

IBAC/UNM PBM RFP#342-2021-03

Response to Written Questions

The written questions below were submitted by Potential Offerors prior to the due date of 3:00 PM MST October 29, 2021. Responses below have been provided via ProposalTech as of **November 10, 2021** to all Potential Offerors who timely submitted an Acknowledgement of Receipt Form and are also posted electronically at <https://nmopsia.com/NMPSIAPlan.html?type=Proposals>. Responses are grouped into two sections – those originally released November 5, 2021 and those released on November 10, 2021.

Originally Released November 5, 2021

1. Can Offeror propose our public sector preferred option? This program is an intrastate program that Offeror supports in partnership with another Organization, and currently includes two State government and affiliated entities today. The value for IBAC is strong and will bring purchasing power as well.

Response: IBAC and UNM encourage all bidders to put forth their most aggressive offer. IBAC/UNM believes they are a large enough entity not to justify the need for a consortium arrangement and therefore would favor a direct bid.

2. Would there be any consideration given to waiving/removing the 30,000 threshold mentioned as part of the requirement from 3.13 on page 27 and 6.10.1 on page 63 of the RFP?

Response: No, the minimum threshold will not be waived/removed.

3. Our analytics team informed me that they were unable to locate claims for UNM - 12,782 lives. Can you provide that claims data?

Response: UNM data is expected to be released in a separate transmission to all bidders by Monday, November 8, 2021. Please notify the Procurement Manager if you do not receive it.

4. After analyzing the claims data, we're not seeing University of New Mexico (UNM) listed. Are they combined with one of the other groups?

Response: See response to #3 above.

5. Will prescription claims history files be released for analysis?

Response: This is addressed in section 3.3. of the RFP: "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."

6. Data for the University of New Mexico was not included in the data file. Will data for UNM be released?

Response: See response to #3 above.

7. Zip codes were not included in the data file. Will data be released with zip codes, as this is needed for the requested GeoAccess and disruption analysis.

Response: Member zips will not be provided, please base the network disruption analysis based on the zip code of the dispensing pharmacy.

8. *Appendix B - Campaign Contribution Disclosure Form* In Section 2.3 General Requirements, it states that the Campaign Disclosure Form must be signed; however, there is not a place for a designated signature. Please confirm where we should sign, who should sign, and if an electronic signature is sufficient.

Response: The signature line appears on page 3 of the Campaign Contribution Disclosure Form.

9. *Appendix D - Letter of Transmittal Form* Is an electronic signature on the Letter of Transmittal Form sufficient or is an original signature required?

Response: An encrypted electronic signature will be acceptable. A typed electronic signature will not be sufficient.

10. *Pricing Clarification* The current contract shows 1-34, 35-90 days' supply split for EGWP; however, the RFP asks for 1-83, 84-90. Please confirm which is accurate.

Response: 35+ for EGWP. 84+ for Commercial.

11. *3.7 Proposal Format* The proposal submission format is outlined on page 26 of the RFP document. Some of the sections listed under the Technical Proposal are not included in ProposalTech. In order to keep the Technical and Cost proposal separate, is it asked that we attach two separate zip files to the Manage Documents section in ProposalTech; one zip file to include our complete Technical proposal response and one zip file to include our complete Cost proposal response?

Response: Bidder responses to the Cost Proposal Questionnaire will be separated from all other items using ProposalTech functionality. No additional steps are required of bidders in this regard; however, bidders are reminded that **cost information must not be included in any component of the technical proposal**. Any items listed under the Technical Proposal that are not included in ProposalTech (for example, Response to Contract Terms and Conditions) should be uploaded as an attachment via the Manage Documents section.

12. *1.6 Definition of Terminology (pg. 9)* We believe these terms are defined to assist with responding to the RFP. Please confirm that a response is not needed to these definitions.

Response: Confirmed.

13. *2.3 General Requirements (pgs. 17-23)* There is not a dedicated section in ProposalTech to provide a response to the General Requirements. Should we provide our response to this section in a separate document and uploaded as an attachment?

Response: This is addressed in 2.3.1: "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."

14. *4 Specifications (pgs. 27-33)* There is not a dedicated section in ProposalTech to provide a response to the General Requirements. Should we provide our response to this section in a separate document and uploaded as an attachment?

Response: Since there are no General Requirements on the pages indicated, we interpret this as referring to the Specifications described on these pages. No response is required to 4.1 Detailed Scope of Work. The table below details the method of response for Technical and Business Specifications (4.2 and 4.3, respectively)

#	Specification	Method of response
4.2.1	Organizational Experience	Provide as an attachment to your response (see 3.12)
4.2.2	Organizational References	References must provide directly to Procurement Manager (see 3.13 and Appendix E)
4.2.3	Mandatory Specifications	Provide as an attachment to your response (see 3.14)
4.2.4	Desirable Specifications	Respond to the relevant sections of the Technical Proposal Questionnaire (see 5.2.4)
4.3.1	Financial Stability	Provide as an attachment to your response (see 3.15)
4.3.2	Performance Surety Bond	N/A
4.3.3	Letter of Transmittal Form	Provide as an attachment to your response (see 3.8)
4.3.4	Campaign Contribution Disclosure Form	Provide as an attachment to your response (see 3.9)
4.3.5	Other Business Specifications	Respond to the relevant sections of the Technical Proposal Questionnaire (see 5.2.9)
4.3.6	Oral Presentations	If selected as a finalist, a presentation agenda will be provided with additional information.
4.3.7	Cost	Respond to the Cost Proposal Questionnaire
4.3.8	Resident Business or Resident Veterans Preference	If applicable, provide as an attachment to your response (see 3.16)

15. *6.3 Clinical Programs (6.3.2)* RFP instructions state not to include any cost information in the Technical proposal; however, question 6.3.2 in Section 6.3 Clinical Programs asks for financial information. Please advise how to respond and where we should attach this information in our response.

Response: Thank you for noting this. Please limit your response to 6.3.2 to a description of your home infusion capabilities. Information on the contractual discounts, dispensing fees, administrative fees, and rebates for home infusion claims should be provided as an attachment via the Manage Documents section. Name the file: **[Your Organization's Name]_Cost Supplement – Home Infusions.**

16. *6.5 Copay Assistance Program (6.5.2, 6.5.3, 6.5.5)* The response fields are locked in ProposalTech, designated as N/A. Are responses needed to these questions?

Response: The response fields for 6.5.2 and 6.5.3 are activated based on your response to 6.5.1, since those questions are only applicable if you respond “Yes” to 6.5.1. Similarly, the response field for 6.5.5 is activated based on your response to 6.5.4.

17. *6.6 Fraud, Waste and Abuse (6.6.2, 6.6.3, 6.6.4, 6.6.5)* The response fields are locked in ProposalTech, designated as N/A. Are responses needed to these questions?

Response: The response fields for 6.6.2, 6.6.3, 6.6.4, and 6.6.5 are activated based on your response to 6.6.1.

18. *6.10 Minimum Bid Qualifications (6.10.3)* RFP instruction states that the use of subcontractors is allowed (page 17); however, question 6.10.3 in Section 6.10 Minimum Bid Qualifications states that EGWP subcontractors will not be used. Please clarify.

Response: The IBAC and UNM would like to discourage the use of subcontractors. If one is used it must be clearly outlined.

19. *6.20.2 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. Please confirm that retail pharmacy turnover rate excludes network pharmacies owned by the PBM and is limited to actions by the PBM and not the pharmacy (i.e., fraud or other actions warranting removal from the network)*

Response: Confirmed.

20. *Pharmacy audit resolution within 48 hours after receipt of retail audit findings This is measured and reported on a quarterly basis and on an IBAC-specific basis. Please confirm that this PG is intended for PBM-owned pharmacies. If this is intended for all network pharmacies, is the expectation that network pharmacies are required to correct the PBM's audit findings within 48 hours?*

Response: Confirmed.

21. *Paragraph 8 of Section 2.3 of the RFP states “[t]he price of products offered or the cost of services proposed SHALL NOT be designated as proprietary or confidential information.” We understand this to mean that the Agency's total contract cost information will not be considered confidential. However, in the PBM industry certain facets of a pricing offer, such as individual price points, financial guarantees, and overall customized pricing strategy, are considered confidential and proprietary information and protectable trade secrets in accordance with the Uniform Trade Secrets Act, §§57-3A-1 through 57-3A-7, NMSA 1978. Please confirm we can designate this specific information “confidential” while the total contract cost will be subject to public disclosure.*

Response: Confirmed. The cost analysis performed by the consultant engaged for this procurement, will be subject to public disclosure.

22. *6.20.2 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. Please confirm breaches are limited to material breaches.*

Response: Not confirmed. All breaches regardless of magnitude should be reported.

23. *Paragraph 8 of Section 2.3 of the RFP states “[t]he price of products offered or the cost of services proposed SHALL NOT be designated as proprietary or confidential information.” We understand this to mean that the Agency's total contract cost information will not be considered confidential. However, in the PBM industry certain facets of a pricing offer, such*

as individual price points, financial guarantees, and overall customized pricing strategy, are considered confidential and proprietary information and protectable trade secrets in accordance with the Uniform Trade Secrets Act, §§57-3A-1 through 57-3A-7, NMSA 1978. Please confirm we can designate this specific information “confidential” while the total contract cost will be subject to public disclosure.

Response: This question is identical to one provided above by the same vendor. See response to #21 above.

24. *New Mexico Business Preferences* Our existing certificate recently expired and we have submitted for a renewal Preference Certificate with the State of New Mexico and are currently awaiting receipt of the updated certificate from the state. If the final certificate is not received by the time of the RFP submission, can we still receive the points associated with this?

Response: No, a current certificate will need to be in bidder’s possession to receive points.

25. *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 (p31 - Desirable Specifications). a) the PBM's broad national retail 30 network that includes all national retail chains similar to what is currently in place (p66 - 6.13.9). Retail 30 Network with All Retail Chains Included (List any major Retail Chains Excluded) - (p110 - 7.4.1.1) Under Desirable Specifications, the RFP states that a reduction in providers that does not prohibit access would be considered if it results in improved pricing. However, Sections 6.13.9 and 7.4.1.1 reference including all national retail chains similar to what is in place today.

Would the IBAC/UNM consider a network that removes a national retail chain if it had minimal disruption and resulted in improved pricing? Do we have the ability to submit two Network offering - one with all major chains included and one that is narrower that generates improved pricing?

Response: Bidders shall provide the most competitive financial offer while still maintaining equal to or improved access.

26. Please share additional detailed information on the Care Value Program (e.g. Hepatitis, Cholesterol, Oncology, Diabetes, etc.), Unlimited UM (Clinical edits) and RationalMed so bidders could offer a comparable solution.

Response: We do not expect new PBMs to copy incumbent PBM clinical programs exactly. We will not be disclosing proprietary clinical program information from the incumbent PBM.

27. For the agencies that have a 90-day supply of maintenance medications filled at Walgreens, we understand the member has the same copay/coinsurance as Mail order, however does the IBAC agency obtain the same AWP % regardless of dispensing channel (i.e. Mail or Walgreens Pharmacy) or are they different?

Response: We will not be disclosing proprietary incumbent PBM pricing information.

28. Is the intention to mirror the 90-day supply of maintenance medications filled at Walgreens, or could bidders offer an alternate option with other pharmacies?

Response: The IBAC and UNM would prefer to maintain current level of benefit options including the 90-day network. Other 90-day networks would be accepted as long as appropriate geo-access reports are provided.

29. Please clarify which IBAC agency and if UNM has mandatory mail in place today.

Response: Please refer to the RFP and the IBAC/UNM websites for plan design information. No additional plan design information is being shared at this time.

30. *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.* Please clarify what the claims advocate role is.

Response: The IBAC and UNM encourage all bidders to provide the most comprehensive staffing team to service their pharmacy plan. The specific role of a claims advocate is not mandatory at this time.

31. Please clarify the billing frequency (e.g., monthly, twice-monthly, etc.) for each IBAC agency and UNM for (a) administrative fees and (b) for claim invoices.

Response: Responses from each IBAC agency and UNM are provided below:

- NMRHCA – weekly, bi-weekly, semi-monthly or monthly;
- SONM – (a) monthly, (b) weekly;
- NMPSIA – Admin fees monthly, claims invoices weekly, bi-weekly, or semi-monthly;
- APS – APS currently pays claim invoices twice a month and administrative fees on a monthly basis. We would consider paying claims on a weekly basis if a Contractor requested that frequency
- UNM – Current claims funding and fees billing frequency is bi-weekly.

32. *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.

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.

Please provide a census file with zip codes for these requests.

Response: Please see response to #7 above.

33. Please provide detailed prior authorization and step therapy utilization management criteria.

Response: Please refer to the RFP and the IBAC/UNM websites for plan design information. No additional plan design information is being shared at this time.

34. Please provide details for any prior authorization or step therapy programs that require failure of a preferred brand before members are eligible to receive non-preferred brands. Please indicate the number of required steps through a preferred brand before a non-preferred brand may be eligible.

Response: Please refer to the RFP and the IBAC/UNM websites for plan design information. No additional plan design information is being shared at this time.

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

Response: Please refer to the RFP and the IBAC/UNM websites for plan design information. No additional plan design information is being shared at this time.

36. In regard to the NMRHCA's EGWP, please confirm if there are specific drug classes that are not covered on the OHI/Wrap. Examples include: cough & cold products, diabetic testing supplies, lifestyle drugs, etc.

Response: Please refer to the RFP and the IBAC/UNM websites for plan design information. No additional plan design information is being shared at this time.

37. When will the UNM claims data be shared with bidders?

Response: Please see response to #3 above.

38. *Section 32. (Page 29) - New Mexico Preferences.* Is there a single point of contact bidders may call to have questions answered? If so, please provide a contact name and phone number/email.

Response: New Mexico Preferences is a certificate issued by the New Mexico Taxation and Revenue Department. If there are questions concerning the application process for obtaining certification, please call (505) 827-0951.

39. *Question 6.2.17.* Current claims data only has formulary flag (Y/N). Will tier number information be provided in order to fill in Positive (higher-cost tier to lower tier)/Negative (lower tier to higher-cost tier)?

Response: Tier information will not be provided. Please provide your formulary disruption summary based on drugs that are excluded compared to the provided formulary flag.

40. *RFP Section 2.3.8 (Disclosure of Proposal Contents)* states that the price of products offered or the cost of services proposed shall not be designated as proprietary or confidential information. While bidder understands the need for the aggregate cost of goods and services proposed to the IBAC agencies and UNM to be disclosed, we consider certain individual guarantees of financial performance in claims processing to be confidential and proprietary and protectable trade secrets. Such details, which relate directly to the contract terms we have in place with retail pharmacies and pharmaceutical manufacturers, are not generally known in the industry and derive actual economic value from not being generally known. Will the IBAC agencies and UNM agree that individual claims processing financial guarantee levels may be designated as proprietary and confidential?

Response: Please see response to #21 above.

41. *RFP Section 2.3.15 (Contract Terms and Conditions)* states: "The Agency discourages exceptions from the contract terms and conditions as set forth in the RFP Draft Contract." Please confirm that if the RFP asks a question, or requests information from bidders, that addresses the same subject matter as a provision in one of the contract term appendices (C1, C2, C3, or C4), and/or solicits a response that conflicts with a provision in those appendices, it is acceptable for a bidder to propose an edit to the relevant provision that aligns with the bidder's RFP response on that topic.

Response: Confirmed. Please reference the applicable RFP question as part of your discussion of the purpose of proposed edits in your Response to Contract Terms and Conditions.

42. *RFP Section 6.18.10* asks bidders to agree “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.” (emphasis added). Bidder's PBM contracts typically contain dispute resolutions provision setting forth a process for bidder and its PBM client to resolve issues between those parties. Given that Section 6.18.10 references “resolutions to the member”, please confirm that question relates only to the disputes between the contractual parties (that is, the IBAC agency or UNM, on the one hand, and the PBM, on the other)? If the question is asking for member-related disputes, can you provide additional information about what types of disputes the question is referring to?

Response: Confirmed.

43. *Section 3 (Compensation) of Appendices C1 and C2* contain alternative sections A & B. The alternatives are hourly payment and annual payment. Based on the structure of the cost proposal request, Bidder is presuming the final contract will be modified to provide for payment on a per member per month or per Claim basis. Can IBAC confirm this is correct?

Response: Responses from the relevant IBAC agencies are provided below:

- NMRHCA will negotiate contracts in pursuit of the most advantageous arraignments on behalf of its members.
- SONM will negotiate contracts in pursuit of the most advantageous arraignments on behalf of its members.
- NMPSIA will negotiate contracts in pursuit of the most advantageous arraignments on behalf of its members.

44. *Section 15 of Appendices C1 and C2 (Merger) and Section 31 (Merger) of Appendix C-4* contain merger clauses stating that no prior agreements or understandings, verbal or otherwise, of the parties shall be valid or enforceable unless embodied in the contract. Please confirm either that the final contract with each IBAC agency will incorporate the RFP and bidder's RFP response (including BAFO, finalist, and follow-up responses), or that each IBAC agency intends to negotiate a contract incorporating the terms of the selected bidder's offer.

Response: Responses from the relevant IBAC agencies and UNM are provided below:

- NMRHCA - Confirmed.
- UNM will negotiate a contract but also expects the RFP and RFP response are incorporated into the contract.
- SONM will negotiate a contract but also expects the RFP and RFP response are incorporated into the contract.
- NMPSIA - Confirmed.

45. *Section 21 of Appendices C1 and C2 (Indemnification), Section 22 of Appendix C3 (Indemnification), and Section 24 of Appendix C4 (Indemnification and Insurance)*, as they

are written, would appear to require the PBM to indemnify each IBAC entity and UNM for actions, claims, costs, damages, etc. that, among other things, “arise out of the performance” of the PBM contract. (Sections 6.18.1, 6.18.2, and 6.18.3 of the RFP track the language of these respective proposed contract provisions.) Part of the PBM's obligation under its contract with each IBAC agency and UNM will be to review all pharmacy claims against plan coverage terms and, in appropriate instances, to deny claims. The denial of claims, while part of the PBM's proper performance under the contract, could give rise to member claims and litigation. Please confirm the PBM is not expected to indemnify each IBAC agency/UNM for claims arising from claim denials properly made under the plan terms. If it is intended that the PBM must defend these suits, please advise how many instances of claims litigation each IBAC agency and UNM has experienced over the last three years so that Bidder may underwrite the appropriate litigation costs.

Response: The observation in the first sentence above is confirmed, but limited to those matters arising out of a negligent act. It is a standard expectation in contracts that a vendor will indemnify for negligent acts not caused by any actions of the IBAC agency or UNM. That is why the IBAC agency or UNM also requires proof of general liability insurance. The IBAC agencies and UNM are willing to clarify this language, if necessary, in the final phase of contract process. None of the IBAC agencies nor UNM has experienced any such claims litigation over the last 3 years.

46. *Section 6(d) of Appendix C-3 (Scope of Work / Contactor Obligations)* references APS Policies, Procedures, Rules and Regulations” that may apply to the contract. Given that bidders must respond to the General Terms during the RFP process can APS identify and provide copies of any policies, procedures, rules and regulations it believes will apply to the PBM contract?

Response: Current APS policies, procedures, rules and regulations applicable to the PBM contract are included in the 2021 APS Employee Benefits Enrollment Guide, which is available at https://www.aps.edu/human-resources/benefits/documents/2021APSEmployeeBenefitsEnrollmentGuide_FINALa_forwebsite.pdf.

47. *Section 6(r) of Appendix C-3 (Scope of Work Contractor Obligations)* indicates that it will be providing in subparagraphs that follow “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.” No subparagraphs appear to follow this language. Can APS provide any additional language that may have inadvertently been omitted in this section?

Response: Thank you for pointing out this inconsistency in the APS contract template. Please disregard paragraph r. Network Provider Maintenance and refer instead to paragraph q. Network Provider Management.

48. *Section 6(z)(4) of Appendix C-3* states: “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.” Can APS provide the format that it is currently using?

Response: Basic standardized layout 834 5010 HIPAA gateway via Secure File Transfer Protocol (SFTP).

49. *Section 10 of Appendix C3 (Assignment and Subcontracting)* states that no assignment may be made without APS's written approval "except with respect to Contractor's affiliates, subsidiaries or participating network providers." By contrast, the assignment provisions at Section 8 of Appendices C1 and C2 (Assignment) and Section 2 of Appendix C-4 (Assignment) do not contain an exception to the restriction on assignment for services performed by PBM's affiliates or subsidiaries. Please confirm either that (1) the performance of services (such as mail or specialty pharmacy services) by a bidder's affiliates or subsidiaries would not constitute an assignment for purposes of Section 8 of Appendices C1 and C2 or Section 2 of Appendix C-4, or (2) that the relevant IBAC entities and UNM would either allow a modification to these assignment provisions, or otherwise provide their written consent, reflecting that such services may be performed by an affiliate/subsidiary.

Response: Responses from the relevant IBAC agencies and UNM are provided below:

- NMRHCA – Confirmed.
 - UNM – Bidder may provide requested clarification language with the RFP response for UNM's consideration in the event bidder is selected.
 - SONM – Bidder may provide requested clarification language with the RFP response for consideration in the event bidder is selected.
 - NMPSIA – Confirmed.
50. *Section 34 (Insurance) of Appendix C-3* requires that PBM "provide to APS at least thirty (30) days' advance notice of any material modification or cancellation of any policy." To reflect the reality of the insurance market in which Bidder obtains coverage (which may make it infeasible to provide notice of policy modifications), please confirm that APS would agree to strike the requirement requiring notice of modifications. (To be clear, bidder has no objection to the requirement that it provide thirty days' notice of cancellations.)

Response: APS is asking for advance notice of material modifications to insurance policies. As long as the Contractor maintains the minimum amount of coverage, minor changes to the insurance policy do not require advance notification.

51. *Section 29 (Insurance Requirements) of Appendix C-4* states that bidders are required to insure the meets the requirements in the exhibit labeled "insurance requirements" or as noted in the specifications Bidder was unable to locate an exhibit labeled "insurance requirements", but can UNM confirm that the insurance requirements set forth in Section 6.18.3 of the RFP constitute the insurance requirements applicable to the PBM contract?

Response: Responses from the relevant IBAC agencies and UNM are provided below:

- a. Insurance. Bidder will procure and maintain in effect during the term of this Agreement: (1) general liability insurance coverage with minimum limits of \$1 million per occurrence and \$3 million aggregate; and (2) as applicable, professional liability insurance coverage within minimum limits of \$1 million per occurrence and \$3 million in aggregate; and (3) workers' compensation insurance coverage within statutory limits of the state in which Bidder is located. Upon request, Bidder shall provide evidence of continuous coverage to UNM.

b. Cyber Insurance. Bidder will maintain in force during the term of this Agreement cyber information technology and cyber errors and omissions liability insurance with a combined single limit of not less than \$10,000,000.00 in the aggregate. Such coverage shall include but not be limited to, third party liability coverage for loss or disclosure of data, including electronic data, network security failure, unauthorized access and/or use or other intrusions, infringement of any intellectual property rights (except patent infringement and trade secret misappropriation) unintentional breach of contract, negligence or breach of duty to use reasonable care, breach of any duty of confidentiality, invasion of privacy, or violation of any other legal protections for personal information, defamation, libel, slander, commercial disparagement, negligent transmission of computer virus, worm, logic bomb, or Trojan horse or negligence in connection with denial of service attacks, or negligent misrepresentation. Upon request, Bidder shall provide evidence of continuous coverage to UNM. Bidder will notify UNM immediately if Bidder's insurance coverage is reduced or terminated.

52. *Section 37 of Appendix C-4 (Ownership of Documents)* requires the PBM to agree that documents prepared for UNM that form a part of the services provided under the parties' agreement will be the property of UNM. There may be information contained in claims data that is considered confidential and proprietary to the PBM and exempt from disclosure under the New Mexico Inspection of Public Records Act (IPRA), including costs and pricing information. Can UNM confirm it will continue to maintain the confidentiality of such data post-termination, including by providing PBM with notice of any third-party requests for the information and an opportunity to assert that certain data is exempt under the IPRA?

Response: UNM is required by law to comply with IPRA. Bidder may provide requested clarification language with the RFP response for UNM's consideration in the event bidder is selected.

53. *Section 37 of Appendix C-4 (Ownership of Documents)* requires the PBM to agree that documents prepared for UNM that form a part of the services provided under the parties' agreement will be the property of UNM. Can UNM confirm that the records referenced in Section 37 apply only to those documents produced specifically for the University (as opposed to documents offered to PBM's book of clients, which material shall remain PBM's property)?

Response: Confirmed.

54. *Section 43 of Appendix C-4 (Protection of Confidential Information)* appears to be exclusively related to requirements associated with the Family Educational Rights and Privacy Act; however, the "indemnity" subsection of that section states: "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." As the agreement contains a separate indemnification provision (at Section 24), please confirm that the phrase "under this Purchase Order/Agreement" in the indemnification part of Section 43 should be read to mean "under this Section."

Response: Bidder may provide requested clarification language with the RFP response for UNM's consideration in the event bidder is selected.

55. If submitting in tandem with another PBM, are we permitted to use the qualifications and/or experience of either organization?

Response: Confirmed. Please clarify which specific organization holds the qualifications or experience.

56. *Sequence of events - Section 2.1:* This is a sophisticated request for proposal. To provide the most thorough and complete bid response, bidders will need ample time. Would IBAC & UNM consider extending the sequence of events to include a Submission of Proposal the week of December 6th?

Response: Please refer to Amendment #1 for changes to the RFP Sequence of Events.

57. *Claims file:* UNM claims do not appear to be included in the claims file. Please help bidders identify UNM claims within the claims file or provide an updated claims file that includes them.

Response: Please see response to #3 above.

58. *Claims file:* The claims file does not appear to include UNM claims. Please help bidders identify UNM claims by:

- Provide a separate claims file for UNM claims
- Or help bidders identify UNM claims within the existing file.

Response: Please see response to #3 above.

59. *Claims file -* Please confirm that all EGWP claims are under the New Mexico Retiree Health CA (5051) group. If not, is there a way to identify the EGWP claims?

Response: Confirmed.

60. *Claims file -* The claims file didn't appear to include UNM claims. Are the UNM claims available?

Response: Please see response to #3 above.

61. *Section 1.2 Plan Details:* Programs listed under each organization & UNM: Bidders might be unfamiliar with the pharmacy programs listed for each IBAC organization and UNM. Please provide a short description for each program and vendor (if not exclusively ESI).

Response: Please refer to the RFP and the IBAC/UNM websites for plan design information. No additional plan design information is being shared at this time.

62. *Section 1.2 Plan Details: UNM (Page 7):* In the background information for the UNM benefit, it suggests the hospital system prefers to take advantage of cost reduction and care management opportunities at in house (and/or preferred) pharmacies. Please help bidders identify these pharmacies by providing their NPI number.

Response: NPI's to be included once UNM data is provided to the bidders.

63. *Section 1.2 Plan Details. APS, RHCA, UNM:* It is articulated in the RFP that 90-day maintenance medications at retail Walgreens settings at a discounted member cost share for some agencies and/or UNM. Is this a mandatory 90 day program? Meaning, are

members required to use mail order or Walgreens for maintenance medications? Or is this simply a cost share structure for specific pharmacies to encourage a utilization shift?

Response: Please refer to the RFP and the IBAC/UNM websites for plan design information. No additional plan design information is being shared at this time.

64. *Section 1.2 Background information - plan information. UNM Page 7:* For UNM- will there be a domestic specialty pharmacy? if so, is there a specialty list and/or specialty fee schedule for this location(s)?

Response: Once claims data is available, bidders will have pharmacy information to base bid information.

65. *Section 1.2 Background information - plan information. UNM Page 7:* For UNM, are domestic retail pharmacies tiered preferentially for members to use? Do any of the other plans steer members to any UNM pharmacy? And the specific NPIs of any of these locations.

Response: Once claims data is available, bidders will have pharmacy information to base bid information.

66. *Section 1.2 Background information - plan information. NMPSIA, APS, NMRHCA, UNM:* And for each employer that lists the 90 day option at Walgreens or Mail - need to understand if there are differences in how those benefits are administered across the organizations.

Response: Please refer to the RFP and the IBAC/UNM websites for plan design information. No additional plan design information is being shared at this time.

67. *Section 1.2 Background information - plan information. NMRHCA:* Also need to understand if there are any UM programs in place at all for RHCA pre 65 and post 65 retirees - the summary document makes it appear it is just opioid management but no other PA, ST, QL limits in place?

Response: Please refer to the RFP and the IBAC/UNM websites for plan design information. No additional plan design information is being shared at this time.

68. *Section 1.2 Background information - retiree plans:* Are any of the retiree plans closed plans?

Response: No, retirees from NMRHCA participating employers and their dependents who meet NMRHCA's eligibility criteria may enroll in coverage.

69. *Section 1.2 Background information:* All organizations and UMC: Do any of the plans have the Express Scripts MCM Drug List in place?

Response: Please refer to the RFP and the IBAC/UNM websites for plan design information. No additional plan design information is being shared at this time.

70. *Section 1.2 Background information:* All organizations and UMC: Will all the plans medical carriers cover provider-administered specialty medications that are infused or injected by a provider through the medical benefit?

Response: Please refer to the RFP and the IBAC/UNM websites for plan design information. No additional plan design information is being shared at this time.

71. *Section 3. Response Format and Organization, Subsection 3.7.* This section states our response to the Technical and Cost sections should be separate submissions. However, the Proposal Tech tool combines technical and cost questions/elements. With it being an electronic submission via Proposal Tech, how are bidders to separate our Technical Proposal from the Cost Proposal?

Response: Please see response to #11 above.

72. *For the EGWP population, how is Part B drugs covered? Are they through Med Supp plans or MA-only?*

Response: Please refer to the RFP and the IBAC/UNM websites for plan design information. No additional plan design information is being shared at this time.

73. *For the EGWP plan design, the table lists the min/max for each tier. Is there a coinsurance level associated with each tier? Or is the CMS defined standard cost shares used for the Initial Coverage Limit, Coverage Gap, and Catastrophic Coverage?*

Response: CMS defined.

74. The EGWP population has a 7/1 effective date. Is the EGWP on a calendar year or non-calendar year plan as filed with CMS? There are implications to the CMS reinsurance depending on whether it's a CMS non-calendar plan or CMS calendar plan.

Response: The EGWP is a CMS calendar year plan.

75. For the EGWP plan, a 90-day supply of maintenance medications filled at Walgreens is available subject to the Mail copays/coinsurance. Is that an exclusive Extended Supply Network with Walgreens? Or are other retail pharmacies in the Extended Supply Network to fill 90-day supply but there is a 2x or 3x retail member cost share?

Response: Please refer to the RFP and the IBAC/UNM websites for plan design information. No additional plan design information is being shared at this time.

76. For EGWP, is there coverage for non-Part D drugs like cough, cold, and vitamins?

Response: Please see response to #36 above.

77. *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. Is this for pharmacy specific data? Should we provide data for 2019 or 2020.*

Response: This is for pharmacy / medication related member calls. Please provide data for 2020.

78. *Provide a description of the PBM's process to introduce non-specialty and specialty drug exclusions.* Please provide more material, Is this asking how drugs are reviewed for foirmulary status.

Response: Please explain the bidding PBM's process for adding a drug, or category of drugs to the PBMs pricing exclusion list.

79. *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. Please Define "Excluded Drugs". Are these benefit exclusions or Non-formulary drugs.*

Response: Excluded drugs with respect to this question means drugs that are not-covered under the bidding PBM's proposed formulary.

80. *6.7.1 Confirm you provide a pharmacy network per CMS requirements by providing a Geo Access report using the zip codes in the claims data. Please confirm the inclusion of zip codes in the data zip files and confirm if there are listed parameters for the geo access (i.e. 1 in XX miles, etc.)*

Response: Please see response to #7 above.

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81. In the pricing table provided it states: *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.* The table provides for only 1 entry for brand and generic for R30, R90, and mail. Please provide clarification on what Retail 30 and Retail 90 networks should be quoted. Should the assumption be that the networks quoted will be the same for all organizations?

Response: The IBAC and UNM wish to maintain current level of benefit options for their 90-day network. Bidders are to provide 90-day network options that maintain equal-to or better coverage for the IBAC and UNM membership.

82. The RFP states: *IBAC consists of four (4 or 5) 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.* Based on the above information:

- a. Is the expectation that component pricing (with the exception of rebates) be the same for all organizations?
 - 1) If not, should we duplicate the pricing table for each individual organization?
- b. For pricing reconciliation purposes, will each organization be reconciled individually or will reconciliation be combined across all organizations who select a specific PBM? The concern is the pricing will be based on the utilization of the group that has the least aggressive pricing components in order to meet the guarantees for that organization.
- c. For performance guarantee (PGs) purposes, will performance be based on each individual organization or in aggregate across organizations?
- d. For the Trend guarantee, is the expectation that each individual organization will have the guarantee based on their specific utilization or will it be in aggregate across all organizations?

Response: Confirmed – component pricing (with the exception of rebates) should be the same for all organizations. Each organization will separately contract with individual PBM

vendors so pricing reconciliation and performance/trend guarantees would be specific to each organization.

83. Please confirm if University of New Mexico (UNM) has in house pharmacies and if so, include the NABP.

Response: See response to #65 above.

84. Please confirm when claims data will be available for UNM? Will an extension be considered to allow time to properly quote an offer inclusive of all data sets?

Response: See response to #3 above.

85. Please provide census data for each of the five organizations.

Response: Please see response to #7 above.

86. Regarding "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."

Can you please clarify the intent for 6.11.2? Should bidders confirm that we will provide draft contract(s) incorporating agreed upon terms at a later date, or should bidders submit draft contract attachments with our RFP submission?

Response: Bidders should confirm that they will provide draft contract attachments upon request of the IBAC/UNM. Should include any suggestions or changes.

87. Can you provide the UNM claims files? (requested 10/26 via Proposal Tech)

Response: See responses to #3 and #56 above.

88. Can you provide the NABP/NPI numbers for the UNM pharmacies?

Response: See response to #65 above.

89. Would IBAC/UNM like to see both a broad and limited network for comparison, or should the bidder lead with the option that provides the best financial offer? Would IBAC/UNM be open to a limited network for both the retail 30 and 90 offerings?

Response: Bidders shall provide the most competitive financial offer while still maintaining equal to or improved access.

90. Please provide more information on the Stay Well Health Center. Do medications dispensed through this facility run through the PBM? What is the NABP? What types of medications are dispensed?

Response: Bidder can identify this information in the data provided.

91. What pricing model does IBAC/UNM have in place today – traditional or pass through?

Response: UNM currently has traditional pricing in place but bidder should provide their most advantageous offering. Bidder may also provide pass through and traditional pricing quotes.

92. Please provide your current formulary (formularies).

Response: Please refer to the RFP and the IBAC/UNM websites for plan design information. No additional plan design information is being shared at this time.

93. Please provide a census file.

Response: Please see response to #7 above.

94. Please provide monthly volume of calls handled by the call center.

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

95. Please provide the average number of prior authorizations, appeals, and grievances per month (or annually).

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

96. Please provide the average number of DMRs (direct member reimbursement) per month (or annually).

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

97. As a privately held company, we only release our audited financial statements to a potential client's direct financial contact. Please provide the name and contact method for a financial contact for us to submit the requested documents.

Response: This must be provided in the response to the RFP. Please note this specification is a **Pass/Fail only**. No points assigned.

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).

98. How many of the Medicare/EGWP lives meet the CMS standard for MTM (medication therapy management)?

Response: Please refer to the RFP and the IBAC/UNM websites for plan design information. No additional plan design information is being shared at this time.