Overrides	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Retail Pharmacy Network Audit Recovery Fees	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Fraud Waste and Abuse Program	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Opioid Management Program	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Compound Drug Management	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Copay Assistance Program	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
·Medicaid/Medicare Subrogation Claims	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
·Retrospective DUR	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
·ePrescribing Fees	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No

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·Opioid Management Fees	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
·Utilization Management Fee	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
·Urgent Appeal Service for UM, formulary, and benefit reviews	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
·Copay Assistance Program	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No

7.2.3 Supplemental

7.2.3.1 Complete the following Administrative Fee Table: **Supplemental Plan**

Broad Retail 30 Network with all retail chains/ Retail 90 Network at one retail chain (or multiple)/ Open Specialty/ 100% Rebate Pass Through	Year 1 7/1/2022-6/30/2023 (APS 1/1/2023-12/31/2023)	Year 2 7/1/2023-6/30/2024 (APS 1/1/2024-12/31/2024)	Year 3 7/1/2024-6/30/2025 (APS 1/1/2025-12/31/2025)	Year 4 7/1/2025-6/30/2026 (APS 1/1/2026-12/31/2026)
PROPOSAL ADMINISTRATIVE SERVICES				
Administrative Fee – Per Member Per Month	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Administrative Fee – Per Paid Claim	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Administrative Fee – Per Paid Claim at Retail Only	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Administrative Fee – Per Employee Per Month	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Administrative Fee – Flat Amount Per Year	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Indicate which of these services below are included with the proposed Administrative Fee:				
Toll Free Phone Lines	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Monthly Data Feeds to the IBAC or Designee(s)	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No

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Prospective /Concurrent DUR	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Standard Reports	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Ad Hoc Reports	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
COB Program	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Mandatory Mail Program	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Dose Optimization Program	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Prior Authorization Program	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Step Therapy Program	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Quantity Limitations	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Custom System Overrides	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Annual EOB Statements	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Retro Termination Letters	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No

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Group Coding	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Drug Notification Letters	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Formulary Administration/Management	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
ID Cards (Including duplicate ID cards)	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Pharmacy Directories and other member materials	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Standard 1st level appeals processing	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Standard 2nd level appeals processing	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Urgent appeals processing	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Overrides	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Retail Pharmacy Network Audit Recovery Fees	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Fraud Waste and Abuse Program	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Opioid Management Program	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No

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Compound Drug Management	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
Copay Assistance Program	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
·Medicaid/Medicare Subrogation Claims	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
·Retrospective DUR	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
·ePrescribing Fees	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
·Opioid Management Fees	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
·Utilization Management Fee	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
·Urgent Appeal Service for UM, formulary, and benefit reviews	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No
·Copay Assistance Program	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No	<i>Single, Pull-down list.</i> 1: Yes, 2: No

7.3 Prescription Drug Pricing Questions

7.3.1 Indicate the type of pricing arrangement proposed in the Prescription Drug Pricing tables for Commercial plans: Traditional or Transparent.

Single, Pull-down list.

1: Traditional,
2: Transparent

7.3.2 Indicate the type of pricing arrangement proposed in the Prescription Drug Pricing tables for the EGWP: Traditional or Transparent.

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Single, Pull-down list.

- 1: Traditional,
- 2: Transparent

7.4 Prescription Drug Pricing

7.4.1 Commercial

AWP Reimbursement Basis - Complete the following tables using the drug reimbursement that your organization is willing to guarantee on a dollar-for-dollar basis for each year of the contract. Columns marked "AWP Discount" are to be completed using a discount from 100% AWP and dispensing fee logic. All guarantees must be based on the AWP unit cost dispensed and post September 26, 2009 AWP rollback.

TRADITIONAL OR TRANSPARENT RETAIL PRICING WITH 100% PASS THROUGH OF REBATES PROPOSAL

Notes:

1. Brand Pricing must include both single source and multi-source brands.
2. Post September 26, 2009 AWP rollback
3. Generic Pricing must include single-source generics.
4. Bids must be 100% Rebate Pass Through Quotes

7.4.1.1 Commercial Year 1 (7/1/2022-6/30/2023) (APS dates are 1/1/2023-12/31/2023)

Retail 30 Network with All Retail Chains Included (List any major Retail Chains Excluded) for Retail 30/ Retail 90 Network at One Retail Chain Only (or multiple)/ Exclusive Specialty	AWP Discount Retail 30 (1 – 83 Days' Supply)	AWP Discount Retail 90 (84 – 90 Days' Supply)	AWP Discount Mail (1 – 90 Days' Supply)
Brand Drugs ^[1]			
Discount from AWP ^[2] for all brands	Percent.	Percent.	Percent.
Dispensing Fee Per Rx	Dollars.	Dollars.	Dollars.
Generic Drugs ^[3]			
Discount from AWP ^[2] for all generics (composite discount of MAC and Non-MAC prices, discounted AWP, or usual and customary retail price)	Percent.	Percent.	Percent.
Dispensing Fee Per Rx	Dollars.	Dollars.	Dollars.
Rebates ^[4] - Minimum Guaranteed Rebate per Brand Prescription with 100% Pass Through of any additional rebates beyond the Minimum Rebate Guarantee			
RMD Current Plan Designs	Dollars.	Dollars.	Dollars.
NMPSIA Current Plan Designs	Dollars.	Dollars.	Dollars.
APS Current Plan Designs	Dollars.	Dollars.	Dollars.
RHCA Commercial Current Plan Designs	Dollars.	Dollars.	Dollars.
UNM Current Plan Designs	Dollars.	Dollars.	Dollars.

7.4.1.2 Commercial Year 2 (7/1/2023-6/30/2024) (APS dates are 1/1/2024-12/31/2024)

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Retail 30 Network with All Retail Chains Included (List any major Retail Chains Excluded) for Retail 30/ Retail 90 Network at One Retail Chain Only (or multiple)/ Exclusive Specialty	AWP Discount Retail 30 (1 – 83 Days' Supply)	AWP Discount Retail 90 (84 – 90 Days' Supply)	AWP Discount Mail (1 – 90 Days' Supply)
Brand Drugs^[1]			
Discount from AWP ^[2] for all brands	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
Dispensing Fee Per Rx	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Generic Drugs^[3]			
Discount from AWP ^[2] for all generics (composite discount of MAC and Non-MAC prices, discounted AWP, or usual and customary retail price)	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
Dispensing Fee Per Rx	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Rebates^[4] - Minimum Guaranteed Rebate per Brand Prescription with 100% Pass Through of any additional rebates beyond the Minimum Rebate Guarantee			
RMD Current Plan Designs	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
NMPSIA Current Plan Designs	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
APS Current Plan Designs	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
RHCA Commercial Current Plan Designs	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
UNM Current Plan Designs	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>

7.4.1.3 Commercial Year 3 (7/1/2024-6/30/2025) (APS dates are 1/1/2025-12/31/2025)

Retail 30 Network with All Retail Chains Included (List any major Retail Chains Excluded) for Retail 30/ Retail 90 Network at One Retail Chain Only (or multiple)/ Exclusive Specialty	AWP Discount Retail 30 (1 – 83 Days' Supply)	AWP Discount Retail 90 (84 – 90 Days' Supply)	AWP Discount Mail (1 – 90 Days' Supply)
Brand Drugs^[1]			
Discount from AWP ^[2] for all brands	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
Dispensing Fee Per Rx	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Generic Drugs^[3]			
Discount from AWP ^[2] for all generics (composite discount of MAC and Non-MAC prices, discounted AWP, or usual and customary retail price)	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
Dispensing Fee Per Rx	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Rebates^[4] - Minimum Guaranteed Rebate per Brand Prescription with 100% Pass Through of any additional rebates beyond the Minimum Rebate Guarantee			
RMD Current Plan Designs	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
NMPSIA Current Plan Designs	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>

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APS Current Plan Designs	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
RHCA Commercial Current Plan Designs	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
UNM Current Plan Designs	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>

7.4.1.4 Commercial Year 4 (7/1/2025-6/30/2026) (APS dates are 1/1/2026-12/31/2026)

Retail 30 Network with All Retail Chains Included (List any major Retail Chains Excluded) for Retail 30/ Retail 90 Network at One Retail Chain Only (or multiple)/ Exclusive Specialty	AWP Discount Retail 30 (1 – 83 Days' Supply)	AWP Discount Retail 90 (84 – 90 Days' Supply)	AWP Discount Mail (1 – 90 Days' Supply)
Brand Drugs^[1]			
Discount from AWP ^[2] for all brands	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
Dispensing Fee Per Rx	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Generic Drugs^[3]			
Discount from AWP ^[2] for all generics (composite discount of MAC and Non-MAC prices, discounted AWP, or usual and customary retail price)	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
Dispensing Fee Per Rx	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Rebates^[4] - Minimum Guaranteed Rebate per Brand Prescription with 100% Pass Through of any additional rebates beyond the Minimum Rebate Guarantee			
RMD Current Plan Designs	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
NMPSIA Current Plan Designs	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
APS Current Plan Designs	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
RHCA Commercial Current Plan Designs	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
UNM Current Plan Designs	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>

7.4.2 EGWP

AWP Reimbursement Basis - Complete the following tables using the drug reimbursement that your organization is willing to guarantee on a dollar-for-dollar basis for each year of the contract. Columns marked "AWP Discount" are to be completed using a discount from 100% AWP and dispensing fee logic. All guarantees must be based on the AWP unit cost dispensed and post September 26, 2009 AWP rollback.

TRADITIONAL OR TRANSPARENT RETAIL PRICING WITH 100% PASS THROUGH OF REBATES PROPOSAL

Notes:

1. Brand Pricing must include both single source and multi-source brands.
2. Post September 26, 2009 AWP rollback
3. Generic Pricing must include single-source generics.
4. Bids must be 100% Rebate Pass Through Quotes

7.4.2.1 EGWP Year 1 (7/1/2022-6/30/2023)

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Retail 30 Network with All Retail Chains Included (List any major Retail Chains Excluded) for Retail 30/ Retail 90 Network at One Retail Chain Only (or multiple)/ Open Specialty	AWP Discount Retail 30 (1 – 83 Days' Supply)	AWP Discount Retail 90 (84 – 90 Days' Supply)	AWP Discount Mail (1 – 90 Days' Supply)
Brand Drugs^[1]			
Discount from AWP ^[2] for all brands	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
Dispensing Fee Per Rx	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Generic Drugs^[3]			
Discount from AWP ^[2] for all generics (composite discount of MAC and Non-MAC prices, discounted AWP, or usual and customary retail price)	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
Dispensing Fee Per Rx	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Rebates^[4] - Minimum Guaranteed Rebate per Brand Prescription with 100% Pass Through of any additional rebates beyond the Minimum Rebate Guarantee			
RHCA EGWP Current Plan Designs	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>

7.4.2.2 EGWP Year 1 (7/1/2022-6/30/2023)

	Long Term Care	Home Infusion	Indian Health Service, Tribal and Urban	Territory
Discount from AWP for all non-specialty brands	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
Discount from AWP for all non-specialty generics (composite discount of MAC and Non-MAC prices, discounted AWP, or usual and customary retail price)	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
Brand Dispensing Fee Per Rx	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Generic Dispensing Fee Per Rx	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Current Plan Design – Minimum Guaranteed Rebate per Brand Prescription with 100% Pass Through of any additional rebates beyond the Minimum Rebate Guarantee	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Electronic Claim Administration Fee Guarantee Per Rx	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Manual Claim Administration Fee Per Rx	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>

7.4.2.3 EGWP Year 2 (7/1/2023-6/30/2024)

Retail 30 Network with All Retail Chains Included (List any major Retail Chains Excluded) for Retail 30/ Retail 90 Network at One Retail Chain Only (or multiple)/ Open Specialty	AWP Discount Retail 30 (1 – 83 Days' Supply)	AWP Discount Retail 90 (84 – 90 Days' Supply)	AWP Discount Mail (1 – 90 Days' Supply)
Brand Drugs^[1]			
Discount from AWP ^[2] for all brands	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>

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Dispensing Fee Per Rx	Dollars.	Dollars.	Dollars.
Generic Drugs^[3]			
Discount from AWP ^[2] for all generics (composite discount of MAC and Non-MAC prices, discounted AWP, or usual and customary retail price)	Percent.	Percent.	Percent.
Dispensing Fee Per Rx	Dollars.	Dollars.	Dollars.
Rebates^[4] - Minimum Guaranteed Rebate per Brand Prescription with 100% Pass Through of any additional rebates beyond the Minimum Rebate Guarantee			
RHCA EGWP Current Plan Designs	Dollars.	Dollars.	Dollars.

7.4.2.4 EGWP Year 2 (7/1/2023-6/30/2024)

	Long Term Care	Home Infusion	Indian Health Service, Tribal and Urban	Territory
Discount from AWP for all non-specialty brands	Percent.	Percent.	Percent.	Percent.
Discount from AWP for all non-specialty generics (composite discount of MAC and Non-MAC prices, discounted AWP, or usual and customary retail price)	Percent.	Percent.	Percent.	Percent.
Brand Dispensing Fee Per Rx	Dollars.	Dollars.	Dollars.	Dollars.
Generic Dispensing Fee Per Rx	Dollars.	Dollars.	Dollars.	Dollars.
Current Plan Design – Minimum Guaranteed Rebate per Brand Prescription with 100% Pass Through of any additional rebates beyond the Minimum Rebate Guarantee	Dollars.	Dollars.	Dollars.	Dollars.
Electronic Claim Administration Fee Guarantee Per Rx	Dollars.	Dollars.	Dollars.	Dollars.
Manual Claim Administration Fee Per Rx	Dollars.	Dollars.	Dollars.	Dollars.

7.4.2.5 EGWP Year 3 (7/1/2024-6/30/2025)

Retail 30 Network with All Retail Chains Included (List any major Retail Chains Excluded) for Retail 30/ Retail 90 Network at One Retail Chain Only (or multiple)/ Open Specialty	AWP Discount Retail 30 (1 – 83 Days' Supply)	AWP Discount Retail 90 (84 – 90 Days' Supply)	AWP Discount Mail (1 – 90 Days' Supply)
Brand Drugs^[1]			
Discount from AWP ^[2] for all brands	Percent.	Percent.	Percent.
Dispensing Fee Per Rx	Dollars.	Dollars.	Dollars.
Generic Drugs^[3]			
Discount from AWP ^[2] for all generics (composite discount of MAC and Non-MAC prices, discounted AWP, or usual and customary retail price)	Percent.	Percent.	Percent.
Dispensing Fee Per Rx	Dollars.	Dollars.	Dollars.

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Rebates^[4] - Minimum Guaranteed Rebate per Brand Prescription with 100% Pass Through of any additional rebates beyond the Minimum Rebate Guarantee			
RHCA EGWP Current Plan Designs	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>

7.4.2.6 EGWP Year 3 (7/1/2024-6/30/2025)

	Long Term Care	Home Infusion	Indian Health Service, Tribal and Urban	Territory
Discount from AWP for all non-specialty brands	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
Discount from AWP for all non-specialty generics (composite discount of MAC and Non-MAC prices, discounted AWP, or usual and customary retail price)	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
Brand Dispensing Fee Per Rx	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Generic Dispensing Fee Per Rx	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Current Plan Design – Minimum Guaranteed Rebate per Brand Prescription with 100% Pass Through of any additional rebates beyond the Minimum Rebate Guarantee	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Electronic Claim Administration Fee Guarantee Per Rx	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Manual Claim Administration Fee Per Rx	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>

7.4.2.7 EGWP Year 4 (7/1/2025-6/30/2026)

Retail 30 Network with All Retail Chains Included (List any major Retail Chains Excluded) for Retail 30/ Retail 90 Network at One Retail Chain Only (or multiple)/ Open Specialty	AWP Discount Retail 30 (1 – 83 Days' Supply)	AWP Discount Retail 90 (84 – 90 Days' Supply)	AWP Discount Mail (1 – 90 Days' Supply)
Brand Drugs^[1]			
Discount from AWP ^[2] for all brands	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
Dispensing Fee Per Rx	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Generic Drugs^[3]			
Discount from AWP ^[2] for all generics (composite discount of MAC and Non-MAC prices, discounted AWP, or usual and customary retail price)	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
Dispensing Fee Per Rx	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Rebates^[4] - Minimum Guaranteed Rebate per Brand Prescription with 100% Pass Through of any additional rebates beyond the Minimum Rebate Guarantee			
RHCA EGWP Current Plan Designs	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>

7.4.2.8 EGWP Year 4 (7/1/2025-6/30/2026)

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	Long Term Care	Home Infusion	Indian Health Service, Tribal and Urban	Territory
Discount from AWP for all non-specialty brands	Percent.	Percent.	Percent.	Percent.
Discount from AWP for all non-specialty generics (composite discount of MAC and Non-MAC prices, discounted AWP, or usual and customary retail price)	Percent.	Percent.	Percent.	Percent.
Brand Dispensing Fee Per Rx	Dollars.	Dollars.	Dollars.	Dollars.
Generic Dispensing Fee Per Rx	Dollars.	Dollars.	Dollars.	Dollars.
Current Plan Design – Minimum Guaranteed Rebate per Brand Prescription with 100% Pass Through of any additional rebates beyond the Minimum Rebate Guarantee	Dollars.	Dollars.	Dollars.	Dollars.
Electronic Claim Administration Fee Guarantee Per Rx	Dollars.	Dollars.	Dollars.	Dollars.
Manual Claim Administration Fee Per Rx	Dollars.	Dollars.	Dollars.	Dollars.

7.4.3 Supplemental

AWP Reimbursement Basis - Complete the following tables using the drug reimbursement that your organization is willing to guarantee on a dollar-for-dollar basis for each year of the contract. Columns marked "AWP Discount" are to be completed using a discount from 100% AWP and dispensing fee logic. All guarantees must be based on the AWP unit cost dispensed and post September 26, 2009 AWP rollback.

TRADITIONAL OR TRANSPARENT RETAIL PRICING WITH 100% PASS THROUGH OF REBATES PROPOSAL

Notes:

1. Brand Pricing must include both single source and multi-source brands.
2. Post September 26, 2009 AWP rollback
3. Generic Pricing must include single-source generics.
4. Bids must be 100% Rebate Pass Through Quotes

7.4.3.1 Supplemental Plan Year 1 (7/1/2022-6/30/2023)

Retail 30 Network with All Retail Chains Included (List any major Retail Chains Excluded) for Retail 30/ Retail 90 Network at One Retail Chain Only (or multiple)/ Open Specialty	AWP Discount Retail 30 (1 – 83 Days' Supply)	AWP Discount Retail 90 (84 – 90 Days' Supply)	AWP Discount Mail (1 – 90 Days' Supply)
Brand Drugs^[1]			
Discount from AWP ^[2] for all brands	Percent.	Percent.	Percent.
Dispensing Fee Per Rx	Dollars.	Dollars.	Dollars.
Generic Drugs^[3]			
Discount from AWP ^[2] for all generics (composite discount of MAC and Non-MAC prices, discounted AWP, or usual and customary retail price)	Percent.	Percent.	Percent.
Dispensing Fee Per Rx	Dollars.	Dollars.	Dollars.

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Rebates^[4] - Minimum Guaranteed Rebate per Brand Prescription with 100% Pass Through of any additional rebates beyond the Minimum Rebate Guarantee			
RHCA EGWP Current Plan Designs	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>

7.4.3.2 Supplemental Plan Year 1 (7/1/2022-6/30/2023)

	Long Term Care	Home Infusion	Indian Health Service, Tribal and Urban	Territory
Discount from AWP for all non-specialty brands	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
Discount from AWP for all non-specialty generics (composite discount of MAC and Non-MAC prices, discounted AWP, or usual and customary retail price)	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
Brand Dispensing Fee Per Rx	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Generic Dispensing Fee Per Rx	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Current Plan Design – Minimum Guaranteed Rebate per Brand Prescription with 100% Pass Through of any additional rebates beyond the Minimum Rebate Guarantee	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Electronic Claim Administration Fee Guarantee Per Rx	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Manual Claim Administration Fee Per Rx	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>

7.4.3.3 Supplemental Plan Year 2 (7/1/2023-6/30/2024)

Retail 30 Network with All Retail Chains Included (List any major Retail Chains Excluded) for Retail 30/ Retail 90 Network at One Retail Chain Only (or multiple)/ Open Specialty	AWP Discount Retail 30 (1 – 83 Days' Supply)	AWP Discount Retail 90 (84 – 90 Days' Supply)	AWP Discount Mail (1 – 90 Days' Supply)
Brand Drugs^[1]			
Discount from AWP ^[2] for all brands	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
Dispensing Fee Per Rx	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Generic Drugs^[3]			
Discount from AWP ^[2] for all generics (composite discount of MAC and Non-MAC prices, discounted AWP, or usual and customary retail price)	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
Dispensing Fee Per Rx	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Rebates^[4] - Minimum Guaranteed Rebate per Brand Prescription with 100% Pass Through of any additional rebates beyond the Minimum Rebate Guarantee			
RHCA EGWP Current Plan Designs	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>

7.4.3.4 Supplemental Plan Year 2 (7/1/2023-6/30/2024)

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	Long Term Care	Home Infusion	Indian Health Service, Tribal and Urban	Territory
Discount from AWP for all non-specialty brands	Percent.	Percent.	Percent.	Percent.
Discount from AWP for all non-specialty generics (composite discount of MAC and Non-MAC prices, discounted AWP, or usual and customary retail price)	Percent.	Percent.	Percent.	Percent.
Brand Dispensing Fee Per Rx	Dollars.	Dollars.	Dollars.	Dollars.
Generic Dispensing Fee Per Rx	Dollars.	Dollars.	Dollars.	Dollars.
Current Plan Design – Minimum Guaranteed Rebate per Brand Prescription with 100% Pass Through of any additional rebates beyond the Minimum Rebate Guarantee	Dollars.	Dollars.	Dollars.	Dollars.
Electronic Claim Administration Fee Guarantee Per Rx	Dollars.	Dollars.	Dollars.	Dollars.
Manual Claim Administration Fee Per Rx	Dollars.	Dollars.	Dollars.	Dollars.

7.4.3.5 Supplemental Plan Year 3 (7/1/2024-6/30/2025)

Retail 30 Network with All Retail Chains Included (List any major Retail Chains Excluded) for Retail 30/ Retail 90 Network at One Retail Chain Only (or multiple)/ Open Specialty	AWP Discount Retail 30 (1 – 83 Days' Supply)	AWP Discount Retail 90 (84 – 90 Days' Supply)	AWP Discount Mail (1 – 90 Days' Supply)
Brand Drugs^[1]			
Discount from AWP ^[2] for all brands	Percent.	Percent.	Percent.
Dispensing Fee Per Rx	Dollars.	Dollars.	Dollars.
Generic Drugs^[3]			
Discount from AWP ^[2] for all generics (composite discount of MAC and Non-MAC prices, discounted AWP, or usual and customary retail price)	Percent.	Percent.	Percent.
Dispensing Fee Per Rx	Dollars.	Dollars.	Dollars.
Rebates^[4] - Minimum Guaranteed Rebate per Brand Prescription with 100% Pass Through of any additional rebates beyond the Minimum Rebate Guarantee			
RHCA EGWP Current Plan Designs	Dollars.	Dollars.	Dollars.

7.4.3.6 Supplemental Plan Year 3 (7/1/2024-6/30/2025)

	Long Term Care	Home Infusion	Indian Health Service, Tribal and Urban	Territory
Discount from AWP for all non-specialty brands	Percent.	Percent.	Percent.	Percent.
Discount from AWP for all non-specialty generics (composite discount of MAC and Non-MAC prices, discounted AWP, or usual and customary retail price)	Percent.	Percent.	Percent.	Percent.
Brand Dispensing Fee Per Rx	Dollars.	Dollars.	Dollars.	Dollars.

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Generic Dispensing Fee Per Rx	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Current Plan Design – Minimum Guaranteed Rebate per Brand Prescription with 100% Pass Through of any additional rebates beyond the Minimum Rebate Guarantee	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Electronic Claim Administration Fee Guarantee Per Rx	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Manual Claim Administration Fee Per Rx	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>

7.4.3.7 Supplemental Plan Year 4 (7/1/2025-6/30/2026)

Retail 30 Network with All Retail Chains Included (List any major Retail Chains Excluded) for Retail 30/ Retail 90 Network at One Retail Chain Only (or multiple)/ Open Specialty	AWP Discount Retail 30 (1 – 83 Days' Supply)	AWP Discount Retail 90 (84 – 90 Days' Supply)	AWP Discount Mail (1 – 90 Days' Supply)
Brand Drugs^[1]			
Discount from AWP ^[2] for all brands	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
Dispensing Fee Per Rx	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Generic Drugs^[3]			
Discount from AWP ^[2] for all generics (composite discount of MAC and Non-MAC prices, discounted AWP, or usual and customary retail price)	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
Dispensing Fee Per Rx	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Rebates^[4] - Minimum Guaranteed Rebate per Brand Prescription with 100% Pass Through of any additional rebates beyond the Minimum Rebate Guarantee			
RHCA EGWP Current Plan Designs	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>

7.4.3.8 Supplemental Plan Year 4 (7/1/2025-6/30/2026)

	Long Term Care	Home Infusion	Indian Health Service, Tribal and Urban	Territory
Discount from AWP for all non-specialty brands	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
Discount from AWP for all non-specialty generics (composite discount of MAC and Non-MAC prices, discounted AWP, or usual and customary retail price)	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
Brand Dispensing Fee Per Rx	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Generic Dispensing Fee Per Rx	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Current Plan Design – Minimum Guaranteed Rebate per Brand Prescription with 100% Pass Through of any additional rebates beyond the Minimum Rebate Guarantee	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Electronic Claim Administration Fee Guarantee Per Rx	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Manual Claim Administration Fee Per Rx	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>

7.5 Specialty Pharmacy Program Pricing Questions

7.5.1 Please provide your organization's definition and qualification criteria of a "specialty drug product".
500 words.

7.5.2 Under your proposed Exclusive Specialty Arrangement, are all specialty drugs required to be filled at the PBM's Specialty Pharmacy or do you have a separate list of specialty drugs that are required to be filled at the PBM's Specialty Pharmacy? If the latter, how does your organization determine this list and how is it managed?
500 words.

7.5.3 Provide an AWP-based pricing list in Excel of all specialty pharmaceuticals, including Limited Distribution Drugs, that your company dispenses and distributes to providers and patients for your proposed specialty pharmacy program. Your pricing must include adequate supplies of ancillaries such as needles, swabs, syringes, and containers. The following items must be included in your list:

- a. Product Name
- b. Therapeutic Group/Therapeutic Category
- c. NDC
- d. Guaranteed Minimum AWP Discount and Dispensing Fee for all specialty pharmacy program prescriptions for the specialty arrangement.
- e. Limited Drug Designation

Provide name of attachment(s) here.

Single, Pull-down list.

- 1: Attached,
- 2: Not provided

7.5.4 Confirm you provided the most recent Limited Distribution Drug Indicator and Exclusive Distribution Indicator in the attachment for the previous question. If not, please provide your proposed Limited Distribution Drug List and Exclusive Distribution List with NDC in an Excel File that will be in place.

Single, Pull-down list.

- 1: Confirmed,
- 2: Not confirmed, explain: [500 words]

7.5.5 How often does your organization evaluate specialty drug classifications? What is the process that your organization uses to move drugs from a specialty drug classification to a non-specialty drug classification and vice versa? Will you allow the IBAC/UNM the ability to reject any changes in such classification?

500 words.

7.5.6 Confirm the PBM agrees to notify the IBAC/UNM and its members at least sixty (60) calendar days prior to changing the classification of a drug from non-specialty drug classification to a specialty drug classification and at least sixty (60) calendar days prior to the change in classification of a drug from a specialty drug classification to a non-specialty drug classification.

Single, Pull-down list.

- 1: Confirmed,
- 2: Not confirmed, explain: [500 words]

7.5.7 Confirm the IBAC/UNM will have the ability to renegotiate and/or "carve-out" specialty drug pricing and service terms without penalty or changes to the financial guarantees.

Single, Pull-down list.

- 1: Confirmed,
- 2: Not confirmed, explain: [500 words]

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7.5.8 Confirm your proposed guarantees for your retail/mail program are not contingent upon the IBAC/UNM's purchase of your specialty drug program.

Single, Pull-down list.

1: Confirmed,

2: Not confirmed, explain: [500 words]

7.5.9 Indicate how long a drug would be considered “New to Market” and the process to move a drug from the New to Market pricing to being discounted under the OED guarantee.

500 words.

7.5.10 Provide examples of success with managing specialty costs for other clients.

500 words.

7.5.11 Provide your estimated savings as a result of your proposed variable copay program for non-specialty drugs and specialty drugs net of fees.

500 words.

7.5.12 Provide all fees collected to administer the proposed variable copay program that will be retained by your organization.

500 words.

7.6 Specialty Pharmacy Program Pricing

7.6.1 Commercial

7.6.1.1 Complete the following table for **Commercial**:

Specialty Drugs Dispensed at Participating Retail 30 Pharmacies under the Exclusive Specialty Pharmacy Program (30 days' supply)	Year 1 7/1/2022- 6/30/2023 (APS 1/1/2023- 12/31/2023)	Year 2 7/1/2023- 6/30/2024 (APS 1/1/2024- 12/31/2024)	Year 3 7/1/2024- 6/30/2025 (APS 1/1/2025- 12/31/2025)	Year 4 7/1/2025- 6/30/2026 (APS 1/1/2026- 12/31/2026)
Overall Effective Discount (OED) Guarantee for Specialty Brand Drugs	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
Overall Effective Discount (OED) Guarantee for Specialty Generic Drugs (including biosimilars)	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
Confirm Limited Distribution and Exclusive Distribution Specialty Drugs will be included in the above OED guarantees	<i>Single, Pull- down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull- down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull- down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull- down list.</i> 1: Confirmed, 2: Not confirmed
If Limited Distribution Specialty Drugs are not included in the above OED guarantees, then please indicate the Limited Distribution and Exclusive Distribution Drug Guarantee	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>

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Confirm Biosimilars will be included in the above OED guarantee for Specialty Generic Drugs	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed
If not, then please indicate the Biosimilars Discount Guarantee	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
Confirm New to Market Specialty Drugs, New to Market Limited Distribution Drugs, and New to Market biosimilar will be included in the above OED guarantees	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed
If not, then please indicate the New to Market Specialty Drug Discount Guarantee	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
If not, then please indicate the New to Market Limited Distribution Drug Discount Guarantee	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
If not, then please indicate the New to Market Biosimilars Discount Guarantee	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
Dispensing Fee Guarantee - Per Prescription	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Administrative Fee Guarantee - Per Prescription	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
RMD Minimum Rebate Guarantee – Per Brand Prescription (<i>Passed Through at 100%</i>)	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
NMPSIA Minimum Rebate Guarantee – Per Brand Prescription (<i>Passed Through at 100%.</i>)	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
APS Minimum Rebate Guarantee – Per Brand Prescription (<i>Passed Through at 100%.</i>)	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
RHCA Commercial Minimum Rebate Guarantee – Per Brand Prescription (<i>Passed Through at 100%.</i>)	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
UNM Minimum Rebate Guarantee – Per Brand Prescription (<i>Passed Through at 100%.</i>)	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Confirm covered Biosimilar Products will be included in the above Specialty Drug Dispensing Fee guarantee and although Biosimilar Products will not be included in the Rebate Guarantees, the IBAC will receive 100% of all rebates related to Biosimilar Products, if any.	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed
Confirm any Exclusions from Minimum Rebate Guarantees. List Drugs and Provide Separate Guarantees.	<i>500 words.</i>	<i>500 words.</i>	<i>500 words.</i>	<i>500 words.</i>

7.6.1.2 Complete the following table for **Commercial**:

Specialty Drugs Dispensed at the PBM's Specialty Pharmacy under the Exclusive Specialty Pharmacy Program (30 days' supply)	Year 1 7/1/2022-6/30/2023 (APS 1/1/2023-12/31/2023)	Year 2 7/1/2023-6/30/2024 (APS 1/1/2024-12/31/2024)	Year 3 7/1/2024-6/30/2025 (APS 1/1/2025-12/31/2025)	Year 4 7/1/2025-6/30/2026 (APS 1/1/2026-12/31/2026)

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Overall Effective Discount (OED) Guarantee for Specialty Brand Drugs	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
Overall Effective Discount (OED) Guarantee for Specialty Generic Drugs (including biosimilars)	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
Confirm Limited Distribution and Exclusive Distribution Specialty Drugs will be included in the above OED guarantees	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed
If Limited Distribution Specialty Drugs are not included in the above OED guarantees, then please indicate the Limited Distribution and Exclusive Distribution Drug Guarantee	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
Confirm Biosimilars will be included in the above OED guarantee for Specialty Generic Drugs	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed
If not, then please indicate the Biosimilars Discount Guarantee	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
Confirm New to Market Specialty Drugs, New to Market Limited Distribution Drugs, and New to Market biosimilar will be included in the above OED guarantees	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed
If not, then please indicate the New to Market Specialty Drug Discount Guarantee	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
If not, then please indicate the New to Market Limited Distribution Drug Discount Guarantee	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
If not, then please indicate the New to Market Biosimilars Discount Guarantee	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
Dispensing Fee Guarantee - Per Prescription	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Administrative Fee Guarantee - Per Prescription	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
RMD Minimum Rebate Guarantee – Per Brand Prescription (<i>Passed Through at 100%</i>)	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
NMPSIA Minimum Rebate Guarantee – Per Brand Prescription (<i>Passed Through at 100%.</i>)	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
APS Minimum Rebate Guarantee – Per Brand Prescription (<i>Passed Through at 100%.</i>)	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
RHCA Commercial Minimum Rebate Guarantee – Per Brand Prescription (<i>Passed Through at 100%.</i>)	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
UNM Minimum Rebate Guarantee – Per Brand Prescription (<i>Passed Through at 100%.</i>)	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Confirm covered Biosimilar Products will be included in the above Specialty Drug Dispensing Fee guarantee and although Biosimilar Products will not be included in the Rebate Guarantees,	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed

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the IBAC will receive 100% of all rebates related to Biosimilar Products, if any.				
Confirm any Exclusions from Minimum Rebate Guarantees. List Drugs and Provide Separate Guarantees.	500 words.	500 words.	500 words.	500 words.

7.6.2 EGWP

7.6.2.1 Complete the following table for **EGWP**:

Specialty Drugs Dispensed at Participating Retail 30 Pharmacies under the Open Specialty Pharmacy Program (30 days' supply)	Year 1 7/1/2022-6/30/2023 (APS 1/1/2023-12/31/2023)	Year 2 7/1/2023-6/30/2024 (APS 1/1/2024-12/31/2024)	Year 3 7/1/2024-6/30/2025 (APS 1/1/2025-12/31/2025)	Year 4 7/1/2025-6/30/2026 (APS 1/1/2026-12/31/2026)
Overall Effective Discount (OED) Guarantee for Specialty Brand Drugs	Percent.	Percent.	Percent.	Percent.
Overall Effective Discount (OED) Guarantee for Specialty Generic Drugs (including biosimilars)	Percent.	Percent.	Percent.	Percent.
Confirm Limited Distribution and Exclusive Distribution Specialty Drugs will be included in the above OED guarantees	Single, Pull-down list. 1: Confirmed, 2: Not confirmed	Single, Pull-down list. 1: Confirmed, 2: Not confirmed	Single, Pull-down list. 1: Confirmed, 2: Not confirmed	Single, Pull-down list. 1: Confirmed, 2: Not confirmed
If Limited Distribution Specialty Drugs are not included in the above OED guarantees, then please indicate the Limited Distribution and Exclusive Distribution Drug Guarantee	Percent.	Percent.	Percent.	Percent.
Confirm Biosimilars will be included in the above OED guarantee for Specialty Generic Drugs	Single, Pull-down list. 1: Confirmed, 2: Not confirmed	Single, Pull-down list. 1: Confirmed, 2: Not confirmed	Single, Pull-down list. 1: Confirmed, 2: Not confirmed	Single, Pull-down list. 1: Confirmed, 2: Not confirmed
If not, then please indicate the Biosimilars Discount Guarantee	Percent.	Percent.	Percent.	Percent.
Confirm New to Market Specialty Drugs, New to Market Limited Distribution Drugs, and New to Market biosimilar will be included in the above OED guarantees	Single, Pull-down list. 1: Confirmed, 2: Not confirmed	Single, Pull-down list. 1: Confirmed, 2: Not confirmed	Single, Pull-down list. 1: Confirmed, 2: Not confirmed	Single, Pull-down list. 1: Confirmed, 2: Not confirmed
If not, then please indicate the New to Market Specialty Drug Discount Guarantee	Percent.	Percent.	Percent.	Percent.
If not, then please indicate the New to Market Limited Distribution Drug Discount Guarantee	Percent.	Percent.	Percent.	Percent.
If not, then please indicate the New to Market Biosimilars Discount Guarantee	Percent.	Percent.	Percent.	Percent.
Dispensing Fee Guarantee - Per Prescription	Dollars.	Dollars.	Dollars.	Dollars.
Administrative Fee Guarantee - Per Prescription	Dollars.	Dollars.	Dollars.	Dollars.

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RHCA EGWP Minimum Rebate Guarantee – Per Brand Prescription (<i>Passed Through at 100%</i>)	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Confirm covered Biosimilar Products will be included in the above Specialty Drug Dispensing Fee guarantee and although Biosimilar Products will not be included in the Rebate Guarantees, the IBAC will receive 100% of all rebates related to Biosimilar Products, if any.	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed
Confirm any Exclusions from Minimum Rebate Guarantees. List Drugs and Provide Separate Guarantees.	<i>500 words.</i>	<i>500 words.</i>	<i>500 words.</i>	<i>500 words.</i>

7.6.2.2 Complete the following table for **EGWP**:

Specialty Drugs Dispensed at the PBM's Specialty Pharmacy under the Open Specialty Pharmacy Program (30 days' supply)	Year 1 7/1/2022-6/30/2023 (APS 1/1/2023-12/31/2023)	Year 2 7/1/2023-6/30/2024 (APS 1/1/2024-12/31/2024)	Year 3 7/1/2024-6/30/2025 (APS 1/1/2025-12/31/2025)	Year 4 7/1/2025-6/30/2026 (APS 1/1/2026-12/31/2026)
Overall Effective Discount (OED) Guarantee for Specialty Brand Drugs	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
Overall Effective Discount (OED) Guarantee for Specialty Generic Drugs (including biosimilars)	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
Confirm Limited Distribution and Exclusive Distribution Specialty Drugs will be included in the above OED guarantees	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed
If Limited Distribution Specialty Drugs are not included in the above OED guarantees, then please indicate the Limited Distribution and Exclusive Distribution Drug Guarantee	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
Confirm Biosimilars will be included in the above OED guarantee for Specialty Generic Drugs	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed
If not, then please indicate the Biosimilars Discount Guarantee	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
Confirm New to Market Specialty Drugs, New to Market Limited Distribution Drugs, and New to Market biosimilar will be included in the above OED guarantees	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed
If not, then please indicate the New to Market Specialty Drug Discount Guarantee	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
If not, then please indicate the New to Market Limited Distribution Drug Discount Guarantee	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
If not, then please indicate the New to Market Biosimilars Discount Guarantee	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>

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Dispensing Fee Guarantee - Per Prescription	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Administrative Fee Guarantee - Per Prescription	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
RHCA EGWP Minimum Rebate Guarantee – Per Brand Prescription (<i>Passed Through at 100%</i>)	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Confirm covered Biosimilar Products will be included in the above Specialty Drug Dispensing Fee guarantee and although Biosimilar Products will not be included in the Rebate Guarantees, the IBAC will receive 100% of all rebates related to Biosimilar Products, if any.	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed
Confirm any Exclusions from Minimum Rebate Guarantees. List Drugs and Provide Separate Guarantees.	<i>500 words.</i>	<i>500 words.</i>	<i>500 words.</i>	<i>500 words.</i>

7.6.3 Supplemental

7.6.3.1 Complete the following table for **Supplemental Plan**:

Specialty Drugs Dispensed at Participating Retail 30 Pharmacies under the Open Specialty Pharmacy Program (30 days' supply)	Year 1 7/1/2022-6/30/2023 (APS 1/1/2023-12/31/2023)	Year 2 7/1/2023-6/30/2024 (APS 1/1/2024-12/31/2024)	Year 3 7/1/2024-6/30/2025 (APS 1/1/2025-12/31/2025)	Year 4 7/1/2025-6/30/2026 (APS 1/1/2026-12/31/2026)
Overall Effective Discount (OED) Guarantee for Specialty Brand Drugs	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
Overall Effective Discount (OED) Guarantee for Specialty Generic Drugs (including biosimilars)	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
Confirm Limited Distribution and Exclusive Distribution Specialty Drugs will be included in the above OED guarantees	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed
If Limited Distribution Specialty Drugs are not included in the above OED guarantees, then please indicate the Limited Distribution and Exclusive Distribution Drug Guarantee	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
Confirm Biosimilars will be included in the above OED guarantee for Specialty Generic Drugs	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed
If not, then please indicate the Biosimilars Discount Guarantee	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
Confirm New to Market Specialty Drugs, New to Market Limited Distribution Drugs, and New to Market biosimilar will be included in the above OED guarantees	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed

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If not, then please indicate the New to Market Specialty Drug Discount Guarantee	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
If not, then please indicate the New to Market Limited Distribution Drug Discount Guarantee	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
If not, then please indicate the New to Market Biosimilars Discount Guarantee	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
Dispensing Fee Guarantee - Per Prescription	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Administrative Fee Guarantee - Per Prescription	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
RHCA EGWP Minimum Rebate Guarantee – Per Brand Prescription (<i>Passed Through at 100%</i>)	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Confirm covered Biosimilar Products will be included in the above Specialty Drug Dispensing Fee guarantee and although Biosimilar Products will not be included in the Rebate Guarantees, the IBAC will receive 100% of all rebates related to Biosimilar Products, if any.	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed
Confirm any Exclusions from Minimum Rebate Guarantees. List Drugs and Provide Separate Guarantees.	<i>500 words.</i>	<i>500 words.</i>	<i>500 words.</i>	<i>500 words.</i>

7.6.3.2 Complete the following table for **Supplemental Plan**:

Specialty Drugs Dispensed at the PBM's Specialty Pharmacy under the Open Specialty Pharmacy Program (30 days' supply)	Year 1 7/1/2022- 6/30/2023 (APS 1/1/2023- 12/31/2023)	Year 2 7/1/2023- 6/30/2024 (APS 1/1/2024- 12/31/2024)	Year 3 7/1/2024- 6/30/2025 (APS 1/1/2025- 12/31/2025)	Year 4 7/1/2025- 6/30/2026 (APS 1/1/2026- 12/31/2026)
Overall Effective Discount (OED) Guarantee for Specialty Brand Drugs	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
Overall Effective Discount (OED) Guarantee for Specialty Generic Drugs (including biosimilars)	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
Confirm Limited Distribution and Exclusive Distribution Specialty Drugs will be included in the above OED guarantees	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed
If Limited Distribution Specialty Drugs are not included in the above OED guarantees, then please indicate the Limited Distribution and Exclusive Distribution Drug Guarantee	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
Confirm Biosimilars will be included in the above OED guarantee for Specialty Generic Drugs	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed
If not, then please indicate the Biosimilars Discount Guarantee	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>

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Confirm New to Market Specialty Drugs, New to Market Limited Distribution Drugs, and New to Market biosimilar will be included in the above OED guarantees	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed
If not, then please indicate the New to Market Specialty Drug Discount Guarantee	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
If not, then please indicate the New to Market Limited Distribution Drug Discount Guarantee	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
If not, then please indicate the New to Market Biosimilars Discount Guarantee	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
Dispensing Fee Guarantee - Per Prescription	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Administrative Fee Guarantee - Per Prescription	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
RHCA EGWP Minimum Rebate Guarantee – Per Brand Prescription (<i>Passed Through at 100%</i>)	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Confirm covered Biosimilar Products will be included in the above Specialty Drug Dispensing Fee guarantee and although Biosimilar Products will not be included in the Rebate Guarantees, the IBAC will receive 100% of all rebates related to Biosimilar Products, if any.	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed
Confirm any Exclusions from Minimum Rebate Guarantees. List Drugs and Provide Separate Guarantees.	<i>500 words.</i>	<i>500 words.</i>	<i>500 words.</i>	<i>500 words.</i>

7.7 Allowances Questions

7.7.1 Confirm the PBM will allow the IBAC/UNM to rollover any unused allowances to the next contract year or contract if the proposed allowances are on a contract year basis and/or contract term basis.

Single, Pull-down list.

1: Confirmed,

2: Not confirmed, explain: [500 words]

7.7.2 If the Allowances described above are offered on a per “Member” basis, describe how the “member” counts will be determined for the allowance calculations described above (i.e., membership at the start of the year, membership over a certain period in time).

500 words.

7.7.3 Confirm the IBAC/UNM will be able to use the Implementation Credit or the General Administrative Credit for a Pre-Implementation Audit and/or a Post-Implementation Audit.

Single, Pull-down list.

1: Confirmed,

2: Not confirmed, explain: [500 words]

7.7.4 Confirm the IBAC/UNM may use the General Pharmacy Program Management Allowance for services related to managing the pharmacy benefit such as pharmacy audits, PBM market checks and pharmacy benefit consulting services.

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Single, Pull-down list.

1: Confirmed,

2: Not confirmed, explain: [500 words]

7.7.5 Confirm the IBAC/UNM does not have to repay either the full or a pro-rated share of any of the Allowances if the IBAC/UNM terminates the contract early (with or without cause).

Single, Pull-down list.

1: Confirmed,

2: Not confirmed, explain: [500 words]

7.8 Allowances

7.8.1 Commercial

7.8.1.1 Please complete the following table: **Commercial**

	Response	Per Member / Flat Dollar
Implementation - Place the \$ (dollar) Per Member allowance or the flat dollar (\$) allowance you are offering.		
RMD	<i>Dollars.</i>	<i>Single, Pull-down list.</i> 1: Per Member, 2: Flat Dollar
NMPSIA	<i>Dollars.</i>	<i>Single, Pull-down list.</i> 1: Per Member, 2: Flat Dollar
APS	<i>Dollars.</i>	<i>Single, Pull-down list.</i> 1: Per Member, 2: Flat Dollar
RHCA Commercial	<i>Dollars.</i>	<i>Single, Pull-down list.</i> 1: Per Member, 2: Flat Dollar
UNM	<i>Dollars.</i>	<i>Single, Pull-down list.</i> 1: Per Member, 2: Flat Dollar
General Pharmacy Program Management - Place the \$ (dollar) Per Member allowance or the flat dollar (\$) allowance you are offering for general expenses related to the		

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management of the pharmacy benefits program such as pharmacy claim and rebate audits, communication expenses, clinical programs, consulting fees or be used as a credit against claim invoices.		
RMD	<i>Dollars.</i>	<i>Single, Pull-down list.</i> 1: Per Member, 2: Flat Dollar
NMPSIA	<i>Dollars.</i>	<i>Single, Pull-down list.</i> 1: Per Member, 2: Flat Dollar
APS	<i>Dollars.</i>	<i>Single, Pull-down list.</i> 1: Per Member, 2: Flat Dollar
RHCA Commercial	<i>Dollars.</i>	<i>Single, Pull-down list.</i> 1: Per Member, 2: Flat Dollar
UNM	<i>Dollars.</i>	<i>Single, Pull-down list.</i> 1: Per Member, 2: Flat Dollar

7.8.2 EGWP

7.8.2.1 Please complete the following table: **EGWP**

	Response	Per Member / Flat Dollar
Implementation - Place the \$ (dollar) Per Member allowance or the flat dollar (\$) allowance you are offering.		
RHCA EGWP	<i>Dollars.</i>	<i>Single, Pull-down list.</i> 1: Per Member, 2: Flat Dollar
General Pharmacy Program Management - Place the \$ (dollar) Per Member allowance or the flat dollar (\$) allowance you are offering for general expenses related to the management of the pharmacy benefits program such as pharmacy claim and rebate audits, communication expenses, clinical programs, consulting fees or be used as a credit against claim invoices.		

RHCA EGWP	<i>Dollars.</i>	<i>Single, Pull-down list.</i> 1: Per Member, 2: Flat Dollar
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7.8.3 Supplemental

7.8.3.1 Please complete the following table: **Supplemental Plan**

	Response	Per Member / Flat Dollar
Implementation - Place the \$ (dollar) Per Member allowance or the flat dollar (\$) allowance you are offering.		
RHCA EGWP	<i>Dollars.</i>	<i>Single, Pull-down list.</i> 1: Per Member, 2: Flat Dollar
General Pharmacy Program Management - Place the \$ (dollar) Per Member allowance or the flat dollar (\$) allowance you are offering for general expenses related to the management of the pharmacy benefits program such as pharmacy claim and rebate audits, communication expenses, clinical programs, consulting fees or be used as a credit against claim invoices.		
RHCA EGWP	<i>Dollars.</i>	<i>Single, Pull-down list.</i> 1: Per Member, 2: Flat Dollar

7.9 Generic Drugs - Dispensing Rate Guarantees Questions

7.9.1 What dollar amount are you prepared to put at risk for failure to meet your GDR guarantee?

Dollars.

7.9.2 Confirm the PBM's Generic Dispensing Rate Guarantee will be measured and reconciled on a component basis and a shortfall in one delivery channel will not be used to offset a shortfall in another delivery channel or any other financial component guarantee.

Single, Pull-down list.

1: Confirmed,

2: Not confirmed, explain: [500 words]

7.9.3 Confirm the PBM's Generic Dispensing Rate Guarantee does not include copays or rebates in the calculation.

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Single, Pull-down list.

1: Confirmed,

2: Not confirmed, explain: [500 words]

7.10 GDR Guarantees

7.10.1 Complete the table below for contract Years 1, 2, 3 and 4. Note that generic dispensing rate includes only true instances of generic dispensing (i.e., exclude multi-source brand drugs dispensed under member-pay-difference plan designs).

Guaranteed GDR – RMD	Retail 30	Retail 90	Mail Order
Year 1: 7/1/2022-6/30/2023	Percent.	Percent.	Percent.
Year 2: 7/1/2023-6/30/2024	Percent.	Percent.	Percent.
Year 3: 7/1/2024-6/30/2025	Percent.	Percent.	Percent.
Year 4: 7/1/2025-6/30/2026	Percent.	Percent.	Percent.
Guaranteed GDR – NMPSIA	Retail 30	Retail 90	Mail Order
Year 1: 7/1/2022-6/30/2023	Percent.	Percent.	Percent.
Year 2: 7/1/2023-6/30/2024	Percent.	Percent.	Percent.
Year 3: 7/1/2024-6/30/2025	Percent.	Percent.	Percent.
Year 4: 7/1/2025-6/30/2026	Percent.	Percent.	Percent.
Guaranteed GDR – APS	Retail 30	Retail 90	Mail Order
Year 1: 1/1/2023-12/31/2023	Percent.	Percent.	Percent.
Year 2: 1/1/2024-12/31/2024	Percent.	Percent.	Percent.
Year 3: 1/1/2025-12/31/2025	Percent.	Percent.	Percent.
Year 4: 1/1/2026-12/31/2026	Percent.	Percent.	Percent.
Guaranteed GDR – NMRHCA Commercial	Retail 30	Retail 90	Mail Order
Year 1: 7/1/2022-6/30/2023	Percent.	Percent.	Percent.
Year 2: 7/1/2023-6/30/2024	Percent.	Percent.	Percent.
Year 3: 7/1/2024-6/30/2025	Percent.	Percent.	Percent.
Year 4: 7/1/2025-6/30/2026	Percent.	Percent.	Percent.
Guaranteed GDR – NMRHCA EGWP	Retail 30	Retail 90	Mail Order
Year 1: 7/1/2022-6/30/2023	Percent.	Percent.	Percent.
Year 2: 7/1/2023-6/30/2024	Percent.	Percent.	Percent.
Year 3: 7/1/2024-6/30/2025	Percent.	Percent.	Percent.
Year 4: 7/1/2025-6/30/2026	Percent.	Percent.	Percent.

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Guaranteed GDR – NMRHCA Supplemental Plan	Retail 30	Retail 90	Mail Order
Year 1: 7/1/2022-6/30/2023	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
Year 2: 7/1/2023-6/30/2024	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
Year 3: 7/1/2024-6/30/2025	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
Year 4: 7/1/2025-6/30/2026	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
Guaranteed GDR – UNM	Retail 30	Retail 90	Mail Order
Year 1: 7/1/2022-6/30/2023	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
Year 2: 7/1/2023-6/30/2024	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
Year 3: 7/1/2024-6/30/2025	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>
Year 4: 7/1/2025-6/30/2026	<i>Percent.</i>	<i>Percent.</i>	<i>Percent.</i>

7.11 Trend Guarantees Questions

7.11.1 Confirm the PBM will provide the IBAC/UNM with an annual 4% Non-Specialty Gross Drug Spend per Member per Year Trend Guarantee.

Single, Pull-down list.

1: Confirmed,

2: Not confirmed, explain: [500 words]

7.11.2 Please describe any price inflation guarantee you are putting forth for specialty drugs.

500 words.

7.11.3 The PBM guarantees that the percentage increase in the Generic Drug Ingredient Cost compared on a Contract Year basis with the immediately prior Contract Year will be no greater than 2% throughout the term of the contract.

Single, Pull-down list.

1: Confirmed,

2: Not confirmed, explain: [500 words]

APPENDIX A

ACKNOWLEDGEMENT OF RECEIPT FORM

APPENDIX A

REQUEST FOR PROPOSAL

Pharmaceutical Benefit Management Services
20-34200-21-00002

ACKNOWLEDGEMENT OF RECEIPT FORM

This Acknowledgement of Receipt Form should be signed and submitted no later than 3:00 PM MST October 22, 2021. Only potential Offerors who elect to return this form will receive copies of all submitted questions and the written responses to those questions, as well as any RFP amendments, if any are issued.

In acknowledgement of receipt of this Request for Proposal, the undersigned agrees that he or she has received a complete copy of the RFP, beginning with the title page, and ending with APPENDIX E.

The name and address below will be used for all correspondence related to the Request for Proposal.

ORGANIZATION:

CONTACT NAME:

TITLE: _____ PHONE NO.: _____

E-MAIL: _____

ADDRESS: _____

CITY: _____ STATE: _____ ZIP CODE: _____

Submit Acknowledgement of Receipt Form to:

To: Claudette Roybal, Procurement Manager

E-mail: Claudette.Roybal@state.nm.us

Subject Line: Pharmacy Benefit Management Services 20-34200-21-00002

APPENDIX B

CAMPAIGN CONTRIBUTION DISCLOSURE FORM

Pursuant to the Procurement Code, Sections 13-1-28, et seq., NMSA 1978 and NMSA 1978, § 13-1-191.1 (2006), as amended by Laws of 2007, Chapter 234, a prospective contractor subject to this section shall disclose all campaign contributions given by the prospective contractor or a family member or representative of the prospective contractor to an applicable public official of the state or a local public body during the two years prior to the date on which a proposal is submitted or, in the case of a sole source or small purchase contract, the two years prior to the date on which the contractor signs the contract, if the aggregate total of contributions given by the prospective contractor or a family member or representative of the prospective contractor to the public official exceeds two hundred fifty dollars (\$250) over the two-year period. A prospective contractor submitting a disclosure statement pursuant to this section who has not contributed to an applicable public official, whose family members have not contributed to an applicable public official or whose representatives have not contributed to an applicable public official shall make a statement that no contribution was made.

A prospective contractor or a family member or representative of the prospective contractor shall not give a campaign contribution or other thing of value to an applicable public official or the applicable public official's employees during the pendency of the procurement process or during the pendency of negotiations for a sole source or small purchase contract.

Furthermore, a solicitation or proposed award for a proposed contract may be canceled pursuant to Section [13-1-181](#) NMSA 1978 or a contract that is executed may be ratified or terminated pursuant to Section [13-1-182](#) NMSA 1978 if a prospective contractor fails to submit a fully completed disclosure statement pursuant to this section; or a prospective contractor or family member or representative of the prospective contractor gives a campaign contribution or other thing of value to an applicable public official or the applicable public official's employees during the pendency of the procurement process.

The state agency or local public body that procures the services or items of tangible personal property shall indicate on the form the name or names of every applicable public official, if any, for which disclosure is required by a prospective contractor.

THIS FORM MUST BE INCLUDED IN THE REQUEST FOR PROPOSALS AND MUST BE FILED BY ANY PROSPECTIVE CONTRACTOR WHETHER OR NOT THEY, THEIR FAMILY MEMBER, OR THEIR REPRESENTATIVE HAS MADE ANY CONTRIBUTIONS SUBJECT TO DISCLOSURE.

The following definitions apply:

“Applicable public official” means a person elected to an office or a person appointed to complete a term of an elected office, who has the authority to award or influence the award of the contract for which the prospective contractor is submitting a competitive sealed proposal or

who has the authority to negotiate a sole source or small purchase contract that may be awarded without submission of a sealed competitive proposal.

“Campaign Contribution” means a gift, subscription, loan, advance or deposit of money or other thing of value, including the estimated value of an in-kind contribution, that is made to or received by an applicable public official or any person authorized to raise, collect or expend contributions on that official’s behalf for the purpose of electing the official to statewide or local office. “Campaign Contribution” includes the payment of a debt incurred in an election campaign, but does not include the value of services provided without compensation or unreimbursed travel or other personal expenses of individuals who volunteer a portion or all of their time on behalf of a candidate or political committee, nor does it include the administrative or solicitation expenses of a political committee that are paid by an organization that sponsors the committee.

“Family member” means a spouse, father, mother, child, father-in-law, mother-in-law, daughter-in-law or son-in-law of (a) a prospective contractor, if the prospective contractor is a natural person; or (b) an owner of a prospective contractor;

“Pendency of the procurement process” means the time period commencing with the public notice of the request for proposals and ending with the award of the contract or the cancellation of the request for proposals.

“Prospective contractor” means a person or business that is subject to the competitive sealed proposal process set forth in the Procurement Code [Sections [13-1-28](#) through [13-1-199](#) NMSA 1978] or is not required to submit a competitive sealed proposal because that person or business qualifies for a sole source or small purchase contract.

“Representative of a prospective contractor” means an officer or director of a corporation, a member or manager of a limited liability corporation, a partner of a partnership or a trustee of a trust of the prospective contractor.

DISCLOSURE OF CONTRIBUTIONS BY PROSPECTIVE CONTRACTOR:

Contribution Made By: _____

Relation to Prospective Contractor: _____

Date Contribution(s) Made: _____

Amount(s) of Contribution(s) _____

Nature of Contribution(s) _____

Purpose of Contribution(s)

(Attach extra pages if necessary)

Signature

Date

Title (position)

--OR--

NO CONTRIBUTIONS IN THE AGGREGATE TOTAL OVER TWO HUNDRED FIFTY DOLLARS (\$250) WERE MADE to an applicable public official by me, a family member or representative.

Signature

Date

Title (Position)

APPENDIX C-1

DRAFT CONTRACT (RMD/NMRHCA)

The Agreement included in this Appendix C-1 represents the contract the Agency intends to use to make an award. The State of New Mexico and the Agency reserve the right to modify the Agreement prior to, or during, the award process, as necessary.

STATE OF NEW MEXICO

(NAME OF AGENCY)

PROFESSIONAL SERVICES CONTRACT #_____

THIS AGREEMENT is made and entered into by and between the State of New Mexico, **NAME OF AGENCY**, hereinafter referred to as the “Agency,” and **NAME OF CONTRACTOR**, hereinafter referred to as the “Contractor,” and is effective as of the date set forth below upon which it is executed by the General Services Department/State Purchasing Division (GSD/SPD Contracts Review Bureau).

IT IS AGREED BETWEEN THE PARTIES:

1. Scope of Work.

The Contractor shall perform the following work:

2. Definitions.

1. “**Agency**” means the IBAC or any of the IBAC member agencies as described in the Background Information section of this RFP.
2. “**Average Wholesale Price (AWP)**” means information based on date-sensitive, 11-digit NDC as supplied by a nationally recognized pricing source, MediSpan for retail, retail maintenance, specialty, and mail order adjudicated claims.
3. “**Authorized Purchaser**” means an individual authorized by a Participating Entity to place orders against this contract.
4. “**Award**” means the final execution of the contract document.
5. “**Business Hours**” means 8:00 AM thru 5:00 PM MST/MDT, whichever is in effect on the date given.
6. “**Brand and Minimum Generic Discount Rate Guarantees**” for both mail and retail shall be defined as follows: (Aggregate Undiscounted AWP-Aggregate Discounted Ingredient Cost)/(Aggregate Undiscounted AWP):
 - a. Aggregate Discounted Ingredient Cost prior to application of plan specific co-payments, tax and dispensing fee will be the basis of the calculation.
 - b. Aggregated Undiscounted AWP will be from a single, nationally recognized price source for all claims, MediSpan.
 - c. Dispensing Fees are not included in the Aggregate Discounted Ingredient Cost.
 - d. Both the Aggregate Discounted Ingredient Cost and Aggregate Undiscounted AWP from the actual date of claim adjudication will be used.

- e. Aggregated Undiscounted AWP will be the date sensitive, 11- digit NDC of the actual product dispensed as submitted by the pharmacy.
 - f. Non-MAC, MAC, single-source and multiple source generic products are to be included in the generic guarantee measurement.
 - g. Compounds, OTC claims, and claims with ancillary charges such as vaccines will be excluded from the calculation for retail and mail order component guarantees.
 - h. The guarantee measurement must exclude the savings impact from DUR programs, formulary programs, utilization management programs and/or other therapeutic interventions.
 - i. Any shortfall between the actual result and the minimum guarantee will be paid, dollar-for-dollar, to the agency within ninety (90) calendar days of the end of the close of measurement period.
 - j. Brand/Generic Classification will follow MediSpan “MNOY” for financial guarantee purposes. The classification of “Y” will be the only recognized Generic classification.
7. **“Close of Business”** means 5:00 PM Mountain Standard or Daylight Time, whichever is in use at that time.
8. **“Confidential”** means confidential financial information concerning Offeror’s organization and data that qualifies as a trade secret in accordance with the Uniform Trade Secrets Act §§57-3-A-1 through 57-3A-7, NMSA 1978,. See also NMAC 1.4.1.45. The following items may **not** be labelled as confidential: Offeror’s submitted Cost response, Staff/Personnel Resumes/Bios (excluding personal information such as personal telephone numbers and/or home addresses), and other submitted data that is **not** confidential financial information or that qualifies under the Uniform Trade Secrets Act.
9. **“Contract”** means any agreement for the procurement of items of tangible personal property, services or construction.
10. **“Contractor”** means any business having a contract with a state agency or local public body.
11. **“DAW”** means Dispense As Written; an order on a prescription directing the pharmacist to fill the prescription exactly as it was written, with no substitution. The DAW Code is transmitted with the claim that indicates special circumstances. The DAW Codes and indications are as follows:
- a. DAW 0 No product selection indicated
 - b. DAW 1 Substitution not allowed by prescriber
 - c. DAW 2 Substitution allowed – patient requested product dispensed

- d. DAW 3 Substitution allowed – pharmacy requested product dispensed
 - e. DAW 4 Substitution allowed – generic drug not in stock
 - f. DAW 5 Substitution allowed – brand drug dispensed as generic
 - g. DAW 6 Undefined (not in general use)
 - h. DAW 7 Substitution not allowed – brand drug mandated by law/regulation
 - i. DAW 8 Substitution not allowed – generic drug not available in
 marketplace
 - j. DAW 9 Undefined (not in general use)
12. **“Determination”** means the written documentation of a decision of a procurement officer including findings of fact required to support a decision. A determination becomes part of the procurement file to which it pertains.
 13. **“Desirable”** – the terms “may,” “can,” “should,” “preferably,” or “prefers” identify a desirable or discretionary item or factor.
 14. **“DUR”** means Drug Utilization Review in which the system reviews each claim against all other claims from all sources in the system to determine if there is a detrimental interaction with another drug the member filled.
 15. **“EGWP”** means Employer Group Waiver Plan; associated with Medicare Part D.
 16. **“Electronic Submission”** means a successful submittal of Offeror’s proposal in the eProNM system, in such cases where eProNM submissions are accepted.
 17. **“Electronic Version/Copy”** means a digital form consisting of text, images or both readable on computers or other electronic devices that includes all content that the Original and Hard Copy proposals contain. The digital form may be submitted using a compact disc (CD) or USB flash drive. The electronic version/copy can NOT be emailed.
 18. **“Evaluation Committee”** means a body appointed to perform the evaluation of Offerors’ proposals.
 19. **“Evaluation Committee Report”** means a report prepared by the Procurement Manager and the Evaluation Committee to support the Committee’s recommendation for contract award. It will contain scores and written evaluations of all responsive Offeror proposals.
 20. **“Final Award”** means, in the context of this Request for Proposals and all its attendant documents, that point at which the final required signature on the contract(s) resulting from the procurement has been affixed to the contract(s) thus making it fully executed.
 21. **“Finalist”** means an Offeror who meets all the mandatory specifications of this Request for Proposals and whose score on evaluation factors is sufficiently high to merit further consideration by the Evaluation Committee.

22. **“Formulary”** means the listing of current IBAC preferred, non-preferred, and generic medications.
23. **“Hourly Rate”** means the proposed fully loaded maximum hourly rates that include travel, per diem, fringe benefits and any overhead costs for contractor personnel, as well as subcontractor personnel if appropriate.
24. **“IT”** means Information Technology.
25. **“MAC”** Maximum Allowable Cost or the price paid to the pharmacy (or charged to the group) for a generic drug no matter what NDC or manufacturer is used by the pharmacy.
26. **“Mandatory”** – the terms “must,” “shall” “will,” “is required,” or “are required,” identify a mandatory item or factor. Failure to meet a mandatory item or factor may result in the rejection of the Offeror’s proposal.
27. **“Members”** means all eligible employees and their eligible dependents enrolled under the IBAC prescription benefit program.
28. **“Minor Irregularities”** means anything in the proposal that does not affect the price, quality and/or quantity, or any other mandatory requirement.
29. **“MNOY”** these indicators are nationally published by MediSpan to determine the type of drug dispensed. M-MultiSource Brand or a Brand with another Brand competitor available, N-Single Source Brand, O-Brand Drug with a Generic Available, Y-Generic Drug.
30. **“Multiple Source Award”** means an award of an indefinite quantity contract for one or more similar services, items of tangible personal property or construction to more than one Offeror.
31. **“NCPDP”** National Council for Prescription Drug Programs a national organization that attempts to set standards for prescription drug programs.
32. **“NDC”** National Drug Code is the universal identifier for each drug processed under a prescription drug program.
33. **“Offeror” or “Bidder”** is any person, corporation, or partnership who chooses to submit a proposal.
34. **“OTC”** means Over The Counter drugs that do not require a prescription to buy.
35. **“Pass-Through Pricing”** means PBM agrees to pass-through 100% of negotiated discounts with network pharmacies at the point-of-service and to provide auditing protocol, enabling tracking of individual claims back to original pharmacy network

contract documents. The PBM agrees to disclose details of all programs and services generating financial remuneration from outside entities.

36. **“Paid Claims”** means all transactions made on eligible members that result in a payment to pharmacies or members from the IBAC or result in an IBAC member copay. (Does not include reversals and adjustments.) Each unique prescription that results in payment shall be calculated separately as a paid claim.
37. **“PA”** Prior Authorization is the process of administering a rule to stop the filling of a prescription until it is determined if the member meets specific criteria.
38. **“Plan”** means the prescription drug benefits programs offered by the IBAC member agencies to eligible individuals.
39. **“Price Agreement”** means a definite quantity contract or indefinite quantity contract which requires the contractor to furnish items of tangible personal property, services or construction to a state agency or a local public body which issues a purchase order, if the purchase order is within the quantity limitations of the contract, if any.
40. **“Procurement Manager”** means any person or designee authorized by a state agency or local public body to enter into or administer contracts and make written determinations with respect thereto.
41. **“Procuring Agency”** means all State of New Mexico agencies, commissions, institutions, political subdivisions and local public bodies allowed by law to entertain procurements.
42. **“Project”** means a temporary process undertaken to solve a well-defined goal or objective with clearly defined start and end times, a set of clearly defined tasks, and a budget. The project terminates once the project scope is achieved and project acceptance is given by the project executive sponsor.
43. **“QL”** Quantity Limit is the rule put in place through the electronic claims system that limits the number of units of drug a member can get for safety or cost reasons.
44. **“Rebates”** means compensation or remuneration of any kind received or recovered from a pharmaceutical manufacturer by the PBM attributable to the purchase or utilization of covered drugs by eligible persons, including, but not limited to, incentive rebates categorized as mail order purchase discounts; credits; rebates, regardless of how categorized; market share incentives; promotional allowances; commissions; educational grants; market share of utilization; drug pull-through programs; implementation allowances; clinical detailing; rebate submission fees; and administrative or management fees. Rebates also include any fees that PBM receives from a pharmaceutical manufacturer for administrative costs, formulary placement, and/or access.

45. **“Redacted”** means a version/copy of the Offeror’s proposal with the information considered proprietary or confidential (as defined by §§57-3A-1 to 57-3A-7, NMSA 1978 and NMAC 1.4.1.45 and summarized herein and outlined in Section II.C.8 of this RFP) blacked-out BUT NOT omitted or removed.
46. **“Request for Proposals (RFP)”** means all documents, including those attached or incorporated by reference, used for soliciting proposals.
47. **“Responsible Offeror”** means an Offeror who submits a responsive proposal and who has furnished, when required, information and data to prove that his financial resources, production or service facilities, personnel, service reputation and experience are adequate to make satisfactory delivery of the services, or items of tangible personal property described in the proposal.
48. **“Responsive Offer”** or means an offer which conforms in all material respects to the requirements set forth in the request for proposals. Material respects of a request for proposals include, but are not limited to price, quality, quantity or delivery requirements.
49. **“Sealed”** means, in terms of a non-electronic submission, that the proposal is enclosed in a package which is completely fastened in such a way that nothing can be added or removed. Open packages submitted will not be accepted except for packages that may have been damaged by the delivery service itself. The State reserves the right, however, to accept or reject packages where there may have been damage done by the delivery service itself. Whether a package has been damaged by the delivery service or left unfastened and should or should not be accepted is a determination to be made by the Procurement Manager. By submitting a proposal, the Offeror agrees to and concurs with this process and accepts the determination of the Procurement Manager in such cases.
50. **“SPD”** means State Purchasing Division of the New Mexico State General Services Department.
51. **“ST”** Step Therapy is the rule applied to the claim administration that prevents the filling of a non-preferred or higher cost medication when a preferred or lower cost medication is available. The member must step through the first drug prior to approval of using a second drug.
52. **“Staff”** means any individual who is a full-time, part-time, or an independently contracted employee with the Offerors’ company.
53. **“State (the State)”** means the State of New Mexico.
54. **“State Agency”** means any department, commission, council, board, committee, institution, legislative body, agency, government corporation, educational institution or official of the executive, legislative or judicial branch of the government of this state. “State agency” includes the Purchasing Division of the General Services Department and the State Purchasing Agent but does not include local public bodies.

55. **“State Purchasing Agent”** means the Director of the Purchasing Division of the General Services Department.
56. **“Statement of Concurrence”** means an affirmative statement from the Offeror to the required specification agreeing to comply and concur with the stated requirement(s). This statement shall be included in Offerors proposal. (E.g. “We concur,” “Understands and Complies,” “Comply,” “Will Comply if Applicable,” etc.)
57. **“Traditional Pricing”** means that there may be a difference between what IBAC is charged by the PBM and what the dispensing pharmacy is paid by the PBM.
58. **“Utilization Management (UM)”** means programs that reduce or change prescription drug utilization either by electronic or manual intervention.
59. **“Unredacted”** means a version/copy of the proposal containing all complete information; including any that the Offeror would otherwise consider confidential, such copy for use only for the purposes of evaluation.
60. **“Written”** means typewritten on standard 8 ½ x 11 inch paper. Larger paper is permissible for charts, spreadsheets, etc.

3. Compensation.

A. The Agency shall pay to the Contractor in full payment for services satisfactorily performed at the rate of _____ dollars (\$_____) per hour (OR BASED UPON DELIVERABLES, MILESTONES, BUDGET, ETC.), such compensation not to exceed (AMOUNT), excluding gross receipts tax. The New Mexico gross receipts tax levied on the amounts payable under this Agreement totaling (AMOUNT) shall be paid by the Agency to the Contractor. **The total amount payable to the Contractor under this Agreement, including gross receipts tax and expenses, shall not exceed (AMOUNT). This amount is a maximum and not a guarantee that the work assigned to be performed by Contractor under this Agreement shall equal the amount stated herein. The parties do not intend for the Contractor to continue to provide services without compensation when the total compensation amount is reached. Contractor is responsible for notifying the Agency when the services provided under this Agreement reach the total compensation amount. In no event will the Contractor be paid for services provided in excess of the total compensation amount without this Agreement being amended in writing prior to those services in excess of the total compensation amount being provided.**

B. Payment is subject to availability of funds pursuant to the Appropriations Paragraph set forth below and to any negotiations between the parties from year to year pursuant to Paragraph 1, Scope of Work, and to approval by the GSD/SPD. All invoices MUST BE received by the Agency no later than fifteen (15) days after the termination of the Fiscal Year in which the services were delivered. Invoices received after such date WILL NOT BE PAID.

(—OR—)

(CHOICE – MULTI-YEAR)

A. The Agency shall pay to the Contractor in full payment for services satisfactorily performed pursuant to the Scope of Work at the rate of _____ dollars (\$_____) in FYXX (USE FISCAL YEAR NUMBER TO DESCRIBE YEAR; DO NOT USE FY1, FY2, ETC.). The New Mexico gross receipts tax levied on the amounts payable under this Agreement in FYXX totaling (AMOUNT) shall be paid by the Agency to the Contractor. **The total amount payable to the Contractor under this Agreement, including gross receipts tax and expenses, shall not exceed (AMOUNT) in FYXX.**

(REPEAT LANGUAGE FOR EACH FISCAL YEAR COVERED BY THE AGREEMENT -- USE FISCAL YEAR NUMBER TO DESCRIBE EACH YEAR; DO NOT USE FY1, FY2, ETC.).

B. Payment in FYXX, FYXX, FYXX, and FYXX is subject to availability of funds pursuant to the Appropriations Paragraph set forth below and to any negotiations between the parties from year to year pursuant to Paragraph 1, Scope of Work, and to approval by the GSD/SPD. All invoices MUST BE received by the Agency no later than fifteen (15) days after the termination of the Fiscal Year in which the services were delivered. Invoices received after such date WILL NOT BE PAID.

C. Contractor must submit a detailed statement accounting for all services performed and expenses incurred. If the Agency finds that the services are not acceptable, within thirty days after the date of receipt of written notice from the Contractor that payment is requested, it shall provide the Contractor a letter of exception explaining the defect or objection to the services, and outlining steps the Contractor may take to provide remedial action. Upon certification by the Agency that the services have been received and accepted, payment shall be tendered to the Contractor within thirty days after the date of acceptance. If payment is made by mail, the payment shall be deemed tendered on the date it is postmarked. However, the agency shall not incur late charges, interest, or penalties for failure to make payment within the time specified herein.

4. Term.

THIS AGREEMENT SHALL NOT BECOME EFFECTIVE UNTIL APPROVED BY THE GSD/SPD Contracts Review Bureau. This Agreement shall terminate on **(DATE)** unless terminated pursuant to paragraph 4 (Termination), or paragraph 5 (Appropriations). In accordance with NMSA 1978, § 13-1-150, no contract term for a professional services contract, including extensions and renewals, shall exceed four years, except as set forth in NMSA 1978, § 13-1-150.

5. Termination.

A. Grounds. The Agency may terminate this Agreement for convenience or cause. The Contractor may only terminate this Agreement based upon the Agency's uncured, material breach of this Agreement.

B. Notice; Agency Opportunity to Cure.

1. Except as otherwise provided in Paragraph (4)(B)(3), the Agency shall give Contractor written notice of termination at least thirty (30) days prior to the intended date of termination.

2. Contractor shall give Agency written notice of termination at least thirty (30) days prior to the intended date of termination, which notice shall (i) identify all the Agency's material breaches of this Agreement upon which the termination is based and (ii) state what the Agency must do to cure such material breaches. Contractor's notice of termination shall only be effective (i) if the Agency does not cure all material breaches within the thirty (30) day notice period or (ii) in the case of material breaches that cannot be cured within thirty (30) days, the Agency does not, within the thirty (30) day notice period, notify the Contractor of its intent to cure and begin with due diligence to cure the material breach.

3. Notwithstanding the foregoing, this Agreement may be terminated immediately upon written notice to the Contractor (i) if the Contractor becomes unable to perform the services contracted for, as determined by the Agency; (ii) if, during the term of this Agreement, the Contractor is suspended or debarred by the State Purchasing Agent; or (iii) the Agreement is terminated pursuant to Paragraph 5, "Appropriations", of this Agreement.

C. Liability. Except as otherwise expressly allowed or provided under this Agreement, the Agency's sole liability upon termination shall be to pay for acceptable work performed prior to the Contractor's receipt or issuance of a notice of termination; provided, however, that a notice of termination shall not nullify or otherwise affect either party's liability for pre-termination defaults under or breaches of this Agreement. The Contractor shall submit an invoice for such work within thirty (30) days of receiving or sending the notice of termination. THIS PROVISION IS NOT EXCLUSIVE AND DOES NOT WAIVE THE AGENCY'S OTHER LEGAL RIGHTS AND REMEDIES CAUSED BY THE CONTRACTOR'S DEFAULT/BREACH OF THIS AGREEMENT.

D. Termination Management. Immediately upon receipt by either the Agency or the Contractor of notice of termination of this Agreement, the Contractor shall: 1) not incur any further obligations for salaries, services or any other expenditure of funds under this Agreement without written approval of the Agency; 2) comply with all directives issued by the Agency in the notice of termination as to the performance of work under this Agreement; and 3) take such action as the Agency shall direct for the protection, preservation, retention or transfer of all property titled to the Agency and records generated under this Agreement. Any non-expendable personal property or equipment provided to or purchased by the Contractor with contract funds shall become property of the Agency upon termination and shall be submitted to the agency as soon as practicable.

6. Appropriations.

The terms of this Agreement are contingent upon sufficient appropriations and authorization being made by the Legislature of New Mexico for the performance of this Agreement. If sufficient appropriations and authorization are not made by the Legislature, this Agreement shall terminate immediately upon written notice being given by the Agency to the Contractor. The Agency's decision as to whether sufficient appropriations are available shall be accepted by the Contractor and shall be final. If the Agency proposes an amendment to the

Agreement to unilaterally reduce funding, the Contractor shall have the option to terminate the Agreement or to agree to the reduced funding, within thirty (30) days of receipt of the proposed amendment.

7. Status of Contractor.

The Contractor and its agents and employees are independent contractors performing professional services for the Agency and are not employees of the State of New Mexico. The Contractor and its agents and employees shall not accrue leave, retirement, insurance, bonding, use of state vehicles, or any other benefits afforded to employees of the State of New Mexico as a result of this Agreement. The Contractor acknowledges that all sums received hereunder are reportable by the Contractor for tax purposes, including without limitation, self-employment and business income tax. The Contractor agrees not to purport to bind the State of New Mexico unless the Contractor has express written authority to do so, and then only within the strict limits of that authority.

8. Assignment.

The Contractor shall not assign or transfer any interest in this Agreement or assign any claims for money due or to become due under this Agreement without the prior written approval of the Agency.

9. Subcontracting.

The Contractor shall not subcontract any portion of the services to be performed under this Agreement without the prior written approval of the Agency. No such subcontract shall relieve the primary Contractor from its obligations and liabilities under this Agreement, nor shall any subcontract obligate direct payment from the Procuring Agency.

10. Release.

Final payment of the amounts due under this Agreement shall operate as a release of the Agency, its officers and employees, and the State of New Mexico from all liabilities, claims and obligations whatsoever arising from or under this Agreement.

11. Confidentiality.

Any confidential information provided to or developed by the Contractor in the performance of this Agreement shall be kept confidential and shall not be made available to any individual or organization by the Contractor without the prior written approval of the Agency.

12. Product of Service -- Copyright.

All materials developed or acquired by the Contractor under this Agreement shall become the property of the State of New Mexico and shall be delivered to the Agency no later than the termination date of this Agreement. Nothing developed or produced, in whole or in part, by the Contractor under this Agreement shall be the subject of an application for copyright or other claim of ownership by or on behalf of the Contractor.

13. Conflict of Interest; Governmental Conduct Act.

A. The Contractor represents and warrants that it presently has no interest and, during the term of this Agreement, shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance or services required under the Agreement.

B. The Contractor further represents and warrants that it has complied with, and, during the term of this Agreement, will continue to comply with, and that this Agreement complies with all applicable provisions of the Governmental Conduct Act, Chapter 10, Article 16 NMSA 1978. Without in anyway limiting the generality of the foregoing, the Contractor specifically represents and warrants that:

1) in accordance with NMSA 1978, § 10-16-4.3, the Contractor does not employ, has not employed, and will not employ during the term of this Agreement any Agency employee while such employee was or is employed by the Agency and participating directly or indirectly in the Agency's contracting process;

2) this Agreement complies with NMSA 1978, § 10-16-7(A) because (i) the Contractor is not a public officer or employee of the State; (ii) the Contractor is not a member of the family of a public officer or employee of the State; (iii) the Contractor is not a business in which a public officer or employee or the family of a public officer or employee has a substantial interest; or (iv) if the Contractor is a public officer or employee of the State, a member of the family of a public officer or employee of the State, or a business in which a public officer or employee of the State or the family of a public officer or employee of the State has a substantial interest, public notice was given as required by NMSA 1978, § 10-16-7(A) and this Agreement was awarded pursuant to a competitive process;

3) in accordance with NMSA 1978, § 10-16-8(A), (i) the Contractor is not, and has not been represented by, a person who has been a public officer or employee of the State within the preceding year and whose official act directly resulted in this Agreement and (ii) the Contractor is not, and has not been assisted in any way regarding this transaction by, a former public officer or employee of the State whose official act, while in State employment, directly resulted in the Agency's making this Agreement;

4) this Agreement complies with NMSA 1978, § 10-16-9(A) because (i) the Contractor is not a legislator; (ii) the Contractor is not a member of a legislator's family; (iii) the Contractor is not a business in which a legislator or a legislator's family has a substantial interest; or (iv) if the Contractor is a legislator, a member of a legislator's family, or a business in which a legislator or a legislator's family has a substantial interest, disclosure has been made as required by NMSA 1978, § 10-16-7(A), this Agreement is not a sole source or small purchase contract, and this Agreement was awarded in accordance with the provisions of the Procurement Code;

5) in accordance with NMSA 1978, § 10-16-13, the Contractor has not directly participated in the preparation of specifications, qualifications or evaluation criteria for this Agreement or any procurement related to this Agreement; and

6) in accordance with NMSA 1978, § 10-16-3 and § 10-16-13.3, the Contractor has not contributed, and during the term of this Agreement shall not contribute, anything of value to a public officer or employee of the Agency.

C. Contractor's representations and warranties in Paragraphs A and B of this Article 12 are material representations of fact upon which the Agency relied when this Agreement was entered into by the parties. Contractor shall provide immediate written notice to the Agency if, at any time during the term of this Agreement, Contractor learns that Contractor's representations and warranties in Paragraphs A and B of this Article 12 were erroneous on the effective date of this Agreement or have become erroneous by reason of new or changed circumstances. If it is later determined that Contractor's representations and warranties in Paragraphs A and B of this Article 12 were erroneous on the effective date of this Agreement or have become erroneous by reason of new or changed circumstances, in addition to other remedies available to the Agency and notwithstanding anything in the Agreement to the contrary, the Agency may immediately terminate the Agreement.

D. All terms defined in the Governmental Conduct Act have the same meaning in this Article 12(B).

14. Amendment.

A. This Agreement shall not be altered, changed or amended except by instrument in writing executed by the parties hereto and all other required signatories.

B. If the Agency proposes an amendment to the Agreement to unilaterally reduce funding due to budget or other considerations, the Contractor shall, within thirty (30) days of receipt of the proposed Amendment, have the option to terminate the Agreement, pursuant to the termination provisions as set forth in Article 4 herein, or to agree to the reduced funding.

15. Merger.

This Agreement incorporates all the Agreements, covenants and understandings between the parties hereto concerning the subject matter hereof, and all such covenants, Agreements and understandings have been merged into this written Agreement. No prior Agreement or understanding, oral or otherwise, of the parties or their agents shall be valid or enforceable unless embodied in this Agreement.

16. Penalties for violation of law.

The Procurement Code, NMSA 1978 §§ 13-1-28 through 13-1-199, imposes civil and criminal penalties for its violation. In addition, the New Mexico criminal statutes impose felony penalties for illegal bribes, gratuities and kickbacks.

17. Equal Opportunity Compliance.

The Contractor agrees to abide by all federal and state laws and rules and regulations, and executive orders of the Governor of the State of New Mexico, pertaining to equal employment opportunity. In accordance with all such laws of the State of New Mexico, the Contractor assures that no person in the United States shall, on the grounds of race, religion, color, national origin,

ancestry, sex, age, physical or mental handicap, or serious medical condition, spousal affiliation, sexual orientation or gender identity, be excluded from employment with or participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity performed under this Agreement. If Contractor is found not to be in compliance with these requirements during the life of this Agreement, Contractor agrees to take appropriate steps to correct these deficiencies.

18. Applicable Law.

The laws of the State of New Mexico shall govern this Agreement, without giving effect to its choice of law provisions. Venue shall be proper only in a New Mexico court of competent jurisdiction in accordance with NMSA 1978, § 38-3-1 (G). By execution of this Agreement, Contractor acknowledges and agrees to the jurisdiction of the courts of the State of New Mexico over any and all lawsuits arising under or out of any term of this Agreement.

19. Workers Compensation.

The Contractor agrees to comply with state laws and rules applicable to workers compensation benefits for its employees. If the Contractor fails to comply with the Workers Compensation Act and applicable rules when required to do so, this Agreement may be terminated by the Agency.

20. Records and Financial Audit.

The Contractor shall maintain detailed time and expenditure records that indicate the date; time, nature and cost of services rendered during the Agreement's term and effect and retain them for a period of three (3) years from the date of final payment under this Agreement. The records shall be subject to inspection by the Agency, the General Services Department/State Purchasing Division and the State Auditor. The Agency shall have the right to audit billings both before and after payment. Payment under this Agreement shall not foreclose the right of the Agency to recover excessive or illegal payments

21. Indemnification.

The Contractor shall defend, indemnify and hold harmless the Agency and the State of New Mexico from all actions, proceeding, claims, demands, costs, damages, attorneys' fees and all other liabilities and expenses of any kind from any source which may arise out of the performance of this Agreement, caused by the negligent act or failure to act of the Contractor, its officers, employees, servants, subcontractors or agents, or if caused by the actions of any client of the Contractor resulting in injury or damage to persons or property during the time when the Contractor or any officer, agent, employee, servant or subcontractor thereof has or is performing services pursuant to this Agreement. In the event that any action, suit or proceeding related to the services performed by the Contractor or any officer, agent, employee, servant or subcontractor under this Agreement is brought against the Contractor, the Contractor shall, as soon as practicable but no later than two (2) days after it receives notice thereof, notify the legal counsel of the Agency and the Risk Management Division of the New Mexico General Services Department by certified mail.

22. New Mexico Employees Health Coverage.

A. If Contractor has, or grows to, six (6) or more employees who work, or who are expected to work, an average of at least 20 hours per week over a six (6) month period during the term of the contract, Contractor certifies, by signing this agreement, to have in place, and agree to maintain for the term of the contract, health insurance for those employees and offer that health insurance to those employees if the expected annual value in the aggregate of any and all contracts between Contractor and the State exceed \$250,000 dollars.

B. Contractor agrees to maintain a record of the number of employees who have (a) accepted health insurance; (b) declined health insurance due to other health insurance coverage already in place; or (c) declined health insurance for other reasons. These records are subject to review and audit by a representative of the state.

C. Contractor agrees to advise all employees of the availability of State publicly financed health care coverage.

23. Invalid Term or Condition.

If any term or condition of this Agreement shall be held invalid or unenforceable, the remainder of this Agreement shall not be affected and shall be valid and enforceable.

24. Enforcement of Agreement.

A party's failure to require strict performance of any provision of this Agreement shall not waive or diminish that party's right thereafter to demand strict compliance with that or any other provision. No waiver by a party of any of its rights under this Agreement shall be effective unless express and in writing, and no effective waiver by a party of any of its rights shall be effective to waive any other rights.

25. Notices.

Any notice required to be given to either party by this Agreement shall be in writing and shall be delivered in person, by courier service or by U.S. mail, either first class or certified, return receipt requested, postage prepaid, as follows:

To the Agency:
Director, Risk Management Division
New Mexico General Services Department
1100 St. Francis
Santa Fe, New Mexico 87505

To the Contractor:
[insert name, address and email].

26. Authority.

If Contractor is other than a natural person, the individual(s) signing this Agreement on behalf of Contractor represents and warrants that he or she has the power and authority to bind Contractor, and that no further action, resolution, or approval from Contractor is necessary to enter into a binding contract.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date of signature by the GSD/SPD Contracts Review Bureau below.

By: _____ Date: _____
General Services Department

By: _____ Date: _____
Agency's Legal Counsel – Certifying legal sufficiency

By: _____ Date: _____
Agency's Chief Financial Officer

By: _____ Date: _____
Contractor

The records of the Taxation and Revenue Department reflect that the Contractor is registered with the Taxation and Revenue Department of the State of New Mexico to pay gross receipts and compensating taxes.

ID Number: **00-000000-00-0**

By: _____ Date: _____
Taxation and Revenue Department

This Agreement has been approved by the GSD/SPD Contracts Review Bureau:

By: _____ Date: _____
GSD/SPD Contracts Review Bureau

APPENDIX C-2

DRAFT CONTRACT (NMPSIA)

The Agreement included in this Appendix C-2 represents the contract the Agency intends to use to make an award. The State of New Mexico and the Agency reserve the right to modify the Agreement prior to, or during, the award process, as necessary.

STATE OF NEW MEXICO

NEW MEXICO PUBLIC SCHOOLS INSURANCE AUTHORITY

PROFESSIONAL SERVICES CONTRACT # _____

THIS AGREEMENT is made and entered into by and between the State of New Mexico, **Public Schools Insurance Authority**, hereinafter referred to as the “Agency,” and **NAME OF CONTRACTOR**, hereinafter referred to as the “Contractor,” and is effective as of the date set forth below upon which it is executed by the Agency.

IT IS AGREED BETWEEN THE PARTIES:

1. **Scope of Work.**

The Contractor shall perform the following work:.

2. **Definitions.**

1. “**Agency**” means the IBAC or any of the IBAC member agencies as described in the Background Information section of this RFP.
2. “**Average Wholesale Price (AWP)**” means information based on date-sensitive, 11-digit NDC as supplied by a nationally recognized pricing source, MediSpan for retail, retail maintenance, specialty, and mail order adjudicated claims.
3. “**Authorized Purchaser**” means an individual authorized by a Participating Entity to place orders against this contract.
4. “**Award**” means the final execution of the contract document.
5. “**Business Hours**” means 8:00 AM thru 5:00 PM MST/MDT, whichever is in effect on the date given.
6. “**Brand and Minimum Generic Discount Rate Guarantees**” for both mail and retail shall be defined as follows: (Aggregate Undiscounted AWP-Aggregate Discounted Ingredient Cost)/(Aggregate Undiscounted AWP):
 - a. Aggregate Discounted Ingredient Cost prior to application of plan specific co-payments, tax and dispensing fee will be the basis of the calculation.
 - b. Aggregated Undiscounted AWP will be from a single, nationally recognized price source for all claims, MediSpan.
 - c. Dispensing Fees are not included in the Aggregate Discounted Ingredient Cost.
 - d. Both the Aggregate Discounted Ingredient Cost and Aggregate Undiscounted AWP from the actual date of claim adjudication will be used.

- e. Aggregated Undiscounted AWP will be the date sensitive, 11- digit NDC of the actual product dispensed as submitted by the pharmacy.
 - f. Non-MAC, MAC, single-source and multiple source generic products are to be included in the generic guarantee measurement.
 - g. Compounds, OTC claims, and claims with ancillary charges such as vaccines will be excluded from the calculation for retail and mail order component guarantees.
 - h. The guarantee measurement must exclude the savings impact from DUR programs, formulary programs, utilization management programs and/or other therapeutic interventions.
 - i. Any shortfall between the actual result and the minimum guarantee will be paid, dollar-for-dollar, to the agency within ninety (90) calendar days of the end of the close of measurement period.
 - j. Brand/Generic Classification will follow MediSpan “MNOY” for financial guarantee purposes. The classification of “Y” will be the only recognized Generic classification.
7. **“Close of Business”** means 5:00 PM Mountain Standard or Daylight Time, whichever is in use at that time.
8. **“Confidential”** means confidential financial information concerning Offeror’s organization and data that qualifies as a trade secret in accordance with the Uniform Trade Secrets Act §§57-3-A-1 through 57-3A-7, NMSA 1978,. See also NMAC 1.4.1.45. The following items may **not** be labelled as confidential: Offeror’s submitted Cost response, Staff/Personnel Resumes/Bios (excluding personal information such as personal telephone numbers and/or home addresses), and other submitted data that is **not** confidential financial information or that qualifies under the Uniform Trade Secrets Act.
9. **“Contract”** means any agreement for the procurement of items of tangible personal property, services or construction.
10. **“Contractor”** means any business having a contract with a state agency or local public body.
11. **“DAW”** means Dispense As Written; an order on a prescription directing the pharmacist to fill the prescription exactly as it was written, with no substitution. The DAW Code is transmitted with the claim that indicates special circumstances. The DAW Codes and indications are as follows:
- a. DAW 0 No product selection indicated
 - b. DAW 1 Substitution not allowed by prescriber
 - c. DAW 2 Substitution allowed – patient requested product dispensed

- d. DAW 3 Substitution allowed – pharmacy requested product dispensed
 - e. DAW 4 Substitution allowed – generic drug not in stock
 - f. DAW 5 Substitution allowed – brand drug dispensed as generic
 - g. DAW 6 Undefined (not in general use)
 - h. DAW 7 Substitution not allowed – brand drug mandated by law/regulation
 - i. DAW 8 Substitution not allowed – generic drug not available in marketplace
 - j. DAW 9 Undefined (not in general use)
12. **“Determination”** means the written documentation of a decision of a procurement officer including findings of fact required to support a decision. A determination becomes part of the procurement file to which it pertains.
13. **“Desirable”** – the terms “may,” “can,” “should,” “preferably,” or “prefers” identify a desirable or discretionary item or factor.
14. **“DUR”** means Drug Utilization Review in which the system reviews each claim against all other claims from all sources in the system to determine if there is a detrimental interaction with another drug the member filled.
15. **“EGWP”** means Employer Group Waiver Plan; associated with Medicare Part D.
16. **“Electronic Submission”** means a successful submittal of Offeror’s proposal in the eProNM system, in such cases where eProNM submissions are accepted.
17. **“Electronic Version/Copy”** means a digital form consisting of text, images or both readable on computers or other electronic devices that includes all content that the Original and Hard Copy proposals contain. The digital form may be submitted using a compact disc (CD) or USB flash drive. The electronic version/copy can NOT be emailed.
18. **“Evaluation Committee”** means a body appointed to perform the evaluation of Offerors’ proposals.
19. **“Evaluation Committee Report”** means a report prepared by the Procurement Manager and the Evaluation Committee to support the Committee’s recommendation for contract award. It will contain scores and written evaluations of all responsive Offeror proposals.
20. **“Final Award”** means, in the context of this Request for Proposals and all its attendant documents, that point at which the final required signature on the contract(s) resulting from the procurement has been affixed to the contract(s) thus making it fully executed.
21. **“Finalist”** means an Offeror who meets all the mandatory specifications of this Request for Proposals and whose score on evaluation factors is sufficiently high to merit further consideration by the Evaluation Committee.

22. **“Formulary”** means the listing of current IBAC preferred, non-preferred, and generic medications.
23. **“Hourly Rate”** means the proposed fully loaded maximum hourly rates that include travel, per diem, fringe benefits and any overhead costs for contractor personnel, as well as subcontractor personnel if appropriate.
24. **“IT”** means Information Technology.
25. **“MAC”** Maximum Allowable Cost or the price paid to the pharmacy (or charged to the group) for a generic drug no matter what NDC or manufacturer is used by the pharmacy.
26. **“Mandatory”** – the terms “must,” “shall” “will,” “is required,” or “are required,” identify a mandatory item or factor. Failure to meet a mandatory item or factor may result in the rejection of the Offeror’s proposal.
27. **“Members”** means all eligible employees and their eligible dependents enrolled under the IBAC prescription benefit program.
28. **“Minor Irregularities”** means anything in the proposal that does not affect the price, quality and/or quantity, or any other mandatory requirement.
29. **“MNOY”** these indicators are nationally published by MediSpan to determine the type of drug dispensed. M-MultiSource Brand or a Brand with another Brand competitor available, N-Single Source Brand, O-Brand Drug with a Generic Available, Y-Generic Drug.
30. **“Multiple Source Award”** means an award of an indefinite quantity contract for one or more similar services, items of tangible personal property or construction to more than one Offeror.
31. **“NCPDP”** National Council for Prescription Drug Programs a national organization that attempts to set standards for prescription drug programs.
32. **“NDC”** National Drug Code is the universal identifier for each drug processed under a prescription drug program.
33. **“Offeror” or “Bidder”** is any person, corporation, or partnership who chooses to submit a proposal.
34. **“OTC”** means Over The Counter drugs that do not require a prescription to buy.
35. **“Pass-Through Pricing”** means PBM agrees to pass-through 100% of negotiated discounts with network pharmacies at the point-of-service and to provide auditing protocol, enabling tracking of individual claims back to original pharmacy network

contract documents. The PBM agrees to disclose details of all programs and services generating financial remuneration from outside entities.

36. **“Paid Claims”** means all transactions made on eligible members that result in a payment to pharmacies or members from the IBAC or result in an IBAC member copay. (Does not include reversals and adjustments.) Each unique prescription that results in payment shall be calculated separately as a paid claim.
37. **“PA”** Prior Authorization is the process of administering a rule to stop the filling of a prescription until it is determined if the member meets specific criteria.
38. **“Plan”** means the prescription drug benefits programs offered by the IBAC member agencies to eligible individuals.
39. **“Price Agreement”** means a definite quantity contract or indefinite quantity contract which requires the contractor to furnish items of tangible personal property, services or construction to a state agency or a local public body which issues a purchase order, if the purchase order is within the quantity limitations of the contract, if any.
40. **“Procurement Manager”** means any person or designee authorized by a state agency or local public body to enter into or administer contracts and make written determinations with respect thereto.
41. **“Procuring Agency”** means all State of New Mexico agencies, commissions, institutions, political subdivisions and local public bodies allowed by law to entertain procurements.
42. **“Project”** means a temporary process undertaken to solve a well-defined goal or objective with clearly defined start and end times, a set of clearly defined tasks, and a budget. The project terminates once the project scope is achieved and project acceptance is given by the project executive sponsor.
43. **“QL”** Quantity Limit is the rule put in place through the electronic claims system that limits the number of units of drug a member can get for safety or cost reasons.
44. **“Rebates”** means compensation or remuneration of any kind received or recovered from a pharmaceutical manufacturer by the PBM attributable to the purchase or utilization of covered drugs by eligible persons, including, but not limited to, incentive rebates categorized as mail order purchase discounts; credits; rebates, regardless of how categorized; market share incentives; promotional allowances; commissions; educational grants; market share of utilization; drug pull-through programs; implementation allowances; clinical detailing; rebate submission fees; and administrative or management fees. Rebates also include any fees that PBM receives from a pharmaceutical manufacturer for administrative costs, formulary placement, and/or access.

45. **“Redacted”** means a version/copy of the Offeror’s proposal with the information considered proprietary or confidential (as defined by §§57-3A-1 to 57-3A-7, NMSA 1978 and NMAC 1.4.1.45 and summarized herein and outlined in Section II.C.8 of this RFP) blacked-out BUT NOT omitted or removed.
46. **“Request for Proposals (RFP)”** means all documents, including those attached or incorporated by reference, used for soliciting proposals.
47. **“Responsible Offeror”** means an Offeror who submits a responsive proposal and who has furnished, when required, information and data to prove that his financial resources, production or service facilities, personnel, service reputation and experience are adequate to make satisfactory delivery of the services, or items of tangible personal property described in the proposal.
48. **“Responsive Offer”** or means an offer which conforms in all material respects to the requirements set forth in the request for proposals. Material respects of a request for proposals include, but are not limited to price, quality, quantity or delivery requirements.
49. **“Sealed”** means, in terms of a non-electronic submission, that the proposal is enclosed in a package which is completely fastened in such a way that nothing can be added or removed. Open packages submitted will not be accepted except for packages that may have been damaged by the delivery service itself. The State reserves the right, however, to accept or reject packages where there may have been damage done by the delivery service itself. Whether a package has been damaged by the delivery service or left unfastened and should or should not be accepted is a determination to be made by the Procurement Manager. By submitting a proposal, the Offeror agrees to and concurs with this process and accepts the determination of the Procurement Manager in such cases.
50. **“SPD”** means State Purchasing Division of the New Mexico State General Services Department.
51. **“ST”** Step Therapy is the rule applied to the claim administration that prevents the filling of a non-preferred or higher cost medication when a preferred or lower cost medication is available. The member must step through the first drug prior to approval of using a second drug.
52. **“Staff”** means any individual who is a full-time, part-time, or an independently contracted employee with the Offerors’ company.
53. **“State (the State)”** means the State of New Mexico.
54. **“State Agency”** means any department, commission, council, board, committee, institution, legislative body, agency, government corporation, educational institution or official of the executive, legislative or judicial branch of the government of this state. “State agency” includes the Purchasing Division of the General Services Department and the State Purchasing Agent but does not include local public bodies.

55. **“State Purchasing Agent”** means the Director of the Purchasing Division of the General Services Department.
56. **“Statement of Concurrence”** means an affirmative statement from the Offeror to the required specification agreeing to comply and concur with the stated requirement(s). This statement shall be included in Offerors proposal. (E.g. “We concur,” “Understands and Complies,” “Comply,” “Will Comply if Applicable,” etc.)
57. **“Traditional Pricing”** means that there may be a difference between what IBAC is charged by the PBM and what the dispensing pharmacy is paid by the PBM.
58. **“Utilization Management (UM)”** means programs that reduce or change prescription drug utilization either by electronic or manual intervention.
59. **“Unredacted”** means a version/copy of the proposal containing all complete information; including any that the Offeror would otherwise consider confidential, such copy for use only for the purposes of evaluation.
60. **“Written”** means typewritten on standard 8 ½ x 11 inch paper. Larger paper is permissible for charts, spreadsheets, etc.

3. Compensation.

A. The Agency shall pay to the Contractor in full payment for services satisfactorily performed at the rate of _____ dollars (\$_____) per hour (OR BASED UPON DELIVERABLES, MILESTONES, BUDGET, ETC.), such compensation not to exceed (AMOUNT), excluding gross receipts tax. The New Mexico gross receipts tax levied on the amounts payable under this Agreement totaling (AMOUNT) shall be paid by the Agency to the Contractor. **The total amount payable to the Contractor under this Agreement, including gross receipts tax and expenses, shall not exceed (AMOUNT). This amount is a maximum and not a guarantee that the work assigned to be performed by Contractor under this Agreement shall equal the amount stated herein. The parties do not intend for the Contractor to continue to provide services without compensation when the total compensation amount is reached. Contractor is responsible for notifying the Agency when the services provided under this Agreement reach the total compensation amount. In no event will the Contractor be paid for services provided in excess of the total compensation amount without this Agreement being amended in writing prior to those services in excess of the total compensation amount being provided.**

B. Payment is subject to availability of funds pursuant to the Appropriations Paragraph set forth below and to any negotiations between the parties from year to year pursuant to Paragraph 1, Scope of Work, and to approval by the GSD/SPD. All invoices MUST BE received by the Agency no later than fifteen (15) days after the termination of the Fiscal Year in which the services were delivered. Invoices received after such date WILL NOT BE PAID.

(—OR—)

(CHOICE – MULTI-YEAR)

A. The Agency shall pay to the Contractor in full payment for services satisfactorily performed pursuant to the Scope of Work at the rate of _____ dollars (\$_____) in FYXX (USE FISCAL YEAR NUMBER TO DESCRIBE YEAR; DO NOT USE FY1, FY2, ETC.). The New Mexico gross receipts tax levied on the amounts payable under this Agreement in FYXX totaling (AMOUNT) shall be paid by the Agency to the Contractor. **The total amount payable to the Contractor under this Agreement, including gross receipts tax and expenses, shall not exceed (AMOUNT) in FYXX.**

(REPEAT LANGUAGE FOR EACH FISCAL YEAR COVERED BY THE AGREEMENT -- USE FISCAL YEAR NUMBER TO DESCRIBE EACH YEAR; DO NOT USE FY1, FY2, ETC.).

B. Payment in FYXX, FYXX, FYXX, and FYXX is subject to availability of funds pursuant to the Appropriations Paragraph set forth below and to any negotiations between the parties from year to year pursuant to Paragraph 1, Scope of Work, and to approval by the GSD/SPD. All invoices MUST BE received by the Agency no later than fifteen (15) days after the termination of the Fiscal Year in which the services were delivered. Invoices received after such date **WILL NOT BE PAID.**

C. Contractor must submit a detailed statement accounting for all services performed and expenses incurred. If the Agency finds that the services are not acceptable, within thirty days after the date of receipt of written notice from the Contractor that payment is requested, it shall provide the Contractor a letter of exception explaining the defect or objection to the services, and outlining steps the Contractor may take to provide remedial action. Upon certification by the Agency that the services have been received and accepted, payment shall be tendered to the Contractor within thirty days after the date of acceptance. If payment is made by mail, the payment shall be deemed tendered on the date it is postmarked. However, the agency shall not incur late charges, interest, or penalties for failure to make payment within the time specified herein.

4. Term.

THIS AGREEMENT SHALL NOT BECOME EFFECTIVE UNTIL APPROVED BY THE AGENCY with a start date of **(DATE)**. This agreement shall terminate on **(DATE)** unless terminated pursuant to paragraph 4 (Termination), or paragraph 5 (Appropriations). In accordance with NMSA 1978, § 13-1-150, no contract term for a professional services contract, including extensions and renewals, shall exceed four years, except as set forth in NMSA 1978, § 13-1-150.

5. Termination.

A. **Grounds.** The Agency may terminate this Agreement for convenience or cause. The Contractor may only terminate this Agreement based upon the Agency's uncured, material breach of this Agreement.

B. **Notice; Agency Opportunity to Cure.**

1. Except as otherwise provided in Paragraph (4)(B)(3), the Agency shall give Contractor written notice of termination at least thirty (30) days prior to the intended date of termination.

2. Contractor shall give Agency written notice of termination at one hundred and eighty (180) days prior to the intended date of termination, which notice shall (i) identify all the Agency's material breaches of this Agreement upon which the termination is based and (ii) state what the Agency must do to cure such material breaches. Contractor's notice of termination shall only be effective (i) if the Agency does not cure all material breaches within the thirty (30) day notice period or (ii) in the case of material breaches that cannot be cured within thirty (30) days, the Agency does not, within the thirty (30) day notice period, notify the Contractor of its intent to cure and begin with due diligence to cure the material breach.

3. Notwithstanding the foregoing, this Agreement may be terminated immediately upon written notice to the Contractor (i) if the Contractor becomes unable to perform the services contracted for, as determined by the Agency; (ii) if, during the term of this Agreement, the Contractor is suspended or debarred by the State Purchasing Agent; or (iii) the Agreement is terminated pursuant to Paragraph 5, "Appropriations", of this Agreement.

C. **Liability.** Except as otherwise expressly allowed or provided under this Agreement, the Agency's sole liability upon termination shall be to pay for acceptable work performed prior to the Contractor's receipt or issuance of a notice of termination; provided, however, that a notice of termination shall not nullify or otherwise affect either party's liability for pre-termination defaults under or breaches of this Agreement. The Contractor shall submit an invoice for such work within thirty (30) days of receiving or sending the notice of termination. **THIS PROVISION IS NOT EXCLUSIVE AND DOES NOT WAIVE THE AGENCY'S OTHER LEGAL RIGHTS AND REMEDIES CAUSED BY THE CONTRACTOR'S DEFAULT/BREACH OF THIS AGREEMENT.**

D. **Termination Management.** Immediately upon receipt by either the Agency or the Contractor of notice of termination of this Agreement, the Contractor shall: 1) not incur any further obligations for salaries, services or any other expenditure of funds under this Agreement without written approval of the Agency; 2) comply with all directives issued by the Agency in the notice of termination as to the performance of work under this Agreement; and 3) take such action as the Agency shall direct for the protection, preservation, retention or transfer of all property titled to the Agency and records generated under this Agreement. Any non-expendable personal property or equipment provided to or purchased by the Contractor with contract funds shall become property of the Agency upon termination and shall be submitted to the agency as soon as practicable.

6. Appropriations.

The terms of this Agreement are contingent upon sufficient appropriations and authorization being made by the Legislature of New Mexico for the performance of this Agreement. If sufficient appropriations and authorization are not made by the Legislature, this Agreement shall terminate immediately upon written notice being given by the Agency to the Contractor. The Agency's decision as to whether sufficient appropriations are available shall be accepted by the Contractor and shall be final. If the Agency proposes an amendment to the

Agreement to unilaterally reduce funding, the Contractor shall have the option to terminate the Agreement or to agree to the reduced funding, within thirty (30) days of receipt of the proposed amendment.

7. Status of Contractor.

The Contractor and its agents and employees are independent contractors performing professional services for the Agency and are not employees of the State of New Mexico. The Contractor and its agents and employees shall not accrue leave, retirement, insurance, bonding, use of state vehicles, or any other benefits afforded to employees of the State of New Mexico as a result of this Agreement. The Contractor acknowledges that all sums received hereunder are reportable by the Contractor for tax purposes, including without limitation, self-employment and business income tax. The Contractor agrees not to purport to bind the State of New Mexico unless the Contractor has express written authority to do so, and then only within the strict limits of that authority.

8. Assignment.

The Contractor shall not assign or transfer any interest in this Agreement or assign any claims for money due or to become due under this Agreement without the prior written approval of the Agency.

9. Subcontracting.

The Contractor shall not subcontract any portion of the services to be performed under this Agreement without the prior written approval of the Agency. No such subcontract shall relieve the primary Contractor from its obligations and liabilities under this Agreement, nor shall any subcontract obligate direct payment from the Procuring Agency.

10. Release.

Final payment of the amounts due under this Agreement shall operate as a release of the Agency, its officers and employees, and the State of New Mexico from all liabilities, claims and obligations whatsoever arising from or under this Agreement.

11. Confidentiality.

Any confidential information provided to or developed by the Contractor in the performance of this Agreement shall be kept confidential and shall not be made available to any individual or organization by the Contractor without the prior written approval of the Agency.

12. Product of Service -- Copyright.

All materials developed or acquired by the Contractor under this Agreement shall become the property of the State of New Mexico and shall be delivered to the Agency no later than the termination date of this Agreement. Nothing developed or produced, in whole or in part, by the Contractor under this Agreement shall be the subject of an application for copyright or other claim of ownership by or on behalf of the Contractor.

13. Conflict of Interest; Governmental Conduct Act.

A. The Contractor represents and warrants that it presently has no interest and, during the term of this Agreement, shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance or services required under the Agreement.

B. The Contractor further represents and warrants that it has complied with, and, during the term of this Agreement, will continue to comply with, and that this Agreement complies with all applicable provisions of the Governmental Conduct Act, Chapter 10, Article 16 NMSA 1978. Without in anyway limiting the generality of the foregoing, the Contractor specifically represents and warrants that:

1) in accordance with NMSA 1978, § 10-16-4.3, the Contractor does not employ, has not employed, and will not employ during the term of this Agreement any Agency employee while such employee was or is employed by the Agency and participating directly or indirectly in the Agency's contracting process;

2) this Agreement complies with NMSA 1978, § 10-16-7(A) because (i) the Contractor is not a public officer or employee of the State; (ii) the Contractor is not a member of the family of a public officer or employee of the State; (iii) the Contractor is not a business in which a public officer or employee or the family of a public officer or employee has a substantial interest; or (iv) if the Contractor is a public officer or employee of the State, a member of the family of a public officer or employee of the State, or a business in which a public officer or employee of the State or the family of a public officer or employee of the State has a substantial interest, public notice was given as required by NMSA 1978, § 10-16-7(A) and this Agreement was awarded pursuant to a competitive process;

3) in accordance with NMSA 1978, § 10-16-8(A), (i) the Contractor is not, and has not been represented by, a person who has been a public officer or employee of the State within the preceding year and whose official act directly resulted in this Agreement and (ii) the Contractor is not, and has not been assisted in any way regarding this transaction by, a former public officer or employee of the State whose official act, while in State employment, directly resulted in the Agency's making this Agreement;

4) this Agreement complies with NMSA 1978, § 10-16-9(A) because (i) the Contractor is not a legislator; (ii) the Contractor is not a member of a legislator's family; (iii) the Contractor is not a business in which a legislator or a legislator's family has a substantial interest; or (iv) if the Contractor is a legislator, a member of a legislator's family, or a business in which a legislator or a legislator's family has a substantial interest, disclosure has been made as required by NMSA 1978, § 10-16-7(A), this Agreement is not a sole source or small purchase contract, and this Agreement was awarded in accordance with the provisions of the Procurement Code;

5) in accordance with NMSA 1978, § 10-16-13, the Contractor has not directly participated in the preparation of specifications, qualifications or evaluation criteria for this Agreement or any procurement related to this Agreement; and

6) in accordance with NMSA 1978, § 10-16-3 and § 10-16-13.3, the Contractor has not contributed, and during the term of this Agreement shall not contribute, anything of value to a public officer or employee of the Agency.

C. Contractor's representations and warranties in Paragraphs A and B of this Article 12 are material representations of fact upon which the Agency relied when this Agreement was entered into by the parties. Contractor shall provide immediate written notice to the Agency if, at any time during the term of this Agreement, Contractor learns that Contractor's representations and warranties in Paragraphs A and B of this Article 12 were erroneous on the effective date of this Agreement or have become erroneous by reason of new or changed circumstances. If it is later determined that Contractor's representations and warranties in Paragraphs A and B of this Article 12 were erroneous on the effective date of this Agreement or have become erroneous by reason of new or changed circumstances, in addition to other remedies available to the Agency and notwithstanding anything in the Agreement to the contrary, the Agency may immediately terminate the Agreement.

D. All terms defined in the Governmental Conduct Act have the same meaning in this Article 12(B).

14. Amendment.

A. This Agreement shall not be altered, changed or amended except by instrument in writing executed by the parties hereto and all other required signatories.

B. If the Agency proposes an amendment to the Agreement to unilaterally reduce funding due to budget or other considerations, the Contractor shall, within thirty (30) days of receipt of the proposed Amendment, have the option to terminate the Agreement, pursuant to the termination provisions as set forth in Article 4 herein, or to agree to the reduced funding.

15. Merger.

This Agreement incorporates all the Agreements, covenants and understandings between the parties hereto concerning the subject matter hereof, and all such covenants, Agreements and understandings have been merged into this written Agreement. No prior Agreement or understanding, oral or otherwise, of the parties or their agents shall be valid or enforceable unless embodied in this Agreement.

16. Penalties for violation of law.

The Procurement Code, NMSA 1978 §§ 13-1-28 through 13-1-199, imposes civil and criminal penalties for its violation. In addition, the New Mexico criminal statutes impose felony penalties for illegal bribes, gratuities and kickbacks.

17. Equal Opportunity Compliance.

The Contractor agrees to abide by all federal and state laws and rules and regulations, and executive orders of the Governor of the State of New Mexico, pertaining to equal employment opportunity. In accordance with all such laws of the State of New Mexico, the Contractor assures that no person in the United States shall, on the grounds of race, religion, color, national origin, ancestry, sex, age, physical or mental handicap, or serious medical condition, spousal affiliation, sexual orientation or gender identity, be excluded from employment with or participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity performed under this Agreement. If Contractor is found not to be in compliance with these

requirements during the life of this Agreement, Contractor agrees to take appropriate steps to correct these deficiencies.

18. Applicable Law.

The laws of the State of New Mexico shall govern this Agreement, without giving effect to its choice of law provisions. Venue shall be proper only in a New Mexico court of competent jurisdiction in accordance with NMSA 1978, § 38-3-1 (G). By execution of this Agreement, Contractor acknowledges and agrees to the jurisdiction of the courts of the State of New Mexico over any and all lawsuits arising under or out of any term of this Agreement.

19. Workers Compensation.

The Contractor agrees to comply with state laws and rules applicable to workers compensation benefits for its employees. If the Contractor fails to comply with the Workers Compensation Act and applicable rules when required to do so, this Agreement may be terminated by the Agency.

20. Records and Financial Audit.

The Contractor shall maintain detailed time and expenditure records that indicate the date; time, nature and cost of services rendered during the Agreement's term and effect and retain them for a period of three (3) years from the date of final payment under this Agreement. The records shall be subject to inspection by the Agency, the General Services Department/State Purchasing Division and the State Auditor. The Agency shall have the right to audit billings both before and after payment. Payment under this Agreement shall not foreclose the right of the Agency to recover excessive or illegal payments

21. Indemnification.

The Contractor shall defend, indemnify and hold harmless the Agency and the State of New Mexico from all actions, proceeding, claims, demands, costs, damages, attorneys' fees and all other liabilities and expenses of any kind from any source which may arise out of the performance of this Agreement, caused by the negligent act or failure to act of the Contractor, its officers, employees, servants, subcontractors or agents, or if caused by the actions of any client of the Contractor resulting in injury or damage to persons or property during the time when the Contractor or any officer, agent, employee, servant or subcontractor thereof has or is performing services pursuant to this Agreement. In the event that any action, suit or proceeding related to the services performed by the Contractor or any officer, agent, employee, servant or subcontractor under this Agreement is brought against the Contractor, the Contractor shall, as soon as practicable but no later than two (2) days after it receives notice thereof, notify the Agency by certified mail.

22. New Mexico Employees Health Coverage.

A. If Contractor has, or grows to, six (6) or more employees who work, or who are expected to work, an average of at least 20 hours per week over a six (6) month period during the term of the contract, Contractor certifies, by signing this agreement, to have in place, and agree to maintain for the term of the contract, health insurance for those employees and offer that health insurance to those employees if the expected annual value in the aggregate of any and all contracts between Contractor and the State exceed \$250,000 dollars.

B. Contractor agrees to maintain a record of the number of employees who have (a) accepted health insurance; (b) declined health insurance due to other health insurance coverage already in place; or (c) declined health insurance for other reasons. These records are subject to review and audit by a representative of the state.

C. Contractor agrees to advise all employees of the availability of State publicly financed health care coverage.

23. Invalid Term or Condition.

If any term or condition of this Agreement shall be held invalid or unenforceable, the remainder of this Agreement shall not be affected and shall be valid and enforceable.

24. Enforcement of Agreement.

A party's failure to require strict performance of any provision of this Agreement shall not waive or diminish that party's right thereafter to demand strict compliance with that or any other provision. No waiver by a party of any of its rights under this Agreement shall be effective unless express and in writing, and no effective waiver by a party of any of its rights shall be effective to waive any other rights.

25. Notices.

Any notice required to be given to either party by this Agreement shall be in writing and shall be delivered in person, by courier service or by U.S. mail, either first class or certified, return receipt requested, postage prepaid, as follows:

To the Agency:
[insert name, address and email].

To the Contractor:
[insert name, address and email].

26. Authority.

If Contractor is other than a natural person, the individual(s) signing this Agreement on behalf of Contractor represents and warrants that he or she has the power and authority to bind Contractor, and that no further action, resolution, or approval from Contractor is necessary to enter into a binding contract.

27. Incorporation by Reference and Precedence.

If this Agreement has been procured pursuant to a request for proposals, this Agreement is derived from (1) the request for proposal, (including any written clarifications to the request for proposals and any agency response to questions); (2) the Contractor's best and final offer; and (3) the Contractor's response to the request for proposals.

Contract ID#_____

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date of signature by the GSD/SPD Contracts Review Bureau below.

New Mexico Public Schools Insurance Authority

By:

Al Park,, Board President

Date:_____

(CONTRACTOR)

By:

Contractor

Date:_____

APPENDIX C-3

DRAFT CONTRACT (APS)

The Agreement included in this Appendix C-3 represents the contract the Agency intends to use to make an award. The State of New Mexico and the Agency reserve the right to modify the Agreement prior to, or during, the award process, as necessary.

Agreement #

**Albuquerque Public Schools Professional Services Agreement
for Self-Funded Pharmaceutical Benefits Management Services**

This Professional Services Agreement hereinafter referred to as “Agreement” is entered into between Albuquerque Public Schools, hereinafter referred to as “APS” or “District”, and **TYPE VENDOR NAME HERE** hereinafter referred to as “Contractor” or “Claims Administrator”.

NOW THEREFORE, in consideration of the mutual covenants contained herein, IT IS AGREED BETWEEN THE PARTIES:

SECTION 1: SERVICES TO BE PROVIDED

The Contractor shall provide pharmaceutical benefits management (PBM) services as requested and described by the Interagency Benefits Advisory Committee (IBAC) 2021 Request for Proposal (RFP), and expanded in Contractor’s response to RFP.

SECTION 2: DEFINITIONS

Applicable Law means the state, federal and/or international law and/or regulation that apply to a Party or the Plan. This Agreement shall be governed by the Laws of New Mexico.

Average Wholesale Price (AWP) means information based on date-sensitive, 11-digit NDC as supplied by a nationally recognized pricing source, MediSpan for retail, retail maintenance, specialty, and mail order adjudicated claims.

Brand and Minimum Generic Discount Rate Guarantees for both mail and retail shall be defined as follows: (Aggregate Undiscounted AWP-Aggregate Discounted Ingredient Cost)/(Aggregate Undiscounted AWP):

- a. Aggregate Discounted Ingredient Cost prior to application of plan specific co-payments, tax and dispensing fee will be the basis of the calculation.
- b. Aggregated Undiscounted AWP will be from a single, nationally recognized price source for all claims, MediSpan.
- c. Dispensing Fees are not included in the Aggregate Discounted Ingredient Cost.
- d. Both the Aggregate Discounted Ingredient Cost and Aggregate Undiscounted AWP from the actual date of claim adjudication will be used.
- e. Aggregated Undiscounted AWP will be the date sensitive, 11- digit NDC of the actual product dispensed as submitted by the pharmacy.

- f. Non-MAC, MAC, single-source and multiple source generic products are to be included in the generic guarantee measurement.
- g. Compounds, OTC claims, and claims with ancillary charges such as vaccines will be excluded from the calculation for retail and mail order component guarantees.
- h. The guarantee measurement must exclude the savings impact from DUR programs, formulary programs, utilization management programs and/or other therapeutic interventions.
- i. Any shortfall between the actual result and the minimum guarantee will be paid, dollar-for-dollar, to the agency within ninety (90) calendar days of the end of the close of measurement period.
- j. Brand/Generic Classification will follow MediSpan “MNOY” for financial guarantee purposes. The classification of “Y” will be the only recognized Generic classification.

Claims Payment Account means a bank account established in the name of the Contractor for the benefit of APS. The obligation of APS is only to fund the required amount that the Contractor notifies APS is necessary to fund claims payment checks.

DAW means Dispense As Written; an order on a prescription directing the pharmacist to fill the prescription exactly as it was written, with no substitution. The DAW Code is transmitted with the claim that indicates special circumstances. The DAW Codes and indications are as follows:

- a. DAW 0 No product selection indicated
- b. DAW 1 Substitution not allowed by prescriber
- c. DAW 2 Substitution allowed – patient requested product dispensed
- d. DAW 3 Substitution allowed – pharmacy requested product dispensed
- e. DAW 4 Substitution allowed – generic drug not in stock
- f. DAW 5 Substitution allowed – brand drug dispensed as generic
- g. DAW 6 Undefined (not in general use)
- h. DAW 7 Substitution not allowed – brand drug mandated by law/regulation
- i. DAW 8 Substitution not allowed – generic drug not available in marketplace
- j. DAW 9 Undefined (not in general use)

DUR means Drug Utilization Review in which the system reviews each claim against all other claims from all sources in the system to determine if there is a detrimental interaction with another drug the member filled.

Fee Schedule means the reimbursement rates, administrative fees and rebates as set forth in Contractor’s response to the IBAC 2021 RFP. The Fee Schedule may be a traditional pricing arrangement or transparent pricing arrangement, and the administration (ASO) fees on a Per Paid Claim basis or Per Member Per Month basis, as set forth in Contractor’s response to the IBAC 2021 RFP and agreed upon between the parties.

Formulary means the listing of preferred, non-preferred, and generic medications.

MAC Maximum Allowable Cost or the price paid to the pharmacy (or charged to the group) for a generic drug no matter what NDC or manufacturer is used by the pharmacy.

Member means a person eligible for and enrolled in the Plan as an employee or dependent.

MNOY these indicators are nationally published by MediSpan to determine the type of drug dispensed. M-MultiSource Brand or a Brand with another Brand competitor available, N-Single Source Brand, O-Brand Drug with a Generic Available, Y-Generic Drug.

NCPDP National Council for Prescription Drug Programs a national organization that attempts to set standards for prescription drug programs.

Network Provider means any Provider Pharmacy for whose services the Plan is obligated to pay under the terms of the Plan and is included in Contractor's network of Providers located at: [click and type website address](#)

OTC means Over The Counter drugs that do not require a prescription to buy.

Pass-Through Pricing means PBM agrees to pass-through 100% of negotiated discounts with network pharmacies at the point-of-service and to provide auditing protocol, enabling tracking of individual claims back to original pharmacy network contract documents. The PBM agrees to disclose details of all programs and services generating financial remuneration from outside entities.

Paid Claims means all transactions made on eligible members that result in a payment to pharmacies or members from the IBAC or result in an IBAC member copay. (Does not include reversals and adjustments.) Each unique prescription that results in payment shall be calculated separately as a paid claim.

PA Prior Authorization is the process of administering a rule to stop the filling of a prescription until it is determined if the member meets specific criteria.

Participating Providers means providers of prescription drug services and/or products, who/which contract directly or indirectly with Contractor to provide prescription drugs and/or products to Members.

Party/Parties means APS and Contractor, each a "Party" and collectively, the "Parties".

Plan means the benefit plan adopted by APS which, among other things, defines the prescription drug services available to Members and the terms under which the services are to be administered for Members. The Plan is defined in the Summary of Benefits and any applicable Plan Documents.

Plan Benefits means amounts payable under the terms of the Plan for prescription drug expenses incurred by Members for services/items covered under the Plan.

Plan Documents means collectively the written Summary of Benefits, the APS Employee Benefits Enrollment Guide, and any other applicable documents as agreed between the parties, developed by Contractor and reviewed and approved by APS. Collectively these documents outline the provisions of the Plan.

Plan Year means the twelve (12) month period, beginning on the Effective Date and, thereafter, each subsequent twelve (12) month period.

QL Quantity Limit is the rule put in place through the electronic claims system that limits the number of units of drug a member can get for safety or cost reasons.

Rebates means compensation or remuneration of any kind received or recovered from a pharmaceutical manufacturer by the PBM attributable to the purchase or utilization of covered drugs by eligible persons, including, but not limited to, incentive rebates categorized as mail order purchase discounts; credits; rebates, regardless of how categorized; market share incentives; promotional allowances; commissions; educational grants; market share of utilization; drug pull-through programs; implementation allowances; clinical detailing; rebate submission fees; and administrative or management fees. Rebates also include any fees that PBM receives from a pharmaceutical manufacturer for administrative costs, formulary placement, and/or access.

Run-Out Claims means claims for Plan Benefits relating to prescription drug services and products that are incurred but not processed prior to termination of the Agreement, termination of a Plan benefit option or termination of eligible Members, as applicable.

ST Step Therapy is the rule applied to the claim administration that prevents the filling of a non-preferred or higher cost medication when a preferred or lower cost medication is available. The member must step through the first drug prior to approval of using a second drug.

Statement of Work means this entire document including the Schedule of Financial Charges and all Exhibits and Addenda.

Subscriber means the Member whose employment or participation is the basis for eligibility under the Plan.

Traditional Pricing means that there may be a difference between what IBAC is charged by the PBM and what the dispensing pharmacy is paid by the PBM.

Utilization Management (UM) means programs that reduce or change prescription drug utilization either by electronic or manual intervention.

SECTION 3: COORDINATION

The Contractor shall work at the direction of Senior Director, Employee Benefits Department, who may designate Employee Benefits staff members to coordinate the work of the Contractor. Work shall be performed according to this Agreement. Contractor shall be held responsible to NOT fill requests which are clearly beyond the defined scope of this Agreement.

SECTION 4: AGREEMENT DOCUMENTS

This Agreement incorporates all the agreements, covenants, and understandings between the parties concerning the subject matter of this Agreement, and all such agreements, covenants and understandings have been merged into this written Agreement. No prior agreements, covenants or understandings, verbal or otherwise, of the parties or their agents shall be valid or enforceable unless embodied in this Agreement.

In the event of a conflict between the contract documents, the documents shall have the following order of precedence: 1) this Agreement, 2) Contractor's response to the IBAC 2021 RFP, 3) IBAC 2021 RFP.

The Agreement documents which comprise the entire agreement between APS and the Contractor consist of the following:

- a. This Agreement between APS and the Contractor
- b. IBAC 2021 Request for Proposal (RFP) and the Contractor's response to the RFP, both of which are incorporated herein by reference
- c. Exhibit A: Reporting Package
- d. Exhibit B: Performance Guarantees – Operational and Clinical Performance Measures *(Contractor to include on Exhibit B all Performance Guarantees (including any clinical performance measures) presented and agreed to by APS as part of the IBAC 2021 RFP.)*
- e. Exhibit C: Business Associate Agreement *(Contractor to attach their standard BAA for review and approval by APS)*
- f. Exhibit D: Fee Schedule
- g. Exhibit E: Other Services *(Contractor to include on Exhibit E all other services presented and agreed to by APS as part of the IBAC 2021 RFP.)*

SECTION 5: TERM OF CONTRACT

Contractor will begin providing pharmaceutical benefit management services on January 1, 2023. The term of the Agreement is four (4) years, unless otherwise terminated pursuant to Section 8.c (Appropriations) or Section 20 (Termination), from January 1, 2023 through December 31, 2026.

At the end of the second year of the Agreement, a market check will be required to determine if the reimbursement rates, administrative fees and rebates are current. If they are not, the Contractor will change the Fee Schedule rates subject to negotiation with APS. If an agreement cannot be reached APS will have the option to terminate this Agreement.

In no event shall this Agreement exceed four (4) years in duration.

SECTION 6: SCOPE OF WORK / CONTRACTOR OBLIGATIONS

- a. Account Management Team. The Account Management personnel proposed by Contractor to APS are considered material to any work performed under this Agreement. Contractor has agreed to provide APS with designated personnel. When Contractor has knowledge of a change in the Account Manager for the APS Plan, Contractor shall provide APS with advance notice of the change and discuss with APS the qualifications of the person being considered as the replacement for the position. Contractor shall also provide APS with advance notice, if possible, of the resignation or retirement of the Account Manager. APS reserves the right to reasonably require the replacement of an Account Manager.
- b. Additional Services. APS may request, in writing, that the Contractor provide additional Member Services or services for other special projects; such services or projects shall be limited in nature and duration and within the scope of work of the RFP incorporated in this Agreement by reference. If Contractor agrees to provide such services, APS and Contractor shall mutually agree on the scope of the services or project and on a cost estimate. The Contractor shall bill APS only for the actual cost of the services agreed upon. "Actual cost" as used in this paragraph is the cost to the Contractor of providing the specific service or project without any additional mark-up. In the event the additional services are requested on an on-going basis rather than a single-event basis, APS can terminate the services or project (i.e., client-specific network build-out) upon giving Contractor at least thirty (30) days prior written notice. Contractor shall be able to bill for all actual costs incurred prior to the date of termination.
- c. Administrative Material. Contractor will prepare and distribute administrative manuals, if applicable, to APS for the use by APS's staff. As needed, changes to the manual will be developed and distributed to the parties.

In addition, Contractor will prepare and distribute to Network Providers Pharmacies all materials necessary to enable Network Providers to participate in the Plan. As needed, changes to this material will be developed and distributed to Network Providers.

- d. APS Rules and Regulations. The Contractor agrees to abide by all lawfully promulgated APS Policies, Procedures, Rules and Regulations pertaining to this Agreement provided that such Policies, Procedures, Rules and Regulations do not contradict this Agreement, or change the scope of this Agreement, and that said rules comply with other New Mexico and federal laws, and are provided to Contractor in advance of APS direction to Contractor to follow such Policies, Procedures, Rules and Regulations.
- e. Claims Processing. Contractor will accept from Network Providers Pharmacies, other providers, and Members, claims for prescription drug services provided to Members. Contractor will process and adjudicate all claims in accordance with the Plan. In accordance with its standard operating claims processing procedure, Contractor will pay

provider's valid claims using Contractor's standard policies and Fee Schedules unless otherwise agreed to in writing between APS and Contractor.

Contractor shall identify and investigate suspected fraudulent activity by Provider Pharmacies and/or Members and inform APS of the findings. In the event any payment is made as a result of fraudulent activity, Contractor will provide reasonable assistance in pursuing recovery, but Contractor shall not be required to initiate court proceedings to pursue recovery nor will Contractor be required to reimburse APS unless Contractor is determined to be at fault.

Contractor shall, consistent with the current administration procedures and practices then applicable to its own pharmacy benefit management business:

1. Receive claims for prescription drug services and requests for Plan services, and expeditiously review such claims and requests to determine what amount, if any, is due, payable and/or allowable with respect thereto in accordance with the terms and conditions of the Plan.
 2. Disburse or provide, to the person or facility entitled thereto, benefit payments or authorization for services that it determines to be due in accordance with the provisions of the Plan.
 3. Contractor agrees that the APS Plan of benefits shall be administered and adjudicated in accordance with the provisions of the Summary of Benefits, the APS Employee Benefits Enrollment Guide, and any other Plan Documents as agreed upon between the parties. Any exceptions, as determined by either party, will be reviewed and mutually agreed upon. If no consensus is reached APS will retain the final decision-making authority.
- f. Communication Materials. All hardcopy or electronic materials prepared to explain the Plan's benefits, rules, procedures, etc., to Members must be pre-approved by APS.

APS requires the Contractor to contribute financially (subject to an annual limit mutually agreed to between Contractor and APS) toward the costs associated with the production and distribution of a comprehensive communications package designed to improve understanding of the health benefit programs, cost-containment efforts, and claims handling procedures, including:

1. With assistance from APS, Contractor will prepare a comprehensive Summary of Benefits and any other Plan Documents as agreed upon between the parties. All reasonable efforts shall be made to customize documents with an easy to read format and language designed for easy reference and technical accuracy. Summary of Benefits and all Plan Documents must be in compliance with all applicable federal and state laws. When requested by Member, Summary of Benefits and any applicable Plan Document distribution is the responsibility of the Contractor.

2. As requested by APS, Contractor will develop an electronic presentation or webinar for use in Member education meetings to give an overview of the prescription drug benefits and services available under the Plan. The presentation will be updated annually or as needed.
3. Other informational materials, when Plan changes are introduced, or on an as needed basis, may include copy for news releases, payroll stuffers, posters, identification cards, information packets, etc., as negotiated between APS and Contractor.
4. Contractor will make network pharmacy provider information available via its website and, when requested by Member, will mail or email pharmacy provider information directly to the Member.

APS agrees to proof and return for changes or to approve all such materials in a timely manner and in accordance with a predetermined and agreed upon production schedule. Communication materials shall include, but are not limited to copies of all announcements, applicable Plan Documents, flyers, ID cards, informational and enrollment packets, etc., either electronically or in a printed quantity mutually agreed upon between Contractor and APS.

- g. Disease or Condition Management. (Or other services as applicable and as agreed during RFP process.) Contractor has agreed to provide services as defined in the response to the IBAC 2021 RFP and elected by APS, which are outlined here or made an Exhibit to this Agreement.
- h. Eligibility. Contractor will maintain current eligibility data for all Members enrolled in the Plan. In the event there is an immediate need to provide prescription drug services for a new Member, Contractor shall contact APS for eligibility verification, or APS shall contact Contractor. APS will provide Contractor with necessary enrollment information to enter and enroll Members. APS will enter new Members into APS's eligibility system concurrently with notification to Contractor. Enrollment, eligibility, effective dates, continuation and other administrative rules for all Members are subject to the rules and regulations of APS and APS retains the responsibility and authority for eligibility determinations.
- i. Fee Schedule. Contractor will continuously administer prescription drug reimbursement rates, rebates and administrative fees as set forth in Exhibit D.
- j. Identification Card. Contractor will issue Member identification cards, which must be pre-approved by APS, for use in connection with the Plan. Contractor will assign an individual Member number to each identification card with the appropriate number appearing on the card. If requested by APS, the identification card may contain copay, coinsurance and deductible information, as well as the APS logo.
- k. Initial Provider Network. Contractor has contracted or will contract with qualified, licensed and credentialed pharmacy and pharmaceutical company providers to provide prescription

drug services to Members of APS in accordance with the provisions of the APS prescription drug plan design.

- l. Licensing. Contractor will make application for, obtain and continuously maintain in good standing all licenses and permits necessary to enable it to perform its obligations under this Agreement in the State of New Mexico.
- m. Contractor Eligibility. A Contractor that has either been debarred or suspended pursuant to the requirements of 13-1-177 through 13-1-180, and 13-4-11 through 13-4-17 NMSA 1978 as amended, shall not be permitted to do business with APS and shall not be considered for a Professional Service Agreement during the period for which it is debarred or suspended.
- n. Meetings. Contractor will conduct Member plan information meetings or webinars, upon request, in locations identified by APS to familiarize Members with the offered benefits and services.

A condition of this Agreement is attendance by the Contractor from time to time and as requested, at APS Board, IBAC and/or Legislative meetings, as well as informational meetings that pertain to APS benefit matters. Contractor agrees to attend at a minimum:

1. Monthly Interagency Benefits Advisory Committee (IBAC) meetings
2. Quarterly meetings with Benefits Staff
3. Annual benefits staff training sessions, as requested by APS
4. Annual health fairs, as requested by APS

No Contractor representative may contact Members directly or participate in meetings to market any other Contractor products without permission of APS.

Contractor will provide utilization, financial and data management reports detailing enrollment, paid claim data, and other information as illustrated in the attached Exhibits A and B. As requested by APS, Contractor shall make presentations to the APS Board of Education regarding the status of the prescription drug services program.

- o. Member Services. Contractor will respond to inquiries from Members regarding the Plan and network provider pharmacies. Contractor will respond to benefit questions. All such responses will be consistent with either (a) the written plan design and administrative procedures in place as of the effective date of the Plan, or (b) the Contractor's standard operating procedures for services as agreed to by APS. To the extent that Contractor is unable to respond to the inquiry, Contractor will direct the inquiry to APS. Contractor agrees that all verbal communications between APS Members and Member Services will be performed in the United States. Member service metrics will be maintained by the Contractor and reported on a quarterly basis, including any performance guarantees.

- p. Network Provider Directories. Contractor will make Network Provider pharmacy directories available via the Internet through the Contractor's website and when requested, the APS website through links. Contractor will be responsible for distribution of paper copies of Network Provider pharmacy directories when requested by Members.
- q. Network Provider Management. Prior to contracting with a provider pharmacy, Contractor will use reasonable diligence to ensure that provider pharmacies satisfy and meet criteria and qualifications established by the Contractor as illustrated in the Contractor's response to the IBAC's RFP. During the term of this Agreement, Contractor will administer a re-credentialing program designed to periodically re-examine each network provider's satisfaction of criteria and qualifications established by the Contractor as illustrated in the Contractor's response to the IBAC's RFP and industry standards.

Contractor is hereby authorized, without the consent of APS, to add and/or delete the names of contracted network provider pharmacies. Significant additions and/or deletions ("significant" defined as +/- 10 %) will be shared by Contractor with APS as quickly as possible. Contractor agrees that it will use its best efforts not to delete the names of providers to the extent that the deletion materially alters the availability of services to Members, unless the Contractor has received the prior written consent of APS. No deletion of a network provider will be construed to adversely reflect upon the quality or qualifications of that provider. Contractor agrees to add or delete network provider pharmacies specifically requested by APS. Additions are subject to credentialing and quality requirements and acceptance of market rates.

In addition to ongoing network provider communication, Contractor will prepare and distribute to network providers all communications and materials necessary to enable network providers to participate in the Plan. These communications and materials may be initiated by Contractor or may be initiated by APS. As needed, changes to this material will be developed and distributed to network providers by the Contractor.

- r. Network Provider Maintenance. It is the intent of APS that continued and adequate access to provider pharmacies over the contract period is the responsibility of the Contractor. The following subparagraphs identify the circumstances in which communication regarding provider networks is required and where, in particular instances, prior approval of APS will be sought before network changes are formalized and reported to APS Members.
- s. Routine Changes. Contractor is hereby authorized, without the consent of APS, to add and/or delete the names of network provider pharmacies. Routine network changes include, but are not limited to:
 - 1. additions resulting from new providers moving into the service area,
 - 2. existing providers leaving the service area,
 - 3. individual provider retirement, and

4. individual provider death.

- t. Performance Guarantees. Contractor shall comply with the terms and conditions of the Performance Guarantees attached as Exhibit B, which is hereby incorporated into and made a part of this Agreement. In the event that the Contractor fails to obtain the results described in Exhibit B, APS may provide written notice to the Contractor of the default and specify a reasonable period of time in which the Contractor shall advise APS of specific steps that it will take to achieve these guaranteed results in the future and the timetable for implementation. Nothing in this Agreement or in the provisions of Exhibit B shall be construed as liquidated damages clause.
- u. Prescription Drug and Medical Plan Interface and Implementation. Contractor agrees, contingent upon the full cooperation from APS's medical plan administrators, to coordinate and perform ongoing interface services as requested by APS. APS will ensure that any agreements required for such services are signed by the medical plan administrators before Contractor is required to perform the interface services.

In the event APS elects to transition to a different medical plan administrator, Contractor agrees to assist in the transition and continue to provide full cooperation to ensure that the services are fulfilled. The Contractor shall assess the scope of the project to transition to a new medical plan administrator and shall notify APS of any concerns related to the transition.

- v. Reconciliation File. Contractor agrees to submit a reconciliation file to APS within five (5) working days of receipt of the weekly eligibility file. The file must contain records of any Members that Contractor is unable to reconcile with previous APS eligibility housed in their system, and must be in the format mutually agreed upon.
- w. Utilization Review. Contractor will perform the pre-certification and utilization review services to the extent such services are required and consistent with the Plan and Contractor's policies unless otherwise agreed to with APS.
- x. Reports and General Data Transfer Requirements. Contractor will provide reports requested by APS, including those identified in Exhibit A, which are hereby incorporated into and made a part of this Agreement. As requested by APS, Contractor shall add or discontinue reports shown in Exhibit A. The parties will agree upon any adjustment necessary to the current Administrative Fee of Per Paid Claim or Per Member Per Month, as illustrated in Exhibit D or any other appropriate charge or credit relevant to the change in required reporting.

Within forty-five (45) days following the end of each quarter, Contractor will provide quarterly electronic claim files in a mutually agreed upon format. If files are available or become available on a monthly basis, electronic files will be sent monthly. Files will be sent to APS, or if directed by APS, will be sent to our authorized representative. Contractor will provide assistance in converting the data, including, but not limited to, tape production

schedule, identification and interpretation of data fields, resolution of tape errors, etc., without additional charge to APS.

Upon the termination of this Agreement, in a mutually agreed upon format the Contractor will return to APS or its duly authorized representatives all records received by the Contractor in performing its duties under this Agreement, including, but not by way of limitation, financial records, employee records, all records relating to claims filed, processed, and paid. Nothing produced by the Contractor solely in performance of its work under this Agreement shall be the subject of an application for copyright by or on behalf of the Contractor. Files related to the relationship between the parties or other documents or materials not specifically prepared on behalf of the Plan shall remain the property of the Contractor.

- y. Stop-Loss. As applicable, contractor will provide monthly large claimant reports, and claim data for claimants in excess of fifty percent (50%) of the stop loss attachment point as requested by APS consultant and/or stop loss carrier.
- z. Federal and State Compliance. Contractor will ensure that the plan administration complies with the following requirements as applicable to the APS Plan:
 - 1. Claims and Appeals Procedures as required under Department of Labor regulations section 2560.503-1 to the extent Contractor has responsibility for determining claims and/or appeals.
 - 2. Health Status Discrimination rules prohibiting discrimination based on health status under Department of Labor regulations section 2590.702.
 - 3. Data Transmission provisions of state law and the Health Insurance Portability and Accountability Act (HIPAA) (45 CFS Parts 160 & 162) regarding the transmission of health information, both in Contractor's capacity as an insurer and, if applicable, as a provider.
 - 4. Employer Data Transmissions will continue to be accepted from APS (e.g., enrollment, disenrollment, ASO payment transmissions) in the same format that APS is currently using, provided such transmissions comply with the current HIPAA data transmission requirements and as such requirements may be revised during the term of the Agreement.
 - 5. Privacy and Security provisions of state law and HIPAA (45 CFR Parts 160 & 162) regarding the privacy and security of protected health information, in Contractor's capacity as a Business Associate, and, if applicable, as a Provider. Contractor is a Business Associate of APS; therefore a Business Associate Agreement between Contractor and APS is attached hereto and incorporated by reference as Exhibit C. The terms of the Business Associate Agreement shall survive termination of this Agreement.

6. Data Bank Reporting. Contractor will report “final adverse actions” occurring after August 21, 1996, and into the future, to the federal Healthcare Integrity and Protection Data Bank (HIPDB).
 7. Any other applicable requirements of state or federal law imposed on the Contractor in Contractor’s status as a pharmacy benefits manager.
- aa. Other Programs. (As applicable) Contractor shall provide APS the other services described in Exhibit E, hereby incorporated into and made a part of this Agreement.

SECTION 7: SCOPE OF WORK / APS OBLIGATIONS

- a. Administrative Policies. APS shall provide Contractor with accurate and complete Plan requirements and amendments thereto, including, but not limited to, any written summaries, policies, interpretations, rules, practices, or procedures which are necessary for the performance of Contractor’s responsibilities under this Agreement. The Plan includes rules of eligibility, definitions of covered services, exclusions and limitations, copayments/coinsurance, prior authorization requirements, concurrent review requirements, and all general policies regarding the administration of the Plan (collectively the Summary of Benefits and the APS Employee Benefits Enrollment Guide.)

APS will submit any proposed future modifications to the Summary of Benefits and/or any agreed upon Plan Documents to Contractor. Within ten (10) business days of the date any modification is submitted to the Contractor, the Contractor will review the modifications and verify the Contractor’s ability to administer the benefit modification.

- b. Eligibility. APS will provide Contractor with eligibility data on a weekly basis through electronic full file replacement utilizing HIPAA 834 standard format. Contractor shall be entitled to conclusively rely on the most recent 834 file to verify eligibility, and APS shall pay for all prescription drug services provided to persons shown as Members on such file. APS will verify the eligibility status of Members within one APS business day of the request of the Contractor.
- c. Eligibility Determinations and Plan Designs. APS retains the responsibility and authority for eligibility determinations and benefit Plan designs.
- d. Employee Contribution Funding and Pricing. APS will establish the initial contribution funding of the medical/prescription drug plan based on the current claims experience adjusted for trend and margin. New contribution funding may be determined annually by APS.

SECTION 8: OTHER CONTRACTED OBLIGATIONS OF THE PARTIES

- a. Payment and invoicing
 1. Administrative Fees

- i. Contractor shall be paid monthly Administrative Services Only (“ASO”) fees on a Per Paid Claim basis or Per Member Per Month basis as outlined in Exhibit D: Fee Schedule which mirrors the Pricing Proposal which was part of the Contractors response to the IBAC 2021 RFP.
- ii. The Administrative Fee for the term of the contract shown in Exhibit D includes services as outlined in the Contractor’s response to the IBAC 2021 RFP including the following products and services:
 - a) Implementation
 - b) Information Technology and data security
 - c) Regulatory compliance
 - d) Network access, maintenance, and credentialing
 - e) Enrollment via 834 eligibility files and reconciliation thereof
 - f) Custom ID cards
 - g) Postage
 - h) Member services
 - i) Integration with medical plan administrators
 - j) Prior authorization services
 - k) Claims administration
 - l) Claim forms
 - m) Utilization management
 - n) Creation and electronic copies of Summary of Benefits, agreed upon Plan Documents and other materials for communicating the Plan provisions to enrolled Members. Mailing of hardcopies to individual Members who request that service.
 - o) Explanation of Benefits (EOBs)
 - p) HIPAA certificates, security, and compliance
 - q) Integration with medical plan administrators and a carve-out Stop Loss vendor
 - r) Banking/financial services
 - s) Check stock
 - t) Account management
 - u) Long distance phone calls
 - v) Meeting attendance
 - w) Standard reporting
 - x) Ad hoc reporting
 - y) Preparation of information required for federal disclosure forms

2. Services Not Included in the Administrative Fee

- i. Contractor shall list any services that were included in their RFP response that were elected by APS but are not included in the ASO fee. All fees for these services are to be shown in Exhibit D.

3. The Parties agree that New Mexico Gross Receipts Tax is not applicable to the services in this Agreement on the date this Agreement is executed. If, during the term of this Agreement, any new tax is imposed upon Contractor by any government agency, the Parties agree to amend this Agreement to provide that Contractor will be compensated for the associated increase in taxes. This includes taxes on the amount of administrative services fees and/or claims fees payable under this Agreement or on the number of persons covered under this Agreement. APS agrees to the associated increase in taxes and the change will be effective as of the date defined under the applicable tax law.
4. For any Additional Services approved by APS pursuant to the RFP process, Contractor on a monthly basis will bill only for the actual costs. APS is responsible for the payment of such actual costs billed by the Contractor. These amounts shall be separate from, and in addition to, the administrative fees set out in Exhibit D.
5. All payment for Administrative Services under this Agreement are subject to the following provisions.
 - i. Acceptance. In accordance with NMSA 1978, § 13-1-158, APS shall determine if the administrative services provided meet specifications. No payment shall be made for any administrative services until the services have been accepted by APS. Unless otherwise agreed upon between APS and the Contractor, within fifteen (15) days from the date APS receives written notice from the Contractor that payment is requested for administrative services APS shall issue a written certification of complete or partial acceptance or rejection of the administrative services. Unless APS gives notice of rejection within the specified time period, the administrative services will be deemed to have been accepted.
 - ii. Payment of Invoice. Upon acceptance that the administrative services have been received and accepted, payment shall be tendered to the Contractor within thirty (30) days after the date of invoice. After the thirtieth day from the date that written certification of acceptance is issued, late payment charges shall be paid on the unpaid balance due on this Agreement to the Contractor at the rate of 1.5 % per month. Contractor may submit invoices for payment no more frequently than monthly. Payment will be made to the Contractor's designated mailing address or bank account.
 - iii. Late Charges. If APS fails to pay as required above, the Contractor may assess a late fee on the unpaid balance of more than 60 days. Late fees will be assessed at a periodic (monthly) rate of 1.5% and the corresponding Annual Percentage Rate will be 18%.
 - iv. APS cannot pay ASO fees in advance. The Contractor must, therefore, accept payment in arrears. APS shall remit all ASO fees to the Contractor

in accordance with Section 13-1-28 through 13-1-199 NMSA 1978 of the New Mexico Procurement Code.

b. Funding and payment of APS claims

1. APS will fund, by ACH or wire transfer, amounts sufficient to fund the weekly claims run through the Contractor's designated Claim Payment Account. Contractor shall give weekly notice to APS of the amounts required to be transferred to Contractor's Claim Payment Account to fund checks issued during the prior week. APS will appropriately fund the Claims Payment Account within three (3) APS business days after notification from the Contractor.
2. Contractor shall issue checks from Contractor's Claims Payments Account to pay benefits in the amount the Contractor determines to be proper under the APS Member's Plan.
3. In the event Contractor pays any person or facility less than the amount to which that person is entitled under the Plan, Contractor will promptly pay the person or facility the amount of the underpayment and adjust the underpayment by including the additional amount in the following weeks' claims payment request. In the event Contractor overpays any person entitled to benefits under the Plan, or pays benefits to any person not entitled to them, Contractor shall take all reasonable steps to recover the overpayment under Contractor's standard claims procedures, except that Contractor shall not be required to initiate court proceedings to recover an overpayment. Contractor shall promptly notify APS if it is unsuccessful in recovering any overpayment.
4. Following termination of this Agreement, APS will either direct Contractor to continue to pay claims under the run-out provisions outlined in the Termination section, or APS shall remain solely responsible for payment of all Plan benefits due any Provider or entity for services rendered prior to termination.
5. Should APS fail to make a timely deposit into Claims Payments Account and in the event, Contractor elects to pay for unfunded claims, interest of one and one-half percent per month shall be charged on unpaid amounts in accordance with the New Mexico Procurement Code.

c. Appropriations

The terms of this Agreement are contingent upon sufficient appropriations and authorization being made by the Legislature of New Mexico and the governing body of APS. If the Legislature or APS does not make sufficient appropriations and authorization, this Agreement shall, notwithstanding any other provisions herein, terminate upon written notice of either party to the other party. If APS proposes an amendment to the Agreement to unilaterally reduce funding, the Contractor shall have the option to terminate the Agreement or to agree to the reduced funding, within thirty (30) days

of receipt of the proposed amendment. Notwithstanding anything else in this Agreement, the Contractor is entitled to payment for services rendered pursuant to this Agreement.

SECTION 9: ENROLLMENT

- a. Enrollment, eligibility, effective dates, termination, continuation of coverage and other administrative rules for all Members are subject to applicable federal and state rules and regulations as well as rules determined by APS. These rules and regulations are detailed in the APS Employee Benefits Enrollment Guide.
- b. APS may make retroactive adjustments to ASO fee calculations based on APS's enrollment because of changes that occur during any month. Contractor agrees to administer retroactive additions or deletions for APS Members for a period of not more than 90 days prior to the date on which Contractor receives notice of such approved retroactive change to the eligibility records, unless prohibited by applicable insurance regulation or Contractor's provider agreements. This time limit shall not apply to the deletion for a deceased member. On a case-by-case basis, the parties may mutually agree on a longer period of time.
- c. Notice of any retroactive terminations prohibited by regulations or Contractor's provider agreements shall be communicated to APS by the Contractor as soon as possible. Appropriate adjustments to APS ASO fees will stem from eligibility 834 File transmissions and be reflected on the billing statement submitted to APS by the Contractor. ASO fees shall be returned by Contractor to APS for any APS Member who has terminated coverage. Contractor will make every attempt to recover any paid claims paid to Contractor's network providers for terminated APS Members. If attempts fail, Contractor shall notify APS to determine next steps. No additional fees shall be payable for these collection attempts.
- d. Continuance of Coverage: APS will internally perform administrative services required by the federally mandated continuation provisions for medical/prescription drug plan coverage. Subsequent to APS providing Members with the initial continuation notice, the APS Employee Benefits Enrollment Guide will contain current continuation of coverage provisions, to include the appropriate language regarding rights to continuation coverage and integration with the Family and Medical Leave Act.
- e. Coordination of Benefits (COB): As applicable, Contractor shall provide a coordination of benefits provision applicable to the Plan. This provision shall include coordination of benefits with group policies issued by any other company that provides coverage to a Member. COB provisions must be in compliance with state regulations.

SECTION 10: ASSIGNMENT AND SUBCONTRACTING

The Contractor shall not assign or transfer any administrative duties or substantial interest in this Agreement nor shall the Contractor subcontract any portion of the services to be performed solely for APS under the contract, except with respect to Contractor's affiliates, subsidiaries or participating network providers, without the prior written approval of APS, which approval shall

not be unreasonably withheld. No subcontract shall relieve Contractor from its obligations and liabilities under this Agreement, nor shall any subcontract obligate direct payment from APS. Contractor must obtain APS approval, which approval shall not be unreasonably withheld, before entering into new subcontracts providing services to be performed solely for APS affecting this Agreement

SECTION 11: WAIVER

A waiver of any breach of this Agreement, or any of the terms or conditions thereof, shall not be deemed to be a waiver of any other term or of any subsequent or prior breach; nor shall any waiver be valid, alleged or binding unless the same shall be in writing and signed by the party alleged to have granted the waiver.

SECTION 12: CONTEMPORANEOUS EMPLOYMENT PROHIBITED

It is unlawful for any public official or employee who is participating, directly or indirectly, in the procurement process to become or to be, while such an official or employee, the employee of any person or business contracting with APS.

SECTION 13: COVENANT AGAINST CONTINGENT FEES

Contractor agrees that no person or agency has been employed or retained to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, except bona fide employees of the Contractor. For breach of this covenant, APS may terminate this Agreement without liability, or APS may otherwise recover the full amount of such commission, percentage, brokerage, or contingent fee from Contractor.

SECTION 14: AUDIT

It shall be the understanding of the Contractor and APS that all work performed under the provisions of the contract, as well as its exhibits, attachments, and amendments are subject to full end-to-end audit by APS, in accordance with state and federal law, with no exceptions. Such audit may be conducted by APS personnel or a third party under agreement with APS. By entering into this Agreement, Contractor acknowledges the right of APS, at reasonable intervals, to fully examine and audit all records, including records containing proprietary information, and specifically including provider Fee Schedules, within the possession or control of the Contractor which in any way pertains to APS benefit programs. APS may not copy nor retain any proprietary information, and any review of such documents will occur at the Contractor's place of business, or electronically/virtually according to the Contractor's standard electronic audit methodology. Upon receipt of a written audit request from APS or its duly authorized representatives, Contractor agrees to fully disclose, identify and make available to APS, in accordance with state and federal law and in a timely manner, all records (including records containing proprietary information and provider Fee Schedules) within the Contractor's possession or control which in any way pertain to APS's audit request.

The Contractor shall maintain and make available all records relating to this Agreement and its attachments, exhibits and amendments at least through the term of this Agreement and for up to three (3) agreement years thereafter or at least two (2) calendar years after the final termination of this Agreement, whichever is longer. The records shall be made available to APS or its duly authorized representatives at the business location of the Contractor nearest to APS's administrative offices during regular business hours, or electronically/virtually according to the Contractor's standard electronic audit methodology. Such record audits shall be conducted with reasonable diligence.

The Contractor and APS will mutually agree upon the relevance of the records to be inspected. APS shall have the right to audit charges both before and after payment. Payment under this Agreement shall not foreclose the right of APS to recover overpayments, illegal payments or both. The Contractor acknowledges that time is of the essence with respect to identifying, disclosing and making available records that respond to the APS audit request. The Contractor agrees to cooperate with APS's right to audit.

APS or its designated representative shall report, in writing, the results of the audit to Contractor within ninety (90) calendar days of the audit.

APS will keep Confidential Information and Proprietary Information confidential and will use Confidential Information and Proprietary Information solely for the purpose of administering the Plan or as otherwise required by law, to the extent permitted by the New Mexico Inspection of Public Records Act. To the extent, if any, that APS is required under the New Mexico Inspections of Public Records Act or other Applicable Law to disclose Contractor's Confidential Information and/or Proprietary Information, APS shall provide Contractor with timely notice of the request for this information and, shall provide Contractor with an opportunity to seek protection of the information it deems proprietary, confidential and/or trade secret subject to the time limits set forth in IPRA or other Applicable Law. If Contractor fails to respond to APS timely in accordance with APS' notice of the request, APS shall have no obligation to consider Contractor's request for protection of such information. If compliance with Contractor's request results in APS incurring costs, including attorney's fees and damages, Contractor will reimburse APS for all such costs incurred.

Contractor reserves the right to require APS' duly authorized representatives to sign a confidentiality agreement prior to Contractor disclosing any records or information required in this section, provided that such confidentiality agreement is made subject to IPRA or other Applicable Law.

All Claim determination records, excluding any and all of the Business Confidential Information of Contractor, other Contractor affiliated companies, subsidiaries, or vendors, in the possession of Contractor are and shall remain the property of APS upon termination of this Agreement. Contractor shall return a copy of such property upon request in a form as agreed upon by the Parties with the cost of preparing such property for transmittal to be borne by APS. All such Claim records shall be retained by Contractor until Contractor receives a request from APS for transmittal or for a period of eleven (11) years from the date of a Claim's adjudication, whichever occurs first.

SECTION 15: EXTENSION

Subject to the provisions of the New Mexico Procurement Code, APS reserves the right to negotiate a partial year extension to facilitate a renewal of this Agreement or to change the Plan year.

SECTION 16: RATE AND COVERAGE ADJUSTMENTS

Contractor shall guarantee all ASO fees for the four years of this Agreement subject to the terms of the Pricing Proposal which was part of the Contractor's response to the IBAC 2021 RFP. If, during the term of this Agreement, there are material changes to the scope of services related to this Agreement due to state or federal regulatory changes, the Contractor will be permitted to propose a change in ASO fees. Such proposal will be subject to APS approval and sufficient appropriations.

It is intended that no changes will be implemented at any time other than the Agreement's anniversary date (January 1). Changes would include changes in benefits and administrative procedures, except as may be required by law or regulation. In the event changes in any of these areas are expected, these changes must be presented to the other party as soon as possible, or no less than 90 calendar days prior to the change. Changes that will have a material impact on Members or APS must be agreed upon, in writing, prior to implementing such change. If a change is initiated by Contractor and approved by APS, written notice must be provided in a timely fashion to all Members and affected network provider pharmacies.

It is in the interest of the Members, APS, and the Contractor that there is some flexibility in this area. At APS's discretion, re-bidding to accomplish such adjustments will not be required under the following circumstances:

- a. An ASO fee reduction with no change in coverage or services may be implemented (if mutually agreed upon) at any time.
- b. Improved technology may be added at any time when there is no increase in the ASO fees for such changes and the change will not create additional or increased claim costs, and the type or types of additional coverage do not substantially change the scope of the original procurement.
- c. Additions to or decreases in benefit coverages which are needed to implement cost containment features, due to budget APS restraints or due to Members' needs, if the net cost for all such changes in any one year does not exceed between 10% below or above the total expected Plan funding.
- d. A change to the funding arrangement may be negotiated prior to Plan renewal upon mutual agreement of the parties.

SECTION 17: AMENDMENTS

This Agreement shall not be altered, changed, or amended except by written instrument signed by both parties.

SECTION 18: ASSIGNMENTS

Neither Party may assign any right, interest, or obligation hereunder without the express written consent of the other Party; provided, however that Contractor may assign any right, interest, or responsibility under this Agreement to its affiliates and/or subcontract specific obligations under this Agreement provided that Contractor shall not be relived of its obligations under this Agreement when doing so.

SECTION 19: PROCUREMENT CODE

The Procurement Code, Sections 13-1-28 through 13-1-199 NMSA 1978, imposes civil and misdemeanor criminal penalties for its violation. In addition, the New Mexico criminal statutes impose felony penalties for bribes, gratuities, and kickbacks.

SECTION 20: TERMINATION

- a. Grounds. APS may terminate this Agreement for convenience or cause. The Contractor may terminate this Agreement for convenience or cause.
- b. Notice; Opportunity to Cure.
 1. Termination by APS:
 - i. Except as otherwise provided in Paragraph ii below and Section 8.c, APS shall give Contractor written notice of termination at least thirty (30) days prior to the intended date of termination. If termination is for cause, notice shall: (i) identify all the Contractor's material breaches of this Agreement upon which the termination is based and (ii) state what the Contractor must do to cure such material breaches. APS's notice of termination shall only be effective if: (x) the Contractor does not cure all material breaches within the thirty (30) day notice period; or (y) in the case of material breaches that cannot be cured within thirty (30) days, the Contractor does not, within the thirty (30) day notice period, notify APS of its intent to cure and begin with due diligence to cure the material breach.
 - ii. Notwithstanding the foregoing, this Agreement may be terminated immediately upon written notice to the Contractor (i) for Contractor's persistent failure to perform the work in accordance with the Scope of Work and/or contract documents; (ii) Contractor's violation in any substantial way of any provisions of this contract; (iii) the Contractor becomes unable to perform the services contracted for, as determined by APS; (iv) if, during the term of this Agreement, the Contractor is suspended or debarred by the

State Purchasing Agent; or (v) this Agreement is terminated pursuant to the Appropriations section of this Agreement.

- iii. If any one of the events identified above occur, APS may terminate the services of Contractor and take possession of the work. Contractor shall not be paid for loss of anticipated revenue or other economic loss arising out of or resulting from such termination.

2. Termination by Contractor:

- i. Contractor shall give APS one-hundred eighty (180) days' notice of termination if termination is for other than cause.
 - ii. If Contractor terminates for cause due to a new law or governmental action which prohibits performance of the activities required by this Agreement, Contractor shall notify APS immediately upon receiving notification of any such new law or governmental action; included in the notification will be the effective date of such law or governmental action.
 - iii. If Contractor terminates for cause due to breach by APS, Contractor shall give APS written notice of termination at least ninety (90) days prior to the intended date of termination, which notice shall (i) identify all APS material breaches of this Agreement upon which the termination is based and (ii) in the case of material breaches that cannot be cured within thirty (30) days, APS must notify the Contractor of its intent to cure and begin due diligence to cure the material breach, within the thirty (30) day notice.
 - iv. If the cause is APS's failure to make claim payment reimbursements as required by this Agreement and as defined in Section 8, Contractor may terminate this Agreement on the date which is two (2) Albuquerque Public School business days after receipt by APS of Contractor's written notice provided that Contractor provides APS an opportunity to fund within two (2) Albuquerque Public School's business days of such notice and APS fails to fund within such two (2) Albuquerque Public School's business day period.
 - v. If the cause is APS's failure to pay any other charges identified in this Agreement when due and as defined in Section 8, Contractor may terminate this Agreement on the date which is fifteen (15) Albuquerque Public School's business days after receipt by APS of Contractor's written notice provided that Contractor provides APS an opportunity to pay the charges within fifteen (15) business days and APS fails to pay the charges with such fifteen (15) business day period.
- c. Liability Upon Termination. Except as otherwise expressly allowed or provided under this Agreement, APS's sole liability upon termination shall be to pay for acceptable work

performed prior to the Contractor's receipt or issuance of a notice of termination; provided, however, that a notice of termination shall not nullify or otherwise affect either party's liability for pre-termination defaults under or breaches of this Agreement. THIS PROVISION IS NOT EXCLUSIVE AND DOES NOT WAIVE APS'S OTHER LEGAL RIGHTS AND REMEDIES THEN EXISTING OR WHICH MAY THEREAFTER ACCRUE CAUSED BY THE CONTRACTOR'S DEFAULT/BREACH OF THIS AGREEMENT. Any retention or payment of moneys due the Contractor by APS will not release the Contractor from liability.

d. Obligations Following Termination.

1. Following termination of this Agreement, if directed by APS, Contractor shall continue to process and pay claims and bill APS for claims for Covered Services rendered to Members that were incurred while this Agreement was in effect. APS shall remain responsible for payment of all Plan benefits due any provider or entity for services rendered prior to termination. The Run-Out Period shall be twelve (12) months, or as otherwise required by applicable law, or as requested by APS.
2. If the Run-Out provision is elected by APS, APS shall pay Contractor ASO fees in the amount of two (2) months of ASO fees based on the ASO fee schedule in effect at time of termination, and based on the average number of Members (or subscribers if a PEPM fee schedule is applicable) for the four (4) months prior to the termination date. APS agrees that it will pay the Run-Out ASO fees by the 30th calendar day after the effective date of termination.
3. In event of termination, APS will give notice to all Members of the termination.

SECTION 21: FORCE MAJEURE

Except for payment of sums due, neither party shall be liable to the other nor deemed in default under this Agreement if and to the extent that such party's performance of this Agreement is prevented by reason of force majeure. The term "force majeure" means an occurrence that is beyond the control of the party affected and occurs without its fault or negligence. Without limiting the foregoing, force majeure includes acts of God; acts of the public enemy; war; riots; strikes; mobilization; labor disputes; civil disorders; fire; flood; lockouts; injections-intervention-acts; or failures or refusals to act by government authority; and other similar occurrences beyond the control of the party declaring force majeure which such party is unable to prevent by exercising reasonable diligence.

a. Force Majeure shall NOT include the following occurrences:

1. Late delivery of equipment or materials caused by congestion at a manufacturer's plant or elsewhere, or an oversold condition of the market; or
2. Late performance by a Subcontractor unless the delay arises out of a Force Majeure occurrence in accordance with this Force Majeure term and condition; or

3. Inability of either the Contractor or any Subcontractor to acquire or maintain any required insurance, bonds, licenses, or permits.
- b. If either party is delayed at any time in the progress of the work by force majeure, the delayed party shall notify the other party in writing of such delay, as soon as is practicable and no later than the following working day, of the commencement thereof and shall specify the causes of such delay in such notice. Such notice shall be delivered or mailed certified-return receipt requested, and shall make a specific reference to this article, thereby invoking its provisions. The delayed party shall cause such delay to cease as soon as practicable and shall notify the other party in writing when it has done so. The time of completion shall be extended by written Amendment to this Agreement for a period of time equal to the time that results or effects of such delay prevent the delayed party from performing in accordance with this Agreement.
- c. Any delay or failure in performance by either party hereto shall not constitute default hereunder or give rise to any claim for damages or loss of anticipated profits if, and that such delay or failure is caused by force majeure.

SECTION 22: INDEMNIFICATION

The Contractor shall defend, indemnify and hold harmless APS from all actions, proceeding, claims, demands, costs, damages, reasonable attorneys' fees and all other liabilities and expenses of any kind from any source which may arise out of the performance of this Agreement caused by the negligent act or failure to act of the Contractor, its officers, employees, or subcontractor. In the event that any action, suit or proceeding related to the services performed by the Contractor or any officer, agent, employee, or subcontractor under this Agreement is brought against the Contractor, the Contractor shall, as soon as practicable but no later than two (2) Albuquerque Public Schools business days, notify APS and APS legal counsel.

SECTION 23: INDEPENDENT CONTRACTOR

The Contractor is an independent contractor performing services for APS. The Contractor and its employees shall not accrue leave, retirement, insurance, or any other benefits afforded to employees of APS as a result of this Agreement.

SECTION 24: CONFLICT OF INTEREST

The Contractor certifies that no relationship exists between the Contractor and APS that interferes with fair competition or is a conflict of interest; and no relationship exists between Contractor and another person or firm that constitutes a conflict of interest that is adverse to APS.

SECTION 26: GOVERNING LAW

This Agreement will be interpreted and governed by the laws of the State of New Mexico.

SECTION 27: RESPONSIBILITY FOR COMPLIANCE WITH LEGAL REQUIREMENTS

The Contractor's products, services, and facilities shall be in compliance with all applicable federal and state laws, regulations, and standards, regardless of whether they are referred to by this Agreement.

SECTION 28: NO THIRD PARTY RIGHTS

This Agreement shall not be construed to create any rights enforceable by any entity or individual not a party to this Agreement.

SECTION 29: THIRD PARTY BENEFICIARIES

This Agreement is for the benefit of APS and the Contractor and not for any other person. It shall not create any legal relationship between Contractor and any Member or any other party claiming any right, whether legal or equitable, under the terms of this Agreement or of the Plan.

SECTION 30: SEVERABILITY

If any provision of this Agreement is found invalid or unenforceable, the remainder of this Agreement will be enforced to the maximum extent permissible and the legality and enforceability of the other provisions of this Agreement will not be affected.

SECTION 31: CONFIDENTIALITY

The relationship between the Contractor and APS shall be that of Contractor and Client. Any information and other data developed or acquired by or furnished by a Party in the performance of this Agreement shall be kept confidential and shall, subject to the requirements of the Inspection of Public Records Act or other Applicable Law, not be made available to any individual or organization without the prior written approval of the other party. APS will keep Confidential Information and Proprietary Information confidential and will use Confidential Information and Proprietary Information solely for the purpose of administering the Plan or as otherwise required by law, to the extent permitted by the New Mexico Inspection of Public Records Act. To the extent, if any, that APS is required under the New Mexico Inspections of Public Records Act or other Applicable Law to disclose Contractor's Confidential Information and/or Proprietary Information, APS shall provide Contractor with timely notice of the request for this information and shall provide Contractor with an opportunity to seek protection of the information it deems proprietary, confidential and/or trade secret subject to the time limit set forth in IPRA or other Applicable Law. If Contractor fails to respond to APS timely in accordance with APS' notice of the request, APS shall have no obligation to consider Contractor's request for protection of such information. APS is solely responsible for any unauthorized use or disclosure of Confidential Information and/or Proprietary Information provided by Contractor pursuant to this section whether by itself or its designee and the consequences thereof.

The Contractor shall return all information and other data developed or acquired by or furnished to the Contractor in the performance of this Agreement to APS within thirty (30) days of the termination date of this Agreement.

Notwithstanding any other provision of this Agreement, Contractor may use and or disclose a limited data set or de-identified data for purposes of providing the services under this Agreement and for other purposes required or permitted by applicable law (the “Permitted Purposes” as defined herein). For purposes of this paragraph, “Permitted Purposes” means the studies, analyses or other activities that are designed to promote quality health care outcomes, manage health care and administrative costs, and enhance business and performance, including, but not limited to, utilization studies, cost analyses, benchmarking, modeling, outcomes studies, medical protocol development, normative studies, quality assurance, credentialing, network management, network development, fraud and abuse monitoring or investigation, administrative or process improvement, cost comparison studies, or reports for actuarial analyses. For purposes of this paragraph, a “limited data set” has the meaning set forth in HIPAA and “de-identified” means both member de-identification (as defined by HIPAA) and APS de-identification (unless the work is being done in connection with APS’s Plan). Solely for the Permitted Purposes, Contractor may release, or authorize the release of, a limited data set or de-identified data to a third party data aggregation service or data warehouse and its customers. Such data warehouse and data aggregation service providers may charge their customers a fee for access to such data. Nothing in the paragraph is intended to expand or limit the terms and conditions of the Business Associate Agreement with respect to the permitted use or disclosure of PHI (other than with respect to limited data sets). The foregoing notwithstanding, the Contractor and its support subcontractors are permitted to have internal access to Contractor-assigned APS Group and Identification number.

SECTION 32: NO DISCRETIONARY AUTHORITY

Contractor is not a fiduciary or plan sponsor of the Plan. Nothing herein shall be deemed to confer upon Contractor any discretionary authority with respect to the administration of a Benefit Plan or the disbursement of prescription drug benefits under a Benefit Plan. APS has the sole authority and responsibility in establishing the terms of a Benefit Plan, eligibility of Members, and the availability of benefits under a Benefit Plan. Contractor shall under no circumstances be considered an insurer, underwriter, or guarantor with respect to the benefits provided under a Benefit Plan. Contractor shall only act in accordance with the terms and conditions of this Agreement and any instructions of APS. Contractor assumes no responsibility or liability with respect to APS’s liabilities and obligations. Contractor shall perform administrative functions on behalf of APS and shall have no discretionary authority to make decisions setting policy, interpretations, practices, or procedures with respect to any Benefit Plan or APS funds.

SECTION 33: RELEASE

The Contractor shall, upon receipt of final payment of the amount due under this Agreement, release APS, its officers, agents and employees from all liabilities, claims and obligations whatsoever arising from or under this Agreement subject to the terms and conditions set forth in Exhibit D to this Agreement. The Contractor agrees not to purport to bind APS, their officers, agents and employees to any obligation not assumed in this Agreement by APS, its officers, agents

and employees, unless the Contractor has express written authority to do so, and then only within the strict limits of the authority.

SECTION 34: INSURANCE

During the term of this Agreement Contractor shall procure and maintain such policies of professional liability insurance, general errors and omission liability insurance, auto liability insurance, and other insurance at least the minimum levels required by applicable law and at no less than the limits of liability for governmental entities as provided by the New Mexico Tort Claims Act, but in no event shall the coverage be less than: (a) managed care errors and omissions liability insurance at a minimum level of \$1 million per claim, \$3 million annual aggregate; and (b) comprehensive general liability insurance at a minimum level of \$1 million per claim, \$3 million annual aggregate. Such insurance coverage shall cover the Contractor's acts and omissions, and that of each of its own employees, officers and directors, and include APS as an additional insured on a blanket endorsement basis. The insurance required by this paragraph may be maintained through a program of self-insurance. Policies of insurance shall be written by companies authorized to write such insurance in New Mexico. Upon request, the Contractor shall furnish APS with certificates of required insurance. Various types of required insurance may be written in one or more policies. Such policies of insurance shall be written on "per occurrence" or "claims made" basis.

Upon termination of any of Contractor's liability policies that are written on a claims-made basis, Contractor shall obtain an extended reporting period endorsement with the minimum limits specified above. This requirement will not apply if the Contractor immediately replaces the terminated policy with another policy meeting the below requirements that covers prior acts. Contractor agrees to provide to APS at least thirty (30) days' advance notice of any material modification or cancellation of any policy.

Contractor shall have the right to modify the provisions of this section in order to ensure its terms are consistent with Contractor's then current insurance program. Notwithstanding anything in this Agreement to the contrary, Contractor shall have the right to modify the provisions of this section unilaterally via written notice to APS, provided Contractor shall not make changes to this section more often than once every twelve (12) months, and provided Contractor maintains a minimum of \$1,000,000 in liability insurance with APS as an additional insured on a blanket endorsement basis.

Contractor shall require that each Participating Provider maintain throughout the term of his/her/its agreement with Contractor professional liability insurance with minimum coverage requirements of \$1 million per claim and \$3 million in the aggregate or in such other amounts that are required by applicable law.

Increased Limits. If, during the term of this Agreement, the Legislature of the State of New Mexico increases the maximum limits of liability under the Tort Claims Act, Sections 41-4-1 through 41-4-27 NMSA 1978, APS may require the Contractor to increase the maximum limits of any insurance required herein, provided the increase is effective upon the next renewal and will not exceed the maximum limits set by the Legislature of the State of New Mexico. Contractor will review and discuss in good faith with APS such request to increase the maximum limits of liability.

Workers' Compensation.

If requested by APS, the Contractor shall provide, upon reasonable notice, proof of current workers' compensation coverage for its employees. The Contractor expressly acknowledges the requirement to keep workers' compensation coverage in full force and effect throughout any portion of this Agreement period during which the Contractor is subject to the Workers' Compensation Act. Failure to have and maintain workers' compensation coverage during all periods where the Contractor is covered by the Workers' Compensation Act shall be considered a material breach of this contract.

SECTION 37: HEADINGS

Headings herein are for convenience of reference only and shall not be considered in any interpretation of this Agreement.

SECTION 38: CONFLICTING TERMS

Where the terms and conditions of the IBAC's 2021 Request for Proposal (RFP) or the Contractor's response to the RFP or any exhibit to this Agreement differ from those of this Agreement, the terms and conditions of this Agreement together with the Plan Documents shall control.

SECTION 39: MERGER

This Agreement shall incorporate all of the agreements, covenants and understandings between the parties thereto concerning the subject matter thereof. No prior agreement or understanding, verbal or otherwise, of the parties or their agents shall be valid or enforceable unless embodied in this Agreement.

SECTION 40: DISPUTE RESOLUTION

- a. Disputes. The parties shall first attempt to resolve any dispute regarding, arising out of, or relating to this Agreement ("Dispute") informally prior to any formal resolution. The parties shall exhaust the following escalation procedures prior to initiating formal resolution by arbitration, as set forth below.
- b. Escalation Procedures. Either party may notify the other party of a Dispute ("Dispute Notice") in writing by describing the nature of the Dispute with sufficient particularity, identifying the key persons involved, attaching key documents (collectively, "Information") and identifying that party's primary contact for the Dispute ("Primary Contact"). The receiving party shall, within twenty (20) calendar days, provide a written response ("Dispute Response"), providing that party's response Information and Primary Contact. Within ten (10) Albuquerque Public Schools business days thereafter, the Primary Contacts will mutually arrange for, and the parties shall conduct, a meeting of the Primary Contacts to negotiate for each of the parties (collectively, "Representatives") to attempt in good faith to resolve the Dispute ("Dispute Meeting").

1. In the event that a Dispute has not been resolved within thirty-five (35) calendar days of a Dispute Meeting, either Party may initiate mediation by providing written notice to the other Party, which shall be conducted in Albuquerque, New Mexico, in accordance with the American Arbitration Association Commercial Mediation Rules ("Mediation") using American Arbitration Association mediators. Each Party shall assume its own costs and attorneys' fees, and the compensation and expenses of the mediator and any administrative fees or costs associated with the mediation proceeding shall be borne equally by the Parties. The Parties shall not, however, be required to mediate the Controversy.
2. In the event that a Dispute has not been resolved by a Dispute Meeting or Mediation, the Dispute shall be settled exclusively by binding arbitration. The arbitration shall be conducted in Albuquerque, New Mexico, in accordance with the New Mexico Uniform Arbitration Act and American Arbitration Association Commercial Arbitration Rules, and which to the extent of the subject matter of the arbitration, shall be binding not only on all Parties to this Agreement but on any other entity controlled by, in control of or under common control with the Party to the extent that such affiliate joins in the arbitration, and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. Each Party shall assume its own costs and attorneys' fees, and the compensation and expenses of the arbitrator and any administrative fees or costs associated with the arbitration proceeding shall be borne equally by the Parties. The decision of the arbitrator shall be final, conclusive and binding, and no action at law or in equity may be instituted by any Party other than to enforce the award of the arbitrator. In the event of conflict between the New Mexico Uniform Arbitration Act and the American Arbitration Association Commercial Arbitration Rules, the New Mexico Act shall govern.

Any notice required to be given to either party by this Agreement shall be in writing and shall be delivered in person, by courier service or by U.S. mail, either first class or certified, return receipt requested, postage prepaid, as follows:

To Contractor: Type Contractor Name
Mailing address: Type mailing address
 Type city, state, ZIP code

Physical address: Type Street Address
Type city, state, ZIP code
Attn: Type name/title

SECTION 41: AUTHORITY

If Contractor is other than a natural person, the individual(s) signing this Agreement on behalf of Contractor represents and warrants that he or she has the power and authority to bind Contractor, and that no further action, resolution, or approval from Contractor is necessary to enter into a binding contract.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date of signature below.

Albuquerque Public Schools

By: _____
Scott Elder
Superintendent

Date: _____

By: _____
Rennette Apodaca
Executive Director, Procurement Department

Date: _____

CONTRACTOR NAME

By: _____
Type Signer's name and title
Federal Tax ID Number: Type federal tax ID

Date: _____

CONTRACTOR TO ADD EXHIBITS:

Exhibit A: Reporting Package (The agreed upon reporting package as of the date of this Agreement. Both parties to agree to any changes or improvements to the reporting package during the duration of this Agreement)

Exhibit B: Performance Guarantees - Operational and Clinical Performance Measures

Exhibit C: Business Associate Agreement

Exhibit D: Fee Schedule

Exhibit E: Other Services

APPENDIX C-4

STANDARD TERMS AND CONDITIONS (UNM)

The Standard Terms and Conditions included in Appendix C-4 represent the contractual language the RFP participating entity intends to use to in any contract resulting from this RFP. The RFP participating entity reserves the right to modify the Agreement prior to, or during, the award process, as necessary.

REQUEST FOR PROPOSAL (RFP) STANDARD TERMS AND CONDITIONS

Note: This document includes the Purchase Order Terms and Conditions as indicated by a preceding double asterisk (**).

The following General Terms and Conditions are an equal and integral part of this Request For Proposal (RFP). The terms, conditions and specifications contained in this RFP along with any attachments and the Offerors' response may be incorporated into any Purchase Order/Agreement issued as a result of this RFP, including any addenda. UNM reserves the right to negotiate with a successful Offeror (Contractor) provisions in addition to those stipulated in this RFP. The contents of this RFP, as revised and/or supplemented, and the successful Offerors' proposal may be incorporated into the Contract.

1. ****ACCEPTANCE AND REJECTION.** If prior to final acceptance, any goods or services are found to be defective or not as specified, or if the University is entitled to revoke acceptance of them the University may reject or revoke acceptance, require Seller to correct without charge within a reasonable time, or require delivery at an equitable reduction in price, at the University's option. Seller shall reimburse the University for all incidental and consequential costs related to unaccepted goods or services. Notwithstanding final acceptance and payment, Seller shall be liable for latent defects, fraud, or such gross mistakes as amount to fraud. Acceptance of goods or services shall not waive the right to claim damages for breach of contract.

2. ****ASSIGNMENT.** Any resultant Purchase Order/Agreement may be assignable by the University. Except as to any payment due hereunder, any resultant Purchase Order/Agreement shall not be assignable by Seller without written approval from the University.

3. **CANCELLATION:** The University reserves the right to cancel, without penalty, this RFP, the resultant contract or any portion thereof for unsatisfactory performance, convenience, cancellation of the project or unavailability of funds.

4. ****CHANGES.** The University may make changes within the general scope of any resultant Purchase Order/Agreement by giving notice to Seller and subsequently confirming such changes in writing. If such changes affect the cost of, or the time required for performance of a resultant Purchase Order/Agreement, an appropriate equitable adjustment shall be made. No change by Seller shall be recognized without written approval of the University. Any claim of Seller for an adjustment under this Paragraph must be made in writing within thirty (30) days from the date of receipt by Seller of notification of such change. Nothing in this Paragraph shall excuse Seller from proceeding with the performance of the Purchase Order/Agreement as changed hereunder.

5. **CHANGES/ALTERATIONS AFTER AWARD:** Changes or alterations after an award can only be made if agreed to in writing by the University.

13. ****DISCOUNTS.** If prompt payment discounts apply to any resultant Purchase Order/Agreement, any discount time will not begin until the materials, supplies, or services have been received and accepted and a correct invoice has been received by the University's Accounts

Payable Department. In the event testing is required prior to acceptance, the discount time shall begin upon completion of the tests and acceptance.

14. ****ECCN REPORTING REQUIREMENT.** Seller acknowledges that providing goods and services under any resultant Purchase Order/Agreement is subject to compliance with all applicable United States laws, regulations, or orders, including those that may relate to the export of technical data or equipment, such as International Traffic in Arms Regulations ("ITAR") and/or Export Administration Act/Regulations ("EAR"). Seller agrees to comply with all such laws, regulations and orders as currently in effect or hereafter amended. Seller shall not disclose any export-controlled information, or provide any export-controlled equipment or materials to UNM without prior written notice. In the event that UNM agrees to receive such export-controlled information, equipment or materials, Seller shall: (i) include the Export Control Classification Number (ECCN) on the packing documentation, and, (ii) send an electronic copy of the ECCN number and packing documentation to: ECCN@UNM.EDU.

15. **EMPLOYEE CERTIFICATION.** The Seller and all Seller's employees utilized on the work to be performed under this RFP must have the proper certification(s) and license(s) to comply with State and Local requirements in regard to the work to be performed under this RFP. The Seller shall use only fully qualified and approved service technicians to perform inspections, service and/or repairs covered under this RFP.

16. ****ELIGIBILITY FOR PARTICIPATION IN GOVERNMENT PROGRAMS.** Each party represents that neither it nor any of its management or any other employees or independent contractors or Principals as defined in CFR Section 180.995 who will have any involvement in the services or products supplied under this Agreement, have been excluded from participation in any government healthcare program, debarred from or under any other federal program (including but not limited to debarment under the Generic Drug Enforcement Act), or convicted of any offense defined in 42 U.S.C. Section 1320a-7, and that each party, its employees and independent contractors are not otherwise ineligible for participation in federal healthcare programs. Further, each party represents that it is not aware of any such pending action(s) (including criminal actions) against each party or its employees or independent contractors. Each party shall notify the other immediately upon becoming aware of any pending or final action in any of these areas.

18. ****EQUAL OPPORTUNITY AND AFFIRMATIVE ACTION.** In performing or providing the services and goods required under a resultant Purchase Order/Agreement, each party shall be an equal opportunity employer and shall conform to all affirmative action and other applicable requirements; accordingly, each party shall neither discriminate nor permit discrimination in its operations or employment practices against any person or group of persons on the basis of race, age, religion, color, national origin, ancestry, sex, physical or mental handicap or medical condition, sexual preference, prior military involvement or any other manner prohibited by law.

20. ****F.O.B.** Unless stated otherwise, the price for goods is F.O.B. the place of destination, and the place of destination is the University's designated campus address.

22. ****GOVERNING LAW.** All resultant Purchase Order/Agreements shall be construed in accordance with the laws of the State of New Mexico as they pertain to Purchase Order/Agreements executed and fully to be performed within New Mexico, or federal law where applicable, but in either case excluding that body of law relating to choice of law.

23. ****HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA).** The parties agree to enter into a mutually acceptable amendment to a resultant Purchase Order/Agreement as necessary to comply with applicable federal laws and regulations governing the use and/or disclosure of individually identifiable health information. Such amendment shall be entered into on or before the date by which hospitals are required to be in compliance with the privacy regulations promulgated under the Health Insurance Portability and Accountability Act of 1996.

24. ****INDEMNIFICATION AND INSURANCE.** Seller assumes the entire responsibility and liability for losses, expenses, damages, demands and claims in connection with or arising out of any actual or alleged personal injury (including death) and/or damage or destruction to property sustained or alleged to have been sustained in connection with or arising out of the goods delivered by Seller or the performance of the work by Seller its agents, employees, sub-contractors or consultants, except to the extent of liability arising out of the negligent performance of the work by or willful misconduct of the University. Seller shall indemnify, defend and hold harmless the University, its officers, agents, and employees from any and all liability for such losses, expenses, damages, demands, and claims and shall defend any suit or action brought against any or all of them based on any actual or alleged personal injury or damages and shall pay any damage costs and expenses including attorneys' fees, in connection with or resulting from such suit or action. Seller will also indemnify, defend and hold harmless the University against any joint and several liabilities imposed against the University with respect to strict products liability claims attributable to the fault of the Seller. Seller agrees that it and its sub-contractors will maintain general liability, product liability and property damage insurance in reasonable amounts (at least equal to the New Mexico Tort Claims Act limits) covering the above obligation and will maintain workers' compensation coverage covering all employees performing under a resultant Purchase Order/Agreement on premises occupied by or under the control of the University. The liability of the University will be subject in all cases to the immunities and limitations of the New Mexico Tort Claims Act, Sections 41-4-1 et seq. NMSA 1978, as amended."

25. ****INDEPENDENT BUSINESS.** Neither Seller nor any of its agents shall be treated as an employee of the University for any purpose whatsoever. Seller declares that Seller is engaged in an independent business and has complied with all federal, state and local laws regarding business permits and licenses of any kind that may be required to carry out the said business and the tasks to be performed under any resultant Purchase Order/Agreement. Seller further declares that it is engaged in the same or similar activities for other clients and that the University is not Seller's sole or only client or customer.

26. ****INSPECTION.** The University may inspect, at any reasonable time, any part of Seller's plant or place of business, which is related to performance of any resultant Purchase Order/Agreement. Final Inspection will be made at the destination upon completion of delivery

of goods and services. Acceptance of delivery shall not be considered acceptance of the goods and/or services furnished. Final inspection shall include any testing or Inspection procedures required by the Specifications.

27. **INSPECTIONS, SELLER.** The Seller shall be responsible for securing at Seller's expense, all required inspections to comply with Federal, State and/or Local regulations governing the work performed under this RFP.

29. **INSURANCE REQUIREMENTS:** The Seller is required to carry insurance that meets the requirements in the Exhibit labeled "INSURANCE REQUIREMENTS" or as noted in the specifications. Seller must submit the Certificate of Insurance to the appropriate Buyer prior to commencing work under an agreement. Insurance shall remain in effect for the entire term of the contract and must be extended to coincide with any future contract extensions. This RFP Number must appear on the Certificate of Insurance.

31. **MERGER.** The contract shall incorporate all the agreements, covenants, and understandings between the parties thereto concerning the subject matter thereof. No prior agreements or understandings, verbal or otherwise, of the parties or their agents shall be valid or enforceable unless embodied in the contract.

34. **OPTION TO RENW.** The University reserves the option to renew a resultant contract if such renewal is mutually agreed to and found to be in the best interest of the University. Renewal options will be exercised in one year increments and in accordance with 13-1-150 NMSA, 1978.

36. ****OTHER APPLICABLE LAWS.** Any provision required to be included in a resultant Purchase Order/Agreement by any applicable and valid executive order, federal, state or local law, ordinance, rule or regulation shall be deemed to be incorporated herein.

37. ****OWNERSHIP OF DOCUMENTS.** All documents which are prepared by the Seller or any member of the consulting team that form a part of its services under a resultant Purchase Order//Agreement are the sole property of the University of New Mexico and such works may not be reproduced nor distributed without the express written consent of the University of New Mexico and shall be delivered to UNM upon termination and or completion of this Purchase Order/Agreement if UNM so requests. The Seller shall be responsible for the protection and/or replacement of any original documents in its possession. UNM shall receive all original drawings and the Seller shall retain a reproducible copy.

Work Made for Hire - For the consideration payable under a resultant Purchase Order/Agreement, the work product required by the Purchase Order/Agreement shall be considered a work made for hire within the meaning of that term under the copyright laws of the United States, applicable common law and corresponding laws of other countries. UNM shall have the sole right and authority to seek statutory copyright protection and to enjoy the benefits of ownership of the work. The party performing the work hereby assigns all rights, title and interest in and to the work to UNM and shall require all members of the consulting team to agree in writing that they assign all right, title and interest in work product required by the Purchase Order/Agreement to UNM.

Inventions. For the consideration payable under a resultant Purchase Order/Agreement, the Seller agrees to report any invention arising out of the Work required by the Purchase Order/Agreement to UNM. UNM shall have sole right and authority to seek statutory patent protection under United States and foreign patent laws and to enjoy the benefits of ownership of the invention, whether or not the invention was required of the Seller or member of the consulting team as part of the performance of Work. The Seller hereby assigns all right, title and interest in and to inventions made in the course of the Work to UNM and agrees to execute and deliver all documents and do any and all things necessary and proper to effect such assignment.

Seller shall require all members of the Consulting Team to agree in writing that they will execute and deliver all documents and do any and all things necessary and proper to effect assignment of inventions arising out of the Work required by the Purchase Order/Agreement to UNM.

Survival of Provision. This provision shall survive expiration and termination of the Purchase Order/Agreement.

39. ****PATENT AND COPYRIGHT INDEMNITY.** Seller shall indemnify, defend and hold harmless the University against all losses, liabilities, lawsuits, claims, expenses (including attorneys' fees), costs, and judgments incurred through third party claims of infringement of any copyright, patent, trademark or other intellectual property rights.

40. ****PAYMENT TERMS.** Upon written request from Seller for payment, the University shall, within 30 days, issue a written certification of complete or partial acceptance or rejection, with payment to follow within 30 days after certificate of acceptance. Late payment charges shall be ½ of 1% per month.

42. ****PENALTIES.** The Procurement Code, Section 13-1-28 at seq. NMSA 1978, as amended imposes civil and criminal penalties for its violation. In addition, the New Mexico criminal statutes impose criminal penalties for bribes, gratuities and kickbacks.

43. ****PROTECTION OF CONFIDENTIAL DATA.** Service Provider agrees to abide by the limitations on re-disclosure of personally identifiable information from education records set forth in The Family Educational Rights and Privacy Act (34 CFR § 99.33 (a)(2) and with the terms set forth below. 34 CFR 99.33 (a)(2) states that the officers, employees and agents of a party that receives education record information from the Institution may use the information, but only for the purposes for which the disclosure was made.

Definition: Covered data and information (CDI) includes paper and electronic student education record information supplied by Institution, as well as any data provided by Institution's students to the Service Provider.

Acknowledgment of Access to CDI: Service Provider acknowledges that the Purchase Order/Agreement allows the Service Provider access to CDI.

Prohibition on Unauthorized Use or Disclosure of CDI: Service Provider agrees to hold CDI in strict confidence. Service Provider shall not use or disclose CDI received from or on behalf of

Institution (or its students) except as permitted or required by the Purchase Order/Agreement, as required by law, or as otherwise authorized in writing by Institution. Service Provider agrees not to use CDI for any purpose other than the purpose for which the disclosure was made. If the Family Policy Compliance Office of the U.S. Department of Education determines that the Service Provider improperly disclosed personally identifiable information obtained from Institution's education records, Institution may not allow the Service Provider access to education records for at least five years.

Return or Destruction of CDI: upon termination, cancellation, expiration or other conclusion of the Purchase Order/Agreement. Service Provider shall return all CDI to Institution or, if return is not feasible, destroy any and all CDI. If the Service Provider destroys the information, the Service Provider shall provide Institution with a certificate confirming the date of destruction of the data.

Maintenance of the Security of Electronic Information: Service Provider shall develop, implement, maintain and use appropriate administrative, technical and physical security measures to preserve the confidentiality, integrity and availability of all electronically maintained or transmitted CDI received from, or on behalf of Institution or its students. These measures will be extended by contract to all sub-contractors used by Service Provider.

Reporting of Unauthorized Disclosures or Misuse of Covered Data and Information: Service Provider shall, within one day of discovery, report to Institution any use or disclosure of CDI not authorized by this Purchase Order/Agreement or in writing by Institution. Service Provider's report shall identify: (i) the nature of the unauthorized use or disclosure, (ii) the CDI used or disclosed, (iii) who made the unauthorized use or received the unauthorized disclosure, (iv) what Service Provider has done or shall do to mitigate any deleterious effect of the unauthorized use or disclosure, and (v) what corrective action Service Provider has taken or shall take to prevent future similar unauthorized use or disclosure. Service Provider shall provide such other information, including a written report, as reasonably requested by Institution.

Indemnity: Service Provider shall defend and hold Institution harmless from all claims, liabilities, damages, or judgments involving a third party, including Institution's costs and attorney fees, which arise as a result of Service Provider's failure to meet any of its obligations under this Purchase Order/Agreement.

Note: Inclusion of data by students into the terms of the contract will depend upon the contract and may not be needed."

46. RELEASE UNM REGENTS. The Contractor shall, upon final payment of the amount due under the contract release Regents of the University of New Mexico, their officers and employees and the State of New Mexico from liabilities, claims and obligations whatsoever arising from the contract. The Contractor agrees not to purport to bind the University of New Mexico or the State of New Mexico to any obligation not assumed in the contract by the Regents of the University of New Mexico or the State of New Mexico unless the Contractor has express, written authority to do so, and then only within the strict limits of that authority.

47. **RETENTION OF RECORDS.** Contractor will maintain detailed records indicating the date, time and nature of services provided under the Agreement for a period of at least five years after termination of the Agreement, and will allow access for inspection by the University of New Mexico, the Secretary for Health and Human Services, the Comptroller General and the Inspector General to such records for the purpose of verifying costs associated with provisions of services under the Agreement.

50. **SCHEDULE DELAYS.** If after the award, the Seller becomes aware of possible problems that could result in delay in completion of the work on the agreed-to schedule; the

Seller must immediately notify the Buyer or the designated representative. The initial notification of the delay may be verbal with a written confirmation, giving the probable cause and effect, with recommendations for alternate action. Nothing in this paragraph will be interpreted as relieving the Seller of its contractual obligations; however, failure to notify UNM promptly will be basis for determining the Seller responsibility in an otherwise excusable delay.

51. ****SELLER'S EMPLOYEES AND AGENTS.** Seller shall have complete charge and responsibility for persons employed by Seller and engaged in the performance of the specified work. The Seller, its agents and employees state that they are independent contractors and not employees of the University. Seller, its agents and employees shall not accrue leave, retirement, insurance, bonding or any other benefit afforded to employees of the University as a result of any resultant Purchase Order/Agreement.

56. ****TERMINATION AND DELAYS.** The University may by written notice stating the extent and effective date, terminate any resultant Purchase Order/Agreement for convenience in whole or in part, at any time. The University shall pay Seller as full compensation for performance until such termination: (1) the unit or pro rata order price for the delivered and accepted portion: and (2) incidental damages, not otherwise recoverable from other sources by Seller, as approved by the University, with respect to the undelivered or unaccepted portion of any resultant Purchase Order/Agreement provided compensation hereunder shall in no event exceed the total contracted price. Such amount will be limited to Seller's actual cost, and may not include anticipated profits. The University shall not be liable for consequential damages. The University may by written notice terminate any resultant Purchase Order/Agreement in whole or in part for Seller's default if Seller refuses or fails to comply with the provisions of a resultant Purchase Order/Agreement or fails to make progress so as to endanger performance and does not cure such failure within a reasonable period of time. In such event, the University may otherwise secure the materials, supplies or services ordered, and Seller shall be liable for damages suffered by the University thereby, including incidental and consequential damages. If after notice of termination, the University determines Seller was not in default, or if Seller's default is due to failure of the University, termination shall be deemed for the convenience of the University. The rights and remedies of the University provided in this paragraph shall not be exclusive and are in addition to any other rights and remedies provided by law or under a resultant Purchase Order/Agreement as used in this paragraph, the word "Seller" includes Seller and Seller's sub-suppliers at any tier.

58. **WAIVER.** The Contract shall contain a provision that states that no waiver of any breach of the Contract or any terms or conditions thereof shall be held to be a waiver of any other or subsequent breach; nor shall any waiver be valid, alleged or binding unless the same shall be in writing and signed by the party to have granted the waiver.

59. ****WARRANTIES.** Seller warrants the goods and/or services furnished to be exactly as specified in any resultant Purchase Order/Agreement, free from defects in Seller's design, labor, materials and manufacture, and to be in compliance with any drawings or specifications incorporated herein and with any samples furnished by Seller. All applicable UCC warranties express and implied are incorporated herein.

60. ****WORKERS COMPENSATION.** No workers compensation insurance has been or will be obtained by UNM on account of Seller or its employees or agents. Seller shall comply with the workers compensation laws with respect to Seller and Seller's employees and agents.

****GRAMM-LEACH-BLILEY ACT.**

Pursuant to the Gramm-Leach-Bliley Act and the regulations set forth at 16 CFR Part 314, the University of New Mexico ("University") requires its Service Providers to implement and maintain appropriate safeguards for the protection of Customer Information. Accordingly, the Service Provider shall implement and maintain a comprehensive information security program that contains administrative, technical and physical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of confidential Customer Information that it creates, receives, maintains, or transmits on behalf of the University. In addition, the Service Provider will require and ensure that any of its agents, sub-contractors, or sub-consultants, to which it provides confidential Customer Information of the University, implement appropriate security measures to protect confidential Customer Information of the University.

Service Provider shall not use or disclose covered data and information received from or created on behalf of the University except as permitted or required by this Purchase Order/Agreement, as required by law, or as otherwise authorized in writing by the University. Upon becoming aware of a security breach in which University Customer Information is used or disclosed in a manner not authorized or covered by this Purchase Order/Agreement, including any reasonable belief that an unauthorized individual has accessed a database containing covered data and information, or in violation of any applicable state or federal laws, Service Provider will report to the University any security incident immediately upon being aware of such a breach and take such corrective steps/action to remedy the breach as requested by the University and required by law.

Upon termination, cancellation, expiration or other conclusion of this Purchase Order/Agreement, Service Provider shall return to the University covered Customer Information and data unless the University requests in writing that such Customer Information and data be destroyed. Service Provider shall complete such return or destruction not less than 30 days after the conclusion of this Purchase Order/Agreement. Within such 30-day period, Service Provider shall certify in writing to the University that such return or destruction has been completed. To the extent return or destruction is not feasible; this Purchase Order/Agreement shall remain in full force and effect.

Service Provider means any person or entity that receives, maintains, processes, or otherwise is permitted access to Customer Information through its direct provision of services to a financial institution. The Gramm-Leach-Bliley Act broadly defines “financial institution” as any institution engaging in the financial activities enumerated under the Bank Holding Company Act of 1956, including “making, acquiring, brokering, or servicing loans” and “collection agency services”. Because higher education institutions participate in financial activities, such as processing student financial aid and student loans, FTC regulations consider them financial institutions for purposes of the Gramm-Leach-Bliley Act.

Customer Information means any record containing nonpublic information as defined in 16 CFR 313.3(n), about a customer of a Financial Institution, whether in paper, electronic or other form that the University has obtained from a customer in the process of offering a financial product or service including offering student aid and loans to students as defined in 12 CFR 225.28. Any and all Customer Information provided by the University to the Service Provider or which the Service Provider acquires through its own efforts in rendering or providing any goods or services under this Purchase Order/Agreement, shall be considered confidential and held in strict confidence and shall only be released to the Service Provider’s own personnel, agents, sub-contractors and sub-consultants only to the extent necessary to provide or perform the goods and/or services required by this Purchase Order/Agreement. Such information shall not be released by the Service Provider to any other person or organization without the prior written consent and approval of the University."

APPENDIX D

LETTER OF TRANSMITTAL FORM

APPENDIX D

Letter of Transmittal Form

ITEMS #1 to #4 EACH MUST BE COMPLETED IN FULL (pursuant to Section II.C.30).

FAILURE TO RESPOND TO ALL FOUR (4) ITEMS WILL RESULT IN THE DISQUALIFICATION OF OFFEROR'S PROPOSAL! DO NOT LEAVE ANY ITEM BLANK!

(N/A, None, Does not apply, etc. are acceptable responses.)

RFP#: 20-34200-21-00002

1. Identify the following information for the submitting organization:

Offeror Name	
Mailing Address	
Telephone	
FED ID#	
NM CRS#	

2. Identify the individual(s) authorized by the organization to (A) contractually obligate, (B) negotiate, and/or (C) clarify/respond to queries on behalf of this Offeror:

	A Contractually Obligate	B Negotiate*	C Clarify/Respond to Queries*
Name			
Title			
E-mail			
Telephone			

* If the individual identified in Column A also performs the functions identified in Columns B & C, then no response is required for those Columns. If separate individuals perform the functions in Columns B and/or C, they must be identified.

3. Use of subcontractors (Select one):

____ No subcontractors will be used in the performance of any resultant contract, OR

____ The following subcontractors will be used in the performance of any resultant contract:

(Attach extra sheets, as needed)

4. Describe any relationship with any entity (such as a State Agency, reseller, etc. that is not a subcontractors listed in #3 above), if any, which will be used in the performance of any resultant contract. (N/A, None, Does not apply, etc. are acceptable responses to this item.)

(Attach extra sheets, as needed)

By signing the form below, the Authorized Signatory attests to the accuracy and veracity of the information provided on this form, and explicitly acknowledges the following:

- On behalf of the submitting-organization identified in item #1, above, I accept the Conditions Governing the Procurement, as required in Section II.C.1. of this RFP;
- I concur that submission of our proposal constitutes acceptance of the Evaluation Factors contained in Section V of this RFP; and
- I acknowledge receipt of any and all amendments to this RFP, if any.

_____, 20_____
Authorized Signature and Date (*Must be signed by the individual identified in item #2.A, above.*)

APPENDIX E

ORGANIZATIONAL REFERENCE QUESTIONNAIRE

The State of New Mexico, as a part of the RFP process, requires Offerors to provide a list of three (3) organizational references in their proposals. Each reference should have a minimum of 30,000 covered lives. Additionally,

- One must be a current client that has been with the PBM for at least four years.
- The second must be a new client that went through the implementation process within the past 6-12 months.
- The third must be a client that terminated with the PBM within the last 24 months.

The purpose of these references is to document Offeror's experience relevant to the Section 4.1, Detailed Scope of Work in an effort to evaluate Offeror's ability to provide goods and/or services, performance under similar contracts, and ability to provide knowledgeable and experienced staffing.

Offeror is required to send the following Organizational Reference Questionnaire to each business reference listed in its proposal, as per Section 4.2.2. The business reference, if it chooses to respond, is required to submit its response to the Organizational Reference Questionnaire directly to: Claudette Roybal at Claudette.Roybal@state.nm.us by 3:00 PM MST November 12, 2021 MST/MDT for inclusion in the evaluation process. The Questionnaire and information provided will become a part of the submitted proposal. Businesses/Organizations providing references may be contacted for validation of content provided therein.

RFP # 20-34200-21-00002
ORGANIZATIONAL REFERENCE QUESTIONNAIRE
FOR:

(Name of Offeror)

This form is being submitted to your company for completion as a reference for the organization listed above. This Questionnaire is to be submitted to the State of New Mexico, on behalf of the Interagency Benefits Advisory Committee (IBAC) and University of New Mexico (UNM) via e-mail at:

Name: Claudette Roybal, Procurement Manager
Email: Claudette.Roybal@state.nm.us

Forms must be submitted no later than 3:00 PM MST November 12, 2021 MST/MDT, and **must not** be returned to the organization requesting the reference. References are **strongly encouraged** to provide comments in response to organizational ratings.

For questions or concerns regarding this form, please contact the IBAC/UNM **Procurement Manager** at Claudette.Roybal@state.nm.us. When contacting the Procurement Manager, include the Request for Proposal number provided at the top of this page.

Client name	
Client location (city and state)	
Type of business	
Number of persons enrolled on the prescription drug plan	
Project description	Pharmacy Benefits Management (PBM) services
Project dates (effective date of coverage with PBM and termination date, if applicable)	
Contact name and title/position	
Contact telephone number(s)	
Contact e-mail address	

QUESTIONS FOR ALL CLIENTS:

1. How would you rate the vendor's knowledge and expertise?

_____ (3 = Excellent; 2 = Satisfactory; 1 = Unsatisfactory; 0 = Unacceptable)

COMMENTS:

2. How would you rate the dynamics/interaction between vendor personnel and your staff?

_____ (3 = Excellent; 2 = Satisfactory; 1 = Unsatisfactory; 0 = Unacceptable)

COMMENTS:

3. How satisfied are/were you with the products/services developed by the vendor?

_____ (3 = Excellent; 2 = Satisfactory; 1 = Unsatisfactory; 0 = Unacceptable, N/A = Not applicable)

COMMENTS:

4. Would you recommend this vendor's services to your organization again?

COMMENTS:

QUESTIONS FOR EXISTING CLIENTS:

5. When did you implement with the PBM?

6. Who was the prior PBM and why did you switch?
7. Was the implementation by the PBM successful? If not, please list the issues that the Plan had to address and if the PBM was responsive in correcting the issues.
8. Is the PBM currently providing good service (e.g. satisfactory account team that addresses issues in a timely manner, etc.)?
9. Does it appear the PBM is providing higher savings and added value to the plan?

QUESTIONS FOR TERMINATED CLIENTS:

10. When did the Plan terminate with the PBM and which PBM replaced them?
11. Was the PBM terminated due to service issues? If not, what was the reason for termination (e.g. end of contract, competitive bid, etc.)?

APPENDIX F
NON-DISCLOSURE AGREEMENT

MUTUAL CONFIDENTIALITY AGREEMENT

THIS AGREEMENT (the “Agreement”), is entered into this ____ day of _____ 20__, by and between _____,

_____ on behalf of itself and its subsidiaries and affiliates (“Company”) and The Segal Group, Inc., on behalf of itself and its subsidiaries and affiliates (“Segal”). Company and Segal may be referred to individually as a “Party” and collectively as the “Parties”.

WHEREAS, in connection with _____ (the “Purpose”), the Parties may need to exchange certain Confidential Information (as such term is defined in this Agreement);

WHEREAS, the Parties desire to protect the confidentiality of such Confidential Information; and

NOW, THEREFORE, the Parties hereto agree as follows with regards to each’s receipt of Confidential Information:

1. Confidential Information.

- a. *Definition*: “Confidential Information” will be defined as: proprietary or confidential information, nonpublic information, trade secrets, designs and other data including, but not limited to, the disclosing Party’s financial information projections, sales and marketing information, client information and contracts personnel information, management systems, strategic plans, financial information and other information about the other Party’s business, industry, products and services, plans, specifications, operation methods, techniques, manuals, know-how and other intellectual property, in written or other tangible form, or orally, necessary to effectuate the Purpose.
- b. *Exclusions*: Confidential Information will not include information which: (i) is or becomes a part of the public domain through no fault of the receiving Party; (ii) was in the receiving Party’s lawful possession prior to the disclosure; (iii) is disclosed by the disclosing Party without restriction on disclosure; (iv) is independently developed by the receiving Party without reliance on the disclosing Party’s Confidential Information; (v) is required to enforce a Party’s rights hereunder; or (vi) is required be disclosed by a governmental authority or pursuant to a subpoena, provided that to the extent not prohibited by applicable law, the receiving Party gives the disclosing Party a reasonable opportunity to contest the disclosure and/or seek any available protections for the Confidential Information.

- c. *No Obligations or Warranties.* Nothing herein requires the disclosure of any Confidential Information, which information shall be disclosed, if at all, in the sole and absolute discretion of disclosing Party. Confidential Information is provided on an “as-is” basis and the disclosing Party makes no warranty as to the accuracy, completeness or fitness for a particular purpose of the Confidential Information.
- d. *Ownership.* All Confidential Information is and shall remain the sole and exclusive property of the disclosing Party. No right or license, either express or implied, is granted to the receiving Party pursuant to this Agreement.

2. Confidentiality.

With respect to disclosing Party’s Confidential Information, the receiving Party agrees to:

- a. Maintain such Confidential Information in confidence, using at least the same standard of care with respect to the Confidential Information that it uses in maintaining the confidentiality of its own Confidential Information, which shall be a reasonable standard of care;
- b. Not use or disclose such Confidential Information for any reason other than the Purpose or as explicitly permitted herein, without the express permission of the disclosing Party;
- c. Not misappropriate or use Confidential Information in order to intentionally damage the disclosing Party’s business or reputation or otherwise gain a competitive advantage over the disclosing Party;
- d. Only disclose, or otherwise make available, Confidential Information to those of its affiliates, shareholders, directors, officers, employees, agents and representatives (“Representatives”) who have a legitimate need to know the Confidential Information in furtherance of the Purpose and have been made aware of the obligations of this Agreement and their responsibility for complying with those obligations. The receiving Party acknowledges that it is fully responsible for a breach of this Agreement by its Representatives;
- e. Notify the disclosing Party, in writing, immediately upon the occurrence of any unauthorized use, disclosure or release of Confidential Information of which it is aware.

3. Cybersecurity.

Each Party maintains procedures, consistent with industry standards and as required by law, to ensure the security of all data maintained on its information technology systems. In addition, each Party shall maintain a business continuity/disaster recovery program, consistent with industry standards and as required by law. Each Party agrees to provide the other Party with any reasonably requested information related to its information security protocols and disaster recovery program. Such information will constitute Confidential Information and be subject to the Party’s obligations under this Agreement.

4. Return of Information.

Upon the request of the disclosing party, the Receiving Party shall immediately return to the disclosing Party any Confidential Information in written or other tangible form. Notwithstanding the foregoing, Segal may retain archival copies of any Confidential Information received to the extent required to comply with its then-existing document retention and business continuity programs. Any Confidential Information so retained will be maintained in accordance with Segal's obligations hereunder.

5. Term.

The receiving Party's obligations hereunder shall remain in effect for so long as it maintains Confidential Information in any form.

6. Injunctive Relief.

The receiving Party acknowledges that a failure by the receiving Party or its Representatives to comply with the terms of this Agreement may cause irreparable damage to the disclosing Party and that, in addition to any other legal remedies or equitable relief available to the disclosing Party for the breach of this Agreement, the disclosing Party may seek, from a court of appropriate jurisdiction, specific performance to prevent, inhibit or enjoin any action taken by the receiving Party or its Representatives in breach hereof.

7. Governing Law.

Without limiting the disclosing Party's ability to seek injunctive relief under Section 6, any disputes between the Parties hereto are subject to mediation in accordance with the Judicial Arbitration and Mediation Service ("JAMS") as a condition precedent to the commencement of any legal proceeding hereunder. Except to the extent superseded by federal law, the validity, interpretation, enforceability, and performance of this Agreement will be governed by the laws of the State of New York. Unless otherwise agreed by the Parties, any dispute, controversy or claim arising out of or to enforce the terms of this Agreement may be brought in the appropriate federal or state court in the State of New York, New York County. **THE PARTIES AGREE TO WAIVE ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION, SUIT, OR PROCEEDING ARISING OUT OF THIS AGREEMENT.**

8. Notices.

Any notices or other communications under this Agreement will be in writing and will be given to the Parties by hand, by electronic mail, nationally recognized overnight courier service or by express, registered or certified mail, postage prepaid, return receipt requested, at the addresses set forth below:

If to Company, to:

[Company Name]
[Street Address]
[City, State, Zip]

If to Segal, to:

The Segal Group
333 West 34th Street
New York, NY 10001

Attention:
[Email Address]

Attention: General Counsel
Contract_Notice@segalco.com

9. General

- a. *Entire Agreement; Modification of Agreement.* This Agreement constitutes the entire agreement between the Parties regarding the exchange of Confidential Information. Neither party will be bound by any conditions, definitions, warranties, understandings or representations with respect to such subject matter other than as expressly provided herein, or in any prior written agreement between the parties, or as duly set forth on or after the effective date of this Agreement in writing and signed by a duly authorized representative of the Party to be bound thereby. No modification or amendment hereto will be valid unless it is in writing and signed by the Parties.
- b. *Severability and Waiver.* If any provision of this Agreement is found to be illegal or otherwise unenforceable, that provision will be severed and the remainder of this Agreement will remain in full force and effect. No consent to or waiver of any default hereunder will be effective unless in writing and no such consent or waiver will be construed as a consent to or waiver of any default in the future or of any other default hereunder.
- c. *No Third Party Beneficiaries.* This Agreement is made and entered into solely for the benefit and protection of the Parties hereto, their successors and permitted assigns, and does not confer any rights or privileges upon any third parties.
- d. *Counterparts.* This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be an original, but such counterparts shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties have executed this Confidentiality Agreement as of the date first above written.

THE SEGAL GROUP, INC.

[COMPANY NAME]

Signature

Signature

Name

Name

Title

Title