California Department of
Public Health, Office of AIDS, ADAP

Pharmacy Benefits Manager
RFP # 1503-001

SECTION 6 – CDPH/OA/ADAP
Technical Requirements

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6.1   Introduction

This section contains the detailed technical requirements pertaining to this RFP and defines the CDPH/OA/ADAP's requirements, desired operating objectives and environment. CDPH/OA/ADAP will not tailor these needs to fit some solutions a Bidder may have available; rather, the Bidder shall propose to meet the CDPH/OA/ADAP's needs as defined in this RFP. See Section 2, Rules Governing Competition, Section 5, Administrative Requirements, and Section 8.3, Proposal Submission, for other requirements that must be met in order to be considered responsive to this RFP.

6.2   Designation of Requirements

The requirements specified in this RFP Section are classified as mandatory or mandatory-scored.

6.2.1 Mandatory (M) Requirements:

All items labeled mandatory (M) are non-negotiable. A yes/no evaluation will be utilized for all mandatory requirements in this RFP. All items labeled mandatory must be marked "Y" for yes to pass in the "Accepts" column. Failure to respond affirmatively to any mandatory requirement shall result in disqualification of the proposal.

6.2.2 Mandatory-Scored (MS) Requirements:

All items labeled mandatory-scored (MS) are non-negotiable. These questions will be scored as specified in Section 9, Evaluation. All items labeled mandatory-scored must be marked "Y" for yes to pass in the "Accepts" column. Failure to respond affirmatively to any mandatory-scored requirement shall result in disqualification of the proposal.

As specified with each mandatory-scored requirement listed in this section, Bidders must indicate whether their proposal meets the requirement. Bidder accepts the requirement by marking either a "Y" in the "Accepts" Column next to the requirement. Provide a thorough narrative response to the requirement. Bidder will embed the narrative within the Technical Requirements Section.

The state evaluation team will review responses to mandatory-scored requirements in this section. The responses will be evaluated and awarded points in accordance with Section 9, Evaluation. Responses to mandatory-scored requirements will be considered when calculating Bidder Scores and which Bidder will be awarded the contract.

6.3   Response to Technical Requirements

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6.3.1 Statement of Work

Narrative responses to the requirements in the subsequent sections designated as mandatory scored (MS) must be included in the Bidder's Proposal (refer to Section 8.3, Proposal Submission).

Section 6, Technical Requirements, must be completed in accordance with the instructions described in Section 6.2, Designation of Requirements, and submitted with the Bidder's proposal as specified in Section 8.3, Proposal Submission.

The awarded Bidder's responses, including Bidder's narrative, provided in Section 6, Technical Requirements, is incorporated into final Agreement, Appendix A, Statement of Work, in its entirety.

6.3.2 Bidder Compliance

All mandatory and mandatory-scored requirements described in Section 6 (Technical Requirements 6.4 to 6.16.1) are service levels and/or terms and conditions that the CDPH/OA/ADAP expects to be satisfied by the Bidder. Bidder must indicate their willingness and ability to comply with these requirements by signing the following statement:

Bidder agrees to comply with all mandatory (M) and mandatory scored (MS) Technical Requirements set forth in the following Section 6 and acknowledges that failure to do so will result in rejection of Bidder's proposal.

Signed: _____   Date: _____

Title: _____

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6.4 Implementation

Requirement Description	Accept Y/N
6.4.1 Contractor's Implementation Team (M) Contractor must clearly identify: (1) Each member of Contractor's implementation team (2) team members' contact information, and (3) team members' roles and responsibilities. Any changes to Contractor's implementation team must be immediately communicated to CDPH/OA/ADAP.	Y ☐ N ☐

Bidders Response (Bidder provide response in this table):

Contractor's Team Member	Contact Phone	Contact email	Team Member Roles and Responsibilities

NOTE: Additional rows may be added.

Requirement Description	Accept Y/N
6.4.2 Implementation Plan (M) Contractor must develop an implementation plan in collaboration with CDPH/OA/ADAP and submit a proposed implementation plan to CDPH/OA/ADAP no later than two weeks after the contract start date. The purpose of the plan is to: (1) Define the requirements for implementation of the Agreement by the Go Live date, (2) Describe how information will be shared and distributed with authorized users prior to the Go Live date, and (3) Describe how the Contactor will work with CDPH/OA/ADAP authorized users to ensure they are capable of accessing CDPH/OA/ADAP data during the life of the Agreement. This description of the implementation plan will also include information about how to work with the Contractor's customer service staff during the life of the Agreement. CDPH/OA/ADAP must approve Contractor's implementation plan.	Y ☐ N ☐

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Requirement Description	Accept Y/N
6.4.3 Implementation Meetings (M) Contractor must conduct at a minimum weekly implementation meeting with CDPH/OA/ADAP to commence no later than seven (7) days after the award of the contract. The purpose for these implementation meetings is to discuss and/or resolve issues regarding items on the implementation plan and develop a contract management plan. Contractor will continue weekly meetings as needed until the Go Live date.	Y ☐ N ☐
6.4.4 Contract Management Plan (M) Contractor must develop a contract management plan in collaboration with CDPH/OA/ADAP and submit a proposed contract management plan to CDPH/OA/ADAP no later than two months prior to the Go Live date. The purpose of the plan is to describe how the requirements of the Agreement will be met. CDPH/OA/ADAP must approve Contractor's contract management plan.	Y ☐ N ☐
6.4.5 Communication Management Plan (M) Contractor must develop and maintain a communication management plan in collaboration with CDPH/OA/ADAP. The purpose of the communication management plan is to: (1) Define the communication requirements for the implementation and management of the Agreement, (2) Ensure appropriate communication occurs, and (3) Establish how information will be distributed. All inquiries must be directed to the appropriate contact identified in Exhibit I Contractor's communications management plan must define: 1. What information will be communicated—level of detail and format 2. How the information will be communicated—in meetings, email, telephone, web portal, etc. 3. When information will be distributed—the frequency of project communications both formal and informal 4. Who is responsible for communicating project information 5. Communication requirements for all project stakeholders 6. What resources the project allocates for communication 7. How any sensitive or confidential information is communicated and who must authorize this communication 8. How changes in communication or the communication process are managed 9. The flow of project communications 10. Any constraints, internal or external, which affect project communications 11. Any standard templates, formats, or documents the project must use for	Y ☐ N ☐

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Requirement Description	Accept Y/N
communications 12. An escalation process for resolving any communication-based conflicts or issues Contractor must finalize the communication management plan during the implementation phase of the Agreement. CDPH/OA/ADAP must approve Contractor's communication management plan.	
6.4.6 Test phase (M) Contractor must provide CDPH/OA/ADAP, authorized CDPH/OA contractors, and Providers with the ability to test exchanging data for a minimum of ten (10) Business Days prior to the Go Live date and allow for sufficient time for changes prior to the Go Live date if it does not meet users' needs. Contractor shall also provide CDPH/OA/ADAP with access to test data, data exports, and data reports for a minimum of ten (10) Business Days prior to the Go Live date and allow for sufficient time for changes prior to the Go Live date if it does not meet users' needs to ensure the data meets CDPH/OA/ADAP's reporting needs.	Y ☐ N ☐

6.5 Contract Management

Requirement Description	Accept Y/N
6.5.1 Account Management Team (M) Contractor must clearly identify: (1) Each member of Contractor's account management team, (2) team members' contact information, and (3) team members' roles and responsibilities. The Account Management Team is responsible for monitoring the Agreement after implementation and ensuring compliance with terms and conditions of the Agreement. The Contractor must be able to quickly respond and resolve needs of CDPH/OA/ADAP related to this Agreement. The Account Management Team must include a Contract Manager, Finance Manager, Data Manager, and Clinical Pharmacist. Members of the Account Management Team must be available to meet with CDPH/OA/ADAP staff directly on an as-needed basis to meet the obligations of the Agreement. The Contractor's Contract Manager will serve as the primary contact person for	Y ☐ N ☐

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CDPH/OA/ADAP and is dedicated to overseeing and managing the Agreement. The Contractor's Contract Manager must be available to CDPH/OA/ADAP, via telephone or email from 8 a.m. through 5 p.m. Monday through Friday, PT. The Contractor's Contract Manager's responsibilities shall include: 1. Ensuring compliance with the terms and conditions of the Agreement. 2. Having authority to make decisions on behalf of the Contractor. 3. Comply with all ADAP standards, requirements, and policies as directed by CDPH/OA/ADAP. 4. Recommending program improvements. The Contractor's Finance Manager will serve as the primary fiscal contact person for CDPH/OA/ADAP and is dedicated to overseeing the Agreement related to financial management, account reconciliation, disbursements, financial reporting, and researching outstanding payments to determine payment status. The Contractor's Data Manager will serve as the primary data contact person for CDPH/OA/ADAP and is dedicated to overseeing the Agreement related to data management, data exchanges, user account management, and resolving data requests. The Contractor's Clinical Pharmacist must be a licensed pharmacist. The Contractor's Clinical Pharmacist must be available to Clients, Providers, and CDPH/OA/ADAP staff via toll free telephone access. The Clinical Pharmacist responsibilities shall include but not limited to the following: 1. Ensure compliance with clinical policies and procedures. 2. Meet and consult with the Medical Advisory Committee as determined by CDPH/OA/ADAP. 3. Monitor pharmacy dispensing and performance. 4. Oversee the development of clinical reports submitted to CDPH/OA/ADAP. 5. Provide support to the Contractor's customer service representatives in the event a call to these representatives requires the attention of a clinician. 6. Resolve problems encountered in accessing ADAP services associated with this Agreement. Any changes to Contractor's Account Management Team must be immediately communicated to CDPH/OA/ADAP in writing. Changes to the Account Management Team will not require a contract amendment. Contractor must immediately notify CDPH/OA/ADAP of any staff assigned to this Agreement that will be taking extended leave, and provide a plan for appropriate coverage as agreed upon between Contractor and CDPH/OA/ADAP in writing.	

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Requirement Description	Accept Y/N
Bidder's response must include: 1. Description of each team member's title, roles and responsibilities. NOTE: Additional rows may be added 2. Copy of Account Management Team's organization chart. NOTE: Contractor's Organization Chart may be provided as an attachment. **Bidder's response: (complete the table above or list below).**	

Team Member	Team Member Title	Contact Phone	Contact email	Roles and Responsibilities

Requirement Description	Accept Y/N
6.5.2 California Pharmacy Law (M) Contractor must comply with all applicable provisions of the California Pharmacy Law (Business and Professions Code, Chapter 9, Division 2, Section 4000, et seq.) and its rules.	Y ☐ N ☐

6.5.3 Contractor's Subcontractors (M)
 	
Contractor is responsible for its subcontractor's actions or failure to take action in fulfilling the requirements of the Agreement. Contractor must:
  1. Readily identify to CDPH/OA/ADAP Contractor's subcontractors.
  2. Notify CDPH/OA/ADAP which components of the Agreement will be subcontracted.
  3. Make available to CDPH/OA/ADAP a copy of the agreement(s) between Contractor and Contractor's subcontractor(s).
	Y ☐
	
	N ☐

6.5.4 Contract Management Plan Evaluation (M) Contractor must evaluate and as necessary modify, the contract management plan	Y ☐ N ☐

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quarterly to address issues such as: 1. Ensure resolution of issues relating to timely pharmacy benefits management associated with the Agreement. 2. Proactively provide consultative support and strategic planning to help design program improvements/enhancements, resolve outstanding issues and keep CDPH/OA/ADAP informed of current, developing, and future issues related to this Agreement. 3. Provide information about other functions and/or services available through the Contractor. Modifications to the contract management plan must be approved by CDPH/OA/ADAP.	
6.5.5 Meetings (M) Meetings will be conducted via conference calls and in person as requested by CDPH/OA/ADAP. If meetings are requested to take place in person, they will be held in the Sacramento region, or at any other location as designated by the CDPH/OA/ADAP for discussing all activities associated with the Agreement. When hosting meetings, Contractor will not be responsible for the travel, lodging, or per diem of any CDPH/OA/ADAP representative. Contractor must conduct weekly contract management meetings with CDPH/OA/ADAP to commence no later than seven (7) days after the Go Live date. Contractor will continue weekly meetings through one quarter and after the first quarter as needed and as requested by CDPH/OA/ADAP. Contractor will be required to participate in Quality Assurance (QA) meetings with CDPH/OA/ADAP. These meetings will be held quarterly, at a minimum, no more than two weeks after Contractor delivers the quarterly QA report (reference Section 6.15.4). During these meetings, the Contractor must report and review program performance results including, performance problems, solutions and recommendations, and any other agenda items provided by CDPH/OA/ADAP. Additional meetings may be requested by CDPH/OA/ADAP.	Y ☐ N ☐

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Requirement Description	Accept Y/N
6.5.6 Normal Service Hours (M) Contractor must maintain service hours and provide services excluding Recognized Holidays from 8:00 a.m. to 7:00 p.m. Pacific Time (PT), Monday through Friday and 9:00 a.m. to 5:00 p.m. on Saturday.	Y ☐ N ☐
6.5.7 Off-Hours Service Coverage (M) The Contractor must provide a plan for coverage for Sundays and Recognized Holidays to ensure compliance with the California Health and Safety Code Section 120970 (d) which mandates that Clients have prescriptions filled within 24 hours of submission of a prescription request. The Contractor must have staff and/or processes in place to deal with issues within the Contractors control (i.e. prior authorizations, Contractor coding errors, etc.) that can delay the dispensing of prescription drugs within the required 24 hour period. CDPH/OA/ADAP must approve the plan prior to the Go Live date.	Y ☐ N ☐
6.5.8 Customer Service Unit (M) Contractor must provide a Customer Service Unit to assist CDPH/OA/ADAP, Clients, Providers, and other entities authorized by CDPH/OA/ADAP with the requirements outlined in this Agreement during normal service hours defined in Section 6.5.6. This Customer Services Unit must provide: 1. Direct toll free telephone access. 2. Technical assistance at a minimum in English and Spanish, and other languages as required by CDPH/OA/ADAP as authorized by H&SC 120968(c). 3. Access for TTY/TTD for Clients. The Contractor shall meet or exceed the following minimum standards: 1. The average number of incoming calls that are blocked (i.e. calls receiving a busy signal) shall be no more than two percent of all daily calls. 2. The weekly average abandon rate shall be no more than five percent. A call will be considered abandoned when a caller chooses to disconnect after the introductory message and prior to being connected to a live customer service representative or voice mail. 3. The average daily telephone wait or hold time shall not exceed two minutes. 4. All calls must be answered within three rings (a call pick-up system that places the call in queue may be used). 5. All voice messages must be returned within five normal service hours as defined in Section 6.5.6.	Y ☐ N ☐

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The Contractor shall maintain a Customer Service Unit with staff that: 1. Are knowledgeable about the specific requirements of the Agreement. 2. Are accustomed to working with Client's who have high prescription drug utilization. 3. Assist pharmacies within the Pharmacy Provider Network with Client eligibility issues. 4. Provide on-going information and education to Clients and Providers about ADAP Benefits available through this Agreement. 5. Appropriately resolves issues as directed by CDPH/OA/ADAP. 6. Maintain a log of the question(s) received by the customer and the response time to providing a response to the customer. The Contractor Customer Service Unit shall: 1. Have the capacity to receive and respond to inquiries submitted in writing, by fax, or via email, within the next Business Day, after receipt of inquiry. 2. Work with CDPH/OA/ADAP to complete the response within two (2) Business Days in situations where the inquiry cannot be addressed by Contractor. 3. Documents all inquiries and resolutions regarding Client access to medications.	
6.5.9 Messaging Line (M) Contractor must maintain a twenty-four (24) hour/seven (7) days per week message line available when and if the Customer Service Center is closed. The outgoing message must be provided in English and Spanish and allow callers to leave a message.	Y ☐ N ☐
6.5.10 Technical Support (M) Contractor must make available technical support for information technology (IT) issues experienced by CDPH/OA/ADAP, CDPH/OA contractors, Clients and Providers. Telephone support must be provided through the dedicated toll free telephone line. Live technical support must be provided during normal service hours defined in Section 6.5.6.	Y ☐ N ☐
6.5.11 Contractor's Claims Adjudication System Down Time (M) Contractor must assure the Contractor's Claims Adjudication System downtime does not interfere with Client medication access. Contractor's Claims Adjudication System shall be operational at least 99 percent of the time twenty-four (24) hours a day/seven (7) days a week in any given month,	Y ☐ N ☐

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meaning that the outage or downtime percentage will be not more than one percent. Contractor will provide CDPH/OA/ADAP with thirty (30) calendar days prior notice of any times that the services will be unavailable due to non-emergency maintenance or enhancements. In the event of unscheduled and unforeseen times that the Contractor's Claims Adjudication System will for any reason be unavailable, except as otherwise prohibited by law, Contractor will immediately notify CDPH/OA/ADAP in writing and will provide information including but not limited to the cause of the down time, effect on services, and estimated duration.	
6.5.12 Contractor's Emergency Operational Recovery Plan (M) Contractor must maintain an emergency operational recovery plan and a back-up system in a separate location and alternative procedures must be available to maintain services during emergencies. The emergency operational recovery plan must include multiple options for differing situations depending on severity of events to ensure normal operations are resumed within twenty-four (24) hours of an event or as agreed upon by CDPH/OA/ADAP. The proposed plan shall be provided to CDPH/OA/ADAP electronically or by hard copy at minimum of thirty (30) calendar days before the Go Live date. CDPH/OA/ADAP must approve the Contractor's emergency operational recovery plan.	Y ☐ N ☐
6.5.13 Unintentional Errors and Omissions (M) Contractor will act with due care to prevent negative consequences to Clients due to unintentional errors and omissions on the part of Contractor staff resulting in loss of medication coverage and/or benefits. Contractor must report all errors and omissions that result in negative client impacts within one (1) Business Day following detection by Contractor staff. At its discretion, CDPH/OA/ADAP may conduct an investigation of such incidents and may require the Contractor to implement additional controls to prevent recurrence. Serious, unresolved issues that result in repeated negative consequences to Clients may result in additional actions allowed under the Agreement, including but not limited to withholding of administrative cost reimbursement, Agreement modifications, or Agreement cancellation.	Y ☐ N ☐
6.5.14 Grievance Process (MS) *Maximum Score 21 Points*	Y ☐ N ☐

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Requirement Description	Accept Y/N
Contractor shall develop and maintain a written grievance process for Clients and Providers to identify and seek resolution. Grievances are disputes or objections regarding the provision of pharmacy benefits management services. The process shall be timely and accessible to Clients and Providers. CDPH/OA/ADAP must approve the grievance process. The grievance process must include the following: 1. Ability for Clients and Providers to file a grievance within one hundred-eithy (180) days of event. 2. Clear directions for Clients and Providers to understand how to file a grievance, and what to expect once the grievance has been filed. 3. Ability to file grievance via telephone, email, or through written communication. 4. Ability to indicate that the Client or Provider would like to speak with a customer service representative and can initiate this request at any time. Contractor must: 1. Capture Client and/or Provider identification and contact information. 2. Capture description of the grievance. 3. Issue Client and/or Provider an acknowledgement (letter, email, etc.) within two (2) Business Day of receiving the grievance to confirm the receipt of the grievance. 4. Complete a review of the grievance and request any additional information from Client and/or Provider needed to provide resolution within ten (10) Business Days of receipt of the grievance. 5. Issue notification of resolution to Client and/or Provider and CDPH/OA/ADAP within five (5) Business Days of completing the review of the grievance. 6. Provide Client and/or Provider with a satisfaction survey within one (1) Business Day of Contractor providing notification of resolution. The satisfaction survey must assess the Client's and/or Provider's satisfaction with the resolution of the issue. Contractor will maintain records of all documented grievances as part of the Contractor's QA Report as referenced in Section 6.15.4. The Contractor will document and maintain records of all grievances from Clients and Providers and review them for the effectiveness of the process and appropriateness of the response, and inform CDPH/OA/ADAP of the number of grievances received and the status for resolution.	

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Requirement Description	Accept Y/N
Bidder's response must include: 1. Description of how Clients and Providers are made aware of the grievance process and given access to the forms. This must include the grievance forms being available upon request by phone or by direct mail and provides additional methods to complete a grievance. 2. Description of how Clients and Providers access and submit the grievance documents via email, direct mail, and any other methods. 3. Description of how Bidder will conduct satisfaction surveys regarding the grievance process and outcome via email, direct mail, and any other options, and how Bidder will evaluate the satisfaction surveys. **Bidder's response:**	

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DELIVERABLE	POINTS

1. Description of how Clients are made aware of the grievance process-Maximum 7 points.
   a) Clients are made aware of the grievance process by phone, direct mail, and one or more additional method(s).-7 points.
   b) Clients are made aware of the grievance process by phone and direct mail only.-0 points.	

2. Description of how Clients access and submit the grievance - Maximum 7 points.
   a) Clients have the ability to access and submit grievance documents by phone, direct mail, and one or more additional method(s)-7 points.
   b) Clients have the ability to access and submit grievance documents by phone and direct mail only-0 points.	

3. Description of how Bidder will conduct and evaluate satisfaction surveys - Maximum 7 points.
   a) Bidder conducts satisfaction survey on grievance process and outcome via phone, direct mail, and one or more additional method(s)-7 points.
   b) Bidder conducts satisfaction survey on grievance process and outcome via phone and direct mail, no other methods-0 points.	

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Requirement Description	Accept Y/N
Total Points	

6.5.15 Problem Resolution (M)

Contractor must notify the CDPH/OA/ADAP in writing via email within:

1. One (1) Business Day of any unresolved issues or problems affecting access to medication for one or more Clients that have been outstanding for more than two (2) Business Days.
2. Five (5) Business Days addressing problems identified by CDPH/OA/ADAP or sooner if warranted.

Contractor shall maintain a log of issues affecting medication access encountered throughout the Agreement. Contractor shall provide a copy of the log monthly, and upon request, to CDPH/OA/ADAP. The issue log shall contain the following, at a minimum:

1. Initiation and resolution date.
2. Description of issue and resolution.
3. Source of information (i.e. name and contact).
4. Actions taken for resolution.
5. Contractor representative responsible for resolution.

Y ☐

N ☐

6.5.16 Confidential Client Information (M)

All Client information, whether electronic, written, or oral, must be kept confidential and not used or disclosed except for purposes directly connected with the administration of pharmacy benefits management as described in the Agreement and approved associated plans.

Contractor must abide by the CDPH Health Insurance Portability Accountability Act (HIPAA) Business Associate Addendum, as stated in Section 11 Exhibit J of this Agreement. The Contractor is obligated to comply with HIPAA provisions and mandates that include responding to requests for individual access to inspect and obtain copies of Protected Health Information (PHI) in a designated record set for as long as the Contractor retains the health information.

Contractor must abide by all state and federal laws related to HIV confidentiality and data security as identified in Section 11, Exhibit L, and in Exhibit J, HIPAA Business Associate Addendum, of this Agreement.

Y ☐

N ☐

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6.5.17 Agreement by Employee/Contractor to Comply with Confidentiality Requirements-CDPH 8689 (M) Contractor must: 1. Ensure that all Employees/Contractor sign CDPH form 8689 prior to accessing data. 2. Contractor must comply with the Confidentiality Requirement of CDPH Form 8689 Attachment 6b. The PBM will track and maintain copies of the completed Form 8689 signed by the PBM staff. <u>This is not a requirement of the Provider Network Pharmacies.</u> This is a requirement for the Contractor's Subcontractor's staff. 3. Annually, require all Contractor's staff and Subcontractor's staff who access Client confidential information to review and sign CDPH form 8689 and ensure compliance with all provisions of HIPAA BAA to protect the privacy and security of the health information of all ADAP Clients. 4. Annually train all Contractor's staff and Subcontractor's staff who access Client confidential information on data security and confidentiality procedures. Contractor shall provide a copy of the training materials to CDPH/OA/ADAP upon request. Contractor shall revise and update training materials annually to ensure that they are consistent with any statutory, regulatory, or procedural changes. 5. Make available signed CDPH form 8689 to CDPH/OA/ADAP upon request.	Y ☐ N ☐
6.5.18 Client Materials (M) Contractor must obtain written approval from CDPH/OA/ADAP on the verbiage contained in any information mailed or otherwise provided to Clients prior to making available to Clients. Contractor shall not include any reference to Contractor's name, ADAP, "AIDS", or "HIV" on any information being made available to Clients from Contractor.	Y ☐ N ☐
6.5.19 Communication Materials (M) Contractor must distribute written or electronic information provided by CDPH/OA/ADAP to Clients and Providers. Contractor shall not include any reference to Contractor's name, ADAP, "AIDS", or "HIV" on any information being made available to Clients from Contractor.	Y ☐ N ☐

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6.5.20 Rights in Data (M) In conformance with the Intellectual Property provisions of this Agreement, the Contractor understands and agrees that all ownership rights of data files and databases generated in the course of doing business for CDPH/OA/ADAP belongs to CDPH/OA/ADAP. This information may not be released in any form without prior written approval from CDPH/OA/ADAP. In circumstances when CDPH/OA/ADAP utilizes a Contractor's software, CDPH/OA/ADAP owns all data inserted and created in the Contractor's System regardless of the ownership of the software.	Y ☐ N ☐
6.5.21 Access to Records and Data (M) Contractor must provide CDPH/OA/ADAP with unrestricted access to CDPH/OA/ADAP records and data within Contractor's (electronic data) System. Contractor must provide CDPH/OA/ADAP with unrestricted access to paper records and electronic data during normal service hours as defined in Section 6.5.6.	Y ☐ N ☐
6.5.22 Data Collection, Exchange, and Updates (M) Contractor must collaborate with, exchange, and update information with authorized entities that is relevant to the Agreement. Contractor must transmit transactional payment processing data to authorized CDPH/OA contractors at a minimum every Business Day. Contractor must collect, exchange, and update information with authorized entities at a minimum every Business Day regarding: 1. Client Eligibility for ADAP services-Contractor will receive information from the CDPH/OA/ADAP and CDPH/OA/ADAP's Enrollment Benefits Management contractor. 2. Third party payer information-Contractor will receive information from the CDPH/OA/ADAP and CDPH/OA/ADAP's Insurance Benefits Management. 3. ADAP benefit payment information-Contractor must provide this information to the CDPH/OA/ADAP and CDPH/OA/ADAP's Enrollment Benefits Management contractor. This includes but is not limited to Client's eligibility, termination and benefit changes, and health coverage group.	Y ☐ N ☐

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6.5.23 Data Quality (MS) ***Maximum Score* 29 *Points*** Contractor must maintain accurate, timely, consistent, valid, and complete (collectively referred to as 'data quality') data files and databases. In the event of problems with data quality, Contractor must correct data no more than two (2) Business Days after being notified of the issue and must provide CDPH/OA/ADAP with documentation of the steps taken for correction no later than three Business Days after notification. Contractor must develop and maintain all data files and databases associated with the Agreement. The Contractor must: 1. Maintain accurate, timely, consistent, valid, and complete data files and databases. 2. Proactively identify problems with data quality and readability. 3. Correct data quality issues contracted through this Agreement no later than two (2) Business Days after being notified. 4. Conduct continuous data quality improvement to prevent future occurrences of data quality issues.	Y ☐ N ☐
Bidder's response must include: 1. Description of data files and database structure. 2. Description of how Bidder ensures high quality data are entered in to the data files and databases. 3. Description of how and how often the Bidder performs data quality assurance activities contracted through this Agreement. 4. Description of how the Bidder ensures implementation of a correction to the data within two (2) Business Days, and performs continuous data quality improvement to prevent future occurrences. **Bidder's response:**	
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DELIVERABLE	POINTS
1. Description of the data files, system, and database. Description of data entry and upload processes to ensure high data quality. Maximum-10 points	

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a) Bidder uses more than one of the following methods to ensure high quality data are entered: dual data entry (on the entire or a subset of records), validation rules, test uploads, routine re-training data entry staff, checking for duplicate records-10 points b) Bidder uses only one of the above methods- 0 points	
2. Description of how and how often the Bidder performs routine data quality assurance activities –Maximum 10 points a) Bidder performs one or more of the following on a weekly basis: review of data quality assurance reports, deduplication of records, share data quality assurance reports with data entry staff- 10 points b) Bidder runs data quality assurance reports monthly or less-0 points	
3. Description of how the Bidder ensures implementation of a correction to the data within two (2) Business Days and performs continuous data quality improvement -Maximum 9 points. a) Bidder describes process for corrective action in one (1) Business Day or less, and both as needed and routine processes for modifying overall data quality assurance procedures to prevent data quality issues–9 points b) Bidder describes corrective action within two (2) Business Days and modifies data quality assurance procedures only as needed- 0 points	
Total Points	

6.5.24 Record Retention (M) Contractor must maintain and store historical records and transactional data in a ready retrievable format for five years or until termination as defined in Section 11, Exhibit J, (VI) Termination in the HIPPA Business Associate Addendum.	Y ☐ N ☐
6.5.25 Record Destruction (M) Contractor must adhere to data destruction procedures identified in Section 11, Exhibit J, (VI) Termination in the HIPPA Business Associate Addendum.	Y ☐ N ☐

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SECTION 6 – CDPH/OA/ADAP
Technical Requirements

Requirement Description	Accept Y/N
6.5.26 Contractor's System Data Changes (M) Contractor must work with CDPH/OA/ADAP to incorporate changes within Contractor's System to modify, add, or delete data elements. These changes must be implemented in a reasonable timeframe and agreed to by CDPH/OA/ADAP. The changes may include but are not limited to: 1. Changes imposed by HRSA. 2. New data or programmatic changes required of or by CDPH/OA/ADAP. Contractor must work with CDPH/OA/ADAP to develop use cases and business requirements for any Contractor's System changes. CDPH/OA/ADAP must approve Contractor's written business requirements, data dictionaries, timeline, and rollout process. A test phase, with CDPH/OA/ADAP and other designees involved as testers, may be required by CDPH/OA/ADAP.	Y ☐ N ☐
6.5.27 Invoice Submission (M) Contractor shall submit weekly invoices to CDPH/OA/ADAP with substantiating electronic data files including but not limited to the weekly prescription file (Attachment c), weekly client file and weekly credit file (Attachment 6e), in a mutually agreed upon format. Supporting materials must be provided via electronic transfer (as requested by CDPH/OA/ADAP). All adjudicated claims during a weekly cycle must be reflected on the next invoice submission. It is the Contractor's responsibility to ensure that Client and prescription data are accurate prior to their submission to CDPH/OA/ADAP. The invoice and substantiating data file must be submitted to CDPH/OA/ADAP no later than fifteen (15) calendar days after the last day of each week invoiced. The Contractor must work with CDPH/OA/ADAP to develop the invoice template, format, and timeframe during the implementation phase of the Agreement. A draft template is located in Attachment 6i Invoice Detail Template. CDPH/OA/ADAP must approve the invoice template prior to the Go Live date.	Y ☐ N ☐
6.5.28 Drug Rebates (M) Contractor is prohibited from submitting and collecting 340B drug rebate claims and supplemental rebates negotiated by ADAP Crisis Task Force on behalf of CDPH/OA/ADAP. Invoicing and collection of these rebates are the sole responsibility of CDPH/OA/ADAP.	Y ☐ N ☐

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SECTION 6 – CDPH/OA/ADAP
Technical Requirements

Requirement Description	Accept Y/N
6.5.29 Pharmaceutical Manufacturer Remumeration (M) Pharmaceutical manufacturer remumeration received by Contractor falls into four general categories: rebates, administrative fees, service fees, and pharmacy purchase discounts. 1. "Rebates" – formulary rebates, including base and market share rebates, collected by Contractor in its capacity as a group purchasing organization on behalf of Participating Entities that are attributable to the utilization of brand prescription drugs by members. One hundred (100) percent of all such rebates collected on behalf of Participating Entities will be passed through. 2. Administrative Fees–fees for services rendered to pharmaceutical companies in relation to administrative duties in connection with aggregation and invoicing for rebates. Administrative fees do not exceed four (4) percent of the WAC of the products dispensed across Contractor's book of business. One hundred (100) percent of all such administrative fees collected in relation to participating entities will be passed through. 3. Service Fees–Fees from pharmaceutical manufacturers in connection with compliance and adherence programs, including refill reminders and member education materials. These fees which represent less than 0.01 percent of all pharmaceutical remuneration received by Contractor are not paid to or allocated on a CDPH/OA/ADAP specific basis and are retained by Contractor. 4. Pharmacy Purchase Discounts – Contractor or its affiliates may receive discounts, paid at time of purchase or retrospectively, from pharmaceutical companies which are attributable to or based on products purchased by Contractor affiliated dispensing pharmacies. Purchase discounts and related service fees are retained by Contractor or its affiliates and enable Contractor to support the guaranteed discounts for brand and generic drugs offered to CDPH/OA/ADAP for mail service and specialty pharmacies. These discounts belong exclusively to Contractor or its affiliates. Any financial benefits collected by Contractor shall not interfere with the federally mandated 340B drug rebates paid by pharmaceutical manufacturers to CDPH/OA/ADAP.	Y ☐ N ☐

SECTION 6 – CDPH/OA/ADAP
Technical Requirements

Requirement Description	Accept Y/N
The Contractor shall pass through to the CDPH/OA/ADAP the Rebates and Administrative Fees. The Contractor shall: 1. Identify, invoice, reconcile and credit back to CDPH/OA/ADAP the Rebates and Administrative Fees. Provide CDPH/OA/ADAP quarterly reporting. Upon thirty (30) days prior written notice to CDPH/OA/ADAP, Contractor may modify or amend Section 6.5.29 Pharmaceutical Manufacturer Remumeration, as mutually agreed upon between the Parties, in the Agreement in a manner designed to account for the impact of the events identified below. Such agreement by CDPH/OA/ADAP shall not be unreasonably withheld. Such notice will include Contractor's explanation of the manner in which the modification accounts for the impact of the event, including but not limited to: 2. A change in the scope of services to be performed by Contractor or the assumptions upon which the pharmaceutical manufacturer remumeration included in the Agreement are based and/or any government imposed or industry wide change that would impede Contractor's ability to provide the pricing described in this document, including any prohibition or restriction on Contractor's ability to receive rebates or discounts from pharmaceutical manufacturers; 3. Material changes in Centers for Medicare & Medicaid Services guidelines: https://www.google.com/?gws_rd=ssl#q=CMS. 4. Implementation or addition of one hundred (100) percent member paid plan design, such as high deductible health plan/consumer-driven health plan option; 5. A greater than twenty percent (20) decrease in the total number of claims from the number provided during pricing negotiations.	

If a government action, change in law or regulation, change in the interpretation of law or regulation or action by a drug manufacturer or by the state has a material adverse effect on financial benefits the Contractor receives for medications reimbursed through this Agreement; the Parties agree to make every effort to modify the Agreement in this instance to preserve the benefit.

The parties acknowledge that the pricing indices historically used by Contractor are the basis for the financial offer of this Agreement and are outside the control of the

SECTION 6 – CDPH/OA/ADAP
Technical Requirements

Requirement Description	Accept Y/N
parties. In the event Medi-Span or other nationally available AWP reporting source discontinues the reporting of AWP or changes the manner in which AWP is calculated prior to the Effective Date, or during the Term. Upon thirty (30) days prior written notice to CDPH/OA/ADAP, Contractor may propose to modify or amend the financial provisions, as mutually agreed upon between the Parties through an amendment, in the Agreement in a manner designed to account for the impact of the events identified above. Such agreement by CDPH/OA/ADAP shall not be unreasonably withheld. Then the amendment shall be effective as of the Effective Date or such later effective date of such discontinuation or change, so as to maintain the parties' relative economic positions as existed immediately before the effective date of such discontinuation in reporting or change in the calculation of AWP, as measured across all products on an aggregate basis. Such modifications may include, without limitation, the adjustment of AWP to the methodology relied on by such reporting source prior to such modification of AWP methodology, the adjustment of the AWP discount, or the utilization of alternate pricing benchmarks. The Contractor shall: 1. Identify, invoice, reconcile and credit back to CDPH/OA/ADAP all financial benefits for each line item. 2. Negotiate and pass through to CDPH/OA/ADAP, all financial benefits on prescriptions dispensed to Clients. 3. Capture and pass through to CDPH/OA/ADAP, additional or add-on rebates negotiated or authorized by CDPH/OA/ADAP, on medications. Manage applicable additional or add-on rebates agreements negotiated or authorized by CDPH/OA/ADAP. 4. Provide CDPH/OA/ADAP quarterly reporting. The provisions of the payment of financial benefits to CDPH/OA/ADAP on medications reimbursed through this Agreement exceed the terms of the Agreement by three (3) Calendar Years.	

6.6 Service Requirement

Requirement Description	Accept Y/N

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Technical Requirements

Requirement Description	Accept Y/N
6.6.1 Pharmacy Locator (M) Contractor shall develop and maintain a system which allows individuals to readily and quickly identify pharmacies including the address, telephone number and hours of service) participating in the Pharmacy Provider Network. Contractor must update this system within three (3) Business Days of changes to pharmacies within the Pharmacy Provider Network. As directed by CDPH/OA/ADAP, the Contractor shall include information collected via surveys such as which HIV prevention goods and services are available to clients at each pharmacy.	Y ☐ N ☐
6.6.2 Pharmacy Provider Client Enrollment (M) Contractor must ensure pharmacies within the Pharmacy Provider Network and their employees do not perform Client enrollment or claim to offer Client enrollment assistance.	Y ☐ N ☐
6.6.3 Update Client Profile (MS) ***Maximum Points Available 30*** Contractor must update Client profile with information available from CDPH/OA/ADAP and/or authorized CDPH/OA contractors at a minimum of every Business Day. **Bidder's Response must:** Check only one box below in the table below titled "Timeline for Updating Client Profile." **Scoring** Bidder able to update Client Profile: 1. Real time 30 points 2. Greater than twice every Business Day but less than real time- 20 points 3. Twice every Business Day- 10 points 4. Only once every Business Day - 0 points	Y ☐ N ☐

Bidders Response to Section 6.6.3 (Bidder provide response in this box)

Timeline for Updating Client Profile	Bidder Response
1. Real time	☐

SECTION 6 – CDPH/OA/ADAP
Technical Requirements

Requirement Description	Accept Y/N
2. Greater than twice every Business Day but less than real time	☐
3. Twice every Business Day	☐
4. Only once every Business Day	☐

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DELIVERABLE	POINTS
1.Timeline for Updating Client Profile.	
Total Points	

Requirement Description	Accept Y/N
6.6.4 Expired Client Eligibility (M) Contractor must ensure prescriptions will not be billed to CDPH/OA/ADAP for reimbursement to pharmacies for Clients with expired ADAP eligibility as provided in the daily updates from the CDPH/OA/ADAP's Enrollment Benefit Management contractor.	Y ☐ N ☐
6.6.5 Client Eligibility Verification (M) Contractor must ensure pharmacies participating in the Pharmacy Provider Network have the ability to verify Client eligibility for ADAP Benefits related to this Agreement.	Y ☐ N ☐
6.6.6 ADAP Prescription Dispensing Management (M) Contractor must track Formulary dispensations by NDC; unit(s) dispensed, Client ID, and despense date, and provide this information to CDPH/OA/ADAP. Contractor must assure all NDCs reported by pharmacies are not: 1. Discontinued/terminated NDC for which the shelf life has expired. 2. Invalid/miscode NDC.	Y ☐ N ☐
6.6.7 Payer of Last Resort (M) CDPH/OA/ADAP is the Payer of Last Resort as defined in California Health and Safety Code Section 120955 (h). Contractor may not bill CDPH/OA/ADAP for the	Y ☐ N ☐

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SECTION 6 – CDPH/OA/ADAP
Technical Requirements

Requirement Description	Accept Y/N
cost of drugs on the Formulary that are available to Clients under any other private, state, or federal programs, or under any other contractual or legal entitlements, other than: 1. When third party has rejected payment and reasonable efforts have been made to determine that third party will not pay for the prescription. 2. As a secondary payer for the cost of drugs as determined by Client's ADAP Benefits (i.e. Copay or Medi-Cal share of cost.) 3. CDPH/OA/ADAP issues an exemption.	
6.6.8 Pharmacy Technical Assistance and Training (M) Contractor shall provide technical assistance, training, and educational materials to pharmacies in the Pharmacy Provider Network to ensure that the program is being administered appropriately and provide educational materials regarding HIV/AIDS.	Y ☐ N ☐
6.6.9 Drug Availability Issues (M) Contractor shall inform CDPH/OA/ADAP of formulary issues regarding drug shortages in the market. Contractor must provide CDPH/OA/ADAP with a plan for handling shortages within five (5) Business Day of becoming aware of drug availability issues.	Y ☐ N ☐
6.6.10 Repackaged Pharmaceuticals (M) Contractor shall not allow the reimbursement of repackaged pharmaceuticals from pharmacies within the Pharmacy Provider Network.	Y ☐ N ☐

6.7 Prescriber Network

Requirement Description	Accept Y/N
6.7.1 Eligible Prescribers (M) Contractor shall ensure prescribers are licensed to practice in California.	Y ☐ N ☐
6.7.2 Ineligible Prescribers (M) Contractor must work with CDPH/OA/ADAP during the implementation phase of this Agreement to develop a plan to prevent CDPH/OA/ADAP from being billed for prescriptions written by prescribers identified by CDPH/OA/ADAP as ineligible	Y ☐ N ☐

SECTION 6 – CDPH/OA/ADAP
Technical Requirements

Requirement Description	Accept Y/N
prescribers. CDPH/OA/ADAP must approve this plan 30 days prior to the Go Live date.	

6.8 Pharmacy Provider Network

Requirement Description	Accept Y/N
6.8.1 Pharmacy Network (M) Contractor must ensure that pharmacies in the Pharmacy Provider Networks are ~~outpatient~~ California licensed pharmacies. CDPH/OA/ADAP medication program, pays the *full* cost of medications on the ADAP formulary for the following coverage groups: a. ADAP-only clients, for whom ADAP pays ~~*100 percent of*~~ the prescription medication cost because these clients do not have a third-party payer; b. Medi-Cal Share of Cost (SOC) clients, for whom ADAP pays ~~*100 percent of*~~ the prescription medication cost up to the client's Medi-Cal SOC amount; c. Private health insurance clients, for whom ADAP pays ~~*the full cost of*~~ the private health insurance prescription medication deductibles and co-pays; and d. Medicare Part D clients, for whom ADAP pays the ~~*full cost of the*~~ ~~**private health insurance**~~ Medicare Part D medication deductibles and co-pays. Contractor shall maintain a Pharmacy Provider Network for the coverage groups such that**:** a. Urban Areas - At least two pharmacies are located wthin a five mile radius of each California zip code. b. Rural Areas - At least 70 percent of Clients must be within an average of fifteen (15) miles of a pharmacy, and 30 percent within a reasonable travel distance of a pharmacy as mutually agreed between the Parties. Contractor shall ensure that Clients are able to have their outpatient prescriptions filled within 24 hours of submission of prescription requests [per California Health and Safety Code 120970 (d)]. This information is expected to be communicated to the pharmacies in the Pharmacy Provider Network that this requirement is in statute.	Y ☐ N ☐

Commented [DN1]: Isnt' this a change as well so should it be in bold font?

SECTION 6 – CDPH/OA/ADAP
Technical Requirements

Requirement Description	Accept Y/N
Contractor shall ensure that Clients have toll-free telephone access during business hours to speak with licensed pharmacists for medication counseling and for mail order prescription requests, per California Health and Safety Code Section 120970 (f). Contractor's Pharmacy Provider Network must include but not limited to the following: 1. Independent pharmacies 2. Chain pharmacies 3. Human Immunodeficiency Virus (HIV) specialty pharmacies 4. University pharmacies 5. Local non-profit health organization pharmacies 6. Medical Center and hospital pharmacies 7. Non-profit Health Maintenance Organizations (HMO) pharmacies 8. County Health Department pharmacies 9. 340B pharmacies	
6.8.2 Mail Order Pharmacy (M) Contractor shall provide mail order pharmacy services. Mail order pharmacy services provided by the Contractor shall: 1. Comply with all applicable requirements of the Pharmacy Law of the State of California. If the mail order services originate from a pharmacy in a state other than California, enclose proof of compliance with this provision. 2. Obtain proof of delivery of prescriptions; California Health and Safety Code Section 120970 (c) requires proof of delivery by signature acknowledging the receipt thereof for all prescriptions mailed or delivered to the Client Mailing Address. 3. Ship Client mail order prescriptions within 48 hours of receipt of client prescription requests; California Health and Safety Code Section 120970 (d). 4. Provide 24-hour access for physicians and other medical care providers identified by California statute, with authority to call-in or transmit prescriptions as defined in California Health and Safety Code Section 12970 (e). 5. Provide Clients with toll-free telephone access during business hours to speak with licensed pharmacists for medication counseling and for mail order prescription requests, per California Health and Safety Code Section 12970 (f). 6. Not impose any costs upon Clients or CDPH/OA/ADAP related to the normal delivery of prescriptions or returned orders. 7. Not seek reimbursement for lost, damaged, or non-delivered mail order	Y ☐ N ☐

**SECTION 6 – CDPH/OA/ADAP
Technical Requirements**

Requirement Description	Accept Y/N
prescriptions. 8. Not mail prescriptions with out-of-state addresses. 9. Work with CDPH/OA/ADAP to develop written protocols for handling vacation requests from Clients. CDPH/OA/ADAP must approve protocols.	
6.8.3 Timeliness of Dispensing (M) Contractor must ensure Client prescriptions are dispensed by the Pharmacy Provider Network within: 1. 24 hours of receipt by retail pharmacy. **2.** 48 hours of receipt by mail order pharmacy per California Health and Safety Code Section 120970 (d).	**Y** ☐ **N** ☐
6.8.4 Pharmacy Reimbursement Rate (M) When subcontracting with: 1. 340B Pharmacies, the Contractor must ensure the 340B pharmacy selects and bills CDPH/OA/ADAP exclusively at either 340B or non-340B pharmacy rate. 340B Pharmacies are prohibited from billing at both rates. 2. Non-340B pharmacies, the Contractor must ensure non-340B pharmacies, including retail pharmacies that subcontract with 340B entities to be 340B providers, bill at the non-340B pharmacy rate. 3. Contractor must be able to implement MAIC, FUL, and other pricing strategies to control the cost of pharmaceuticals. *CDPH/OA/ADAP will provide Contractor in a timely manner with any drug manufacturer labeler codes that are to be deleted/added from ADAP prescription reimbursement. The Contractor must remove/add a drug manufacturer for ADAP reimbursement within 48 hours after being notified by CDPH/OA/ADAP.*	**Y** ☐ **N** ☐
6.8.5 Medi-Cal Pharmacy Providers (M) Contractor must ensure pharmacies in the Pharmacy Provider Network are Medi-Cal Pharmacy Providers. Any pharmacy found to be ineligible to provide service to Medi-Cal beneficiaries shall be suspended from the Pharmacy Provider Network.	**Y** ☐ **N** ☐

Commented [DN2]: Propose eliminating this.

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SECTION 6 – CDPH/OA/ADAP
Technical Requirements

Requirement Description	Accept Y/N
6.8.6 Pharmacy Open and Equal Access (M) Should Contractor manage, operate, or participate in a corporate pharmacy network, Contractor must ensure it does not favor the pharmacies within its own pharmacy network. This includes prohibitions on directing Clients to its affiliated pharmacies, including the provision of incentives or disincentives that would produce this result. In addition, the Contractor shall ensure that all Clients have open and equal access to all of the pharmacies that participate in the Pharmacy Provider Network.	**Y** ☐ **N** ☐
6.8.7 Pharmacy Termination (M) Contractor shall terminate a pharmacy from the Pharmacy Provider Network if directed to do so by CDPH/OA/ADAP. CDPH/OA/ADAP has full discretion to do so with or without cause at any time, and will provide the Contractor with the rationale.	**Y** ☐ **N** ☐

6.9 Formulary Management

Requirement Description	Accept Y/N

6.9.1 Formulary (M)
 	
Contractor must administer Formulary, located on the following CDHP/OA/ADAP web page: http://www.cdph.ca.gov/programs/aids/Documents/ADAP_Formulary.pdf.
 	
Contractor **_shall not_**:
    a. Determine which drugs are to be included in the Formulary.
    b. Give dispensing preference to any drug on the Formulary.
	Y ☐
	
	N ☐

6.9.2 Formulary Changes (MS) ***Maximum Score 10 points*** Contractor must implement additions, deletions, and/or changes to the Formulary within five (5) Business Days of receipt of change notification from CDPH/OA/ADAP. **Bidder's Response must:** Indicate, by checking only one box in the table below titled "Implementation of	**Y** ☐ **N** ☐

SECTION 6 – CDPH/OA/ADAP
Technical Requirements

Requirement Description	Accept Y/N
Formulary Changes," for the timeframe in which the Contractor is able to implement Formulary additions, deletions, and/or changes from the time notified by CDPH/OA/ADAP of the Formulary revision. **Scoring** Bidder is able to implement Formulary revisions: 1. Less than 24 hours -10 points 2. One (1) to two (2) Business Days-5 points 3. Greater than two (2) but no more than five (5) Business Days-0 points	

Bidders Response to Section 6.9.2 (Bidder provide response in this box)

Implementation of Formulary Changes	Bidder Response
1. Less than 24 hours	☐
2. One (1) to Two (2) Business Day**s**	☐
3. Greater than two (2) but no more than Five (5) Business Days	☐

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DELIVERABLE	POINTS
Implementation of Formulary Changes.	
Total Points	

6.9.3 Formulary Utilization Controls (M) Contractor must work with CDPH/OA/ADAP to develop and implement any necessary utilization controls to manage the Formulary.	Y ☐ N ☐
6.9.4 Lowest Cost Pharmaceuticals (M) Contractor must reimburse pharmacies within the Pharmacy Provider Network at the lowest cost available to CDPH/OA/ADAP.	Y ☐ N ☐

**SECTION 6 – CDPH/OA/ADAP
Technical Requirements**

Requirement Description	Accept Y/N
6.9.5 Generic Drugs (M) Contractor must ensure only generic drugs, when available, are used in filling prescriptions for Clients unless otherwise specified by CDPH/OA/ADAP. The Contractor must not give any preferential treatment for any generic drug manufacturer.	Y ☐ N ☐

6.10 Prescription Claims Processing and Adjudication

Requirement Description	Accept Y/N
6.10.1 Prescription Utilization Controls (M) Contractor must work with CDPH/OA/ADAP on controls for the dispensing of Clients prescriptions during the implementation phase of the Agreement. CDPH/OA/ADAP must approve the controls used in the Contractor's Claims Adjudication System for Client Prescription Claims. Examples include but are not limited to: 1. The number of ADAP prescriptions dispensed shall not exceed 13 per formulary drug, per client in a 12 month period. 2. ADAP prescriptions shall not exceed a thirty (30) day supply of the drug. 3. Must dispense generic drugs, unless otherwise directed by CDPH/OA/ADAP as stated in Section 6.9.5. 4. Dispense as written codes. 5. Duplicate claims. 6. Criteria for establishing non-approved transactions. 7. Exclude specific labeler codes/NDCs. 8. Exceptions to the rules.	Y ☐ N ☐
6.10.2 Prescription Claims Processing (M) Contractor must process and adjudicate Prescription Claims for Clients submitted by pharmacies within the Pharmacy Provider Network for ADAP Benefits related to this Agreement: 1. Within fifteen (15) calendar days of receipt of a hard copy claim from a pharmacy within Pharmacy Provider Network. 2. Real time via an online Contractor's Claims Adjudication System.	Y ☐ N ☐

SECTION 6 – CDPH/OA/ADAP
Technical Requirements

Requirement Description	Accept Y/N
6.10.3 Pharmaceutical Pricing Source (M) Contractor must select one nationally recognized source for pharmaceutical pricing that will be used through the term of the Agreement. Examples of this include First DataBank© and Medi-Span®. Contractor will notify CDPH/OA/ADAP of any changes to the source of pharmaceutical pricing and provide an explanation for the change and the effective date. Contractor must maintain current pricing with pharmacies within the Pharmacy Provider Network. Contractor's Claims Adjudication System must be updated within seven (7) Business Days of any pricing changes. Should Contractor's source for pharmaceutical pricing change its methodology any changes to this methodology will require mutual agreement through a contract amendment to maintain the integrity of its original financial obligations. An example of a change in pricing methodology would be the Settlement of lawsuit against First DataBank brought by Prescription Access Litigation (PAL) in 2005 which resulted in changes in AWP calculations and reporting which became effective September 26, 2009.	Y ☐ N ☐
6.10.4 Brand and Generic Drug Definitions (M) Contractor may only use the same national reporting service as identified in 6.10.3 to define brand and generic drugs. The Contractor must apply the definitions consistently for all purposes under the Agreement. Any overrides in the definitions due to unspecified circumstances must be approved by CDPH/OA/ADAP.	Y ☐ N ☐
6.10.5 Contractor Reimbursement Rate (M) Contractor shall bill CDPH/OA/ADAP for prescriptions dispensed to Clients at the agreed upon rate as identified in Section 7, Cost Workbook. Contractor must reimburse pharmacies within fifteen (15) Business Days following payment from CDPH/OA/ADAP.	Y ☐ N ☐
6.10.6 Negotiated Pharmacy Reimbursement Rate (M) Contractor will attempt to negotiate lower reimbursement rates, for CDPH/OA/ADAP, with pharmacies in the Pharmacy Provider Network as appropriate. When negotiations between the Contractor and participating pharmacies result in reimbursements that are lower than the contracted amount, the difference in costs between the negotiated rate and the contracted rate will be split between CDPH/OA/ADAP and the Contractor at the following rate: Sixty (60)	Y ☐ N ☐

**SECTION 6 – CDPH/OA/ADAP
Technical Requirements**

Requirement Description	Accept Y/N
percent to CDPH/OA/ADAP and forty (40) percent to the Contractor. The portion of the negotiated savings earned by CDPH/OA/ADAP will be shown on the weekly invoices with supporting details in the weekly prescription data files, identified in 6.5.27, Attachment 6i.	
6.10.7 Client Prescription Out-of-Pocket (M) Contractor must reimburse pharmacies in the Pharmacy Provider Network, as identified in Section 6.8.1, for share-of-cost, prescription co-payments and prescription deductibles imposed by Third Party Insurance for Clients' enrolled in this ADAP Benefit. This ADAP Benefit only covers drugs on the Formulary.	Y ☐ N ☐
6.10.8 ADAP Payment Obligation Adjustments (M) The Contractor must track and report claims applicable for clients to meet their monthly ADAP payment obligation as defined in California Health and Safety Code Section 120960(c).	Y ☐ N ☐
6.10.9 Medi-Cal Share of Cost Obligation (M) The Contractor must ensure the pharmacies in the Pharmacy Provider Network apply Prescription Claim payments toward the Medi-Cal Share of Cost obligation for Clients co-enrolled in Medi-Cal with a Medi-Cal Share of Cost. The Contractor shall not reimburse pharmacies for Prescription Claims that exceed the Client's Medi-Cal Share of Cost.	Y ☐ N ☐

6.10.10 Allowable Prescription Packaging for Reimbursement (M)
 	
Contractor must bill CDPH/OA/ADAP for:
 	
1. 340B and Retail Pharmacy- Prescription at the NDC of the actual package size from which the prescription drug was dispensed.
2. Mail Order Pharmacy – Prescription at the lesser of:
   a. The NDC for the package size from which the prescription drug was dispensed, or
   b. The NDC for the package size of the largest quantity purchased within six months of dispensing. This requirement is subject to audit.
	Y ☐
	
	N ☐

6.10.11 Drug Utilization Review (M) Contractor will perform a Drug Utilization Review (DUR) analysis of each prescription submitted for processing on-line by a pharmacy in the Pharmacy	Y ☐ N ☐

**SECTION 6 – CDPH/OA/ADAP
Technical Requirements**

Requirement Description	Accept Y/N
Provider Network. This is to assist the dispensing pharmacist and prescriber in identifying potential drug interactions, incorrect prescriptions or dosages, and other issues that may be indicative of inappropriate prescription drug use. Contractor must work with CDPH/OA/ADAP for approval of the DUR procedures.	

6.10.12 Non-approved Claims (M)
 	
Contractor may not bill CDPH/OA/ADAP for non-approved claims. Non-approved claims must not be accepted electronically into the Contractor's Claims Adjudication System. These include but are not limited to:
  1. Duplicate claims
  2. Rejected claims
  3. Denied claims
  4. Suspended claims
  5. Reversed claims
 	
Contractor must track and report on non-approved claims in the Quality Assurance Report identified in Section 6.15.4.
	Y ☐
	
	N ☐

6.10.13 Retroactive Billing of Third Party Payers (M)
 	
When pharmacies in the Pharmacy Provider Network are reimbursed for prescription drug claims for Clients that are later identified as having Third Party Payer eligibility, Contractor must:
 	
  1. Retroactively adjudicate Client's Prescription Claims paid by CDPH/OA/ADAP, to the full extent allowed, based on any changes to a Client's Third Party health coverage identified and verified by the Contractor, CDPH/OA/ADAP, or authorized CDPH/OA contractors.
  2. Ensure CDPH/OA/ADAP receives full reimbursement for all costs associated with the retroactive claim; this includes all fees imposed by Contractor and pharmacy in the Pharmacy Provider Network adjusted for any other ADAP Benefits clients are eligible for.
 	
Contractor must work with CDPH/OA/ADAP to develop written protocols for processing retroactive claims from Third Party Payers during the implementation phase. CDPH/OA/ADAP must approve the written protocols.
	Y ☐
	
	N ☐

6.10.14 Third Party Claim Denial (M) Should Third Party Payer deny payment for the prescription claim, Contractor must: 1. Ensure that Client appropriately appealed any rejections prior to billing CDPH/OA/ADAP for the full cost of the drug. Contractor shall provide evidence of their activities to ensure that Client appropriately appealed the	Y ☐ N ☐

**SECTION 6 – CDPH/OA/ADAP
Technical Requirements**

Requirement Description	Accept Y/N
rejection to CDPH/OA/ADAP upon request. 2. Track payments for these claims and retroactively bill Third Party Payer as required in Section 6.10.13 "Retroactive Billing of Third Party Payers" should Third Party Payer approve the appeal.	
6.10.15 Prior Authorization Procedure (M) Contractor must work with CDPH/OA/ADAP to develop and implement prior authorization procedures to: 1. Enforce the clinical restrictions relating to the Formulary, as established by ADAP's Medical Advisory Committee. The clinical restrictions are included in the ADAP California Formulary found here: http://www.ramsellcorp.com/PDF/CAFormularyAlphaGeneric1.pdf. 2. Adjudicate claims on a case by case basis for dosage forms not included on the Formulary. These prior authorizations must be submitted to CDPH/OA/ADAP for approval prior to dispensing and must include clinical justification by the prescriber. The Contractor's prior authorization process shall be overseen by a licensed pharmacist. Medications dispensed as a result of approved prior authorization must be in compliance with Section 6.9 Formulary Management. Contractor's prior authorization procedures must be approved by CDPH/OA/ADAP.	Y ☐ N ☐

6.11 Data

Requirement Description	Accept Y/N
6.11.1 Data Access (M) Contractor must provide CDPH/OA/ADAP and authorized CDPH/OA contractors with routine on-line access to all data through the Agreement. Data shall be made available during normal service hours as defined in Section 6.5.6.	Y ☐ N ☐
6.11.2 Exchange of Data (M) Contractor must work with CDPH/OA/ADAP to develop a mutually agreed upon format for routinely transferring and receiving data between Contractor, CDPH/OA/ADAP and other authorized contractors involved with the administration of the ADAP. Contractor must utilize a file that will interface with the CDPH/OA/ADAP and authorized contractors. This must include flat files	Y ☐ N ☐

SECTION 6 – CDPH/OA/ADAP
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Requirement Description	Accept Y/N
which are importable to Microsoft® Office Excel (e.g. csv or xlsx format).	
6.11.3 File Layout/Data Dictionary (M) Contractor must work with CDPH/OA/ADAP to develop file layouts for all data related to this Agreement. Contractor must provide CDPH/OA/ADAP with a data dictionary detailing the variables in the file layout including but not limited to Attachment 6c Weekly prescription file data dictionary. Contractor must provide CDPH/OA/ADAP with an updated data dictionary any time variables/data elements are added, deleted, or modified within one week of the change.	Y ☐ N ☐
6.11.4 Federal Data Requirements (M) The ADAP Data Report (ADR) is an annual reporting requirement from the federal Health Resources and Services Administration (HRSA) for ADAP's to provide client-level data on individuals served, services being delivered, and costs associated with these services. The ADR requirements are subject to change throughout the term of this Agreement. Contractor must comply with all reporting requirements as defined by HRSA. Contractor shall collect and provide CDPH/OA/ADAP with all data elements and data relating to pharmacy benefits for the ADR three months prior to the date the ADR is due to HRSA. Contractor must comply with all data reporting requirements imposed by HRSA per the HRSA-defined timelines. The current data elements are detailed in Appendix A: Required Client-Level Data Elements of the ADR Instruction Manual. The ADR Instruction Manual can be located at: https://careacttarget.org/library/adr-instruction-manual. Data specific to this requirement is detailed in the ADR's: 1. Client Demographics Section. 2. Enrollment and Certification Section. 3. ADAP Insurance Services. 4. Drugs and Drug Expenditures. 5. Clinical Information Section. Contractor is only responsible for the data elements related to the PBM services.	Y ☐ N ☐

**SECTION 6 – CDPH/OA/ADAP
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Requirement Description	Accept Y/N
6.11.5 Pharmacy Provider Network Data (M) Contractor must collect, track and maintain data for pharmacies in the Pharmacy Provider Network which includes but is not limited to the following: 1. National Provider ID 2. National Association Board of Pharmacy Number 3. Pharmacy Name 4. Pharmacy Address 5. Pharmacy City 6. Pharmacy State 7. Pharmacy Zip 8. Pharmacy Phone Number 9. Pharmacy Fax 10. Pharmacy Contact 11. 340B 12. Local Health Jurisdiction 13. Pharmacy Start Date 14. Pharmacy End Date 15. Network ID	Y ☐ N ☐
6.11.6 Claims Data (M) Contractor must provide CDPH/OA/ADAP with access to data for information associated with all claims. Data must be able to be downloaded and exported to a flat file by CDPH/OA/ADAP and authorized CDPH/OA contractors. Data fields may change during the term of the Agreement.	Y ☐ N ☐
6.11.7 Query Data (M) Contractor's System must allow CDPH/OA/ADAP staff the ability to query data and utilize data for reporting and analysis.	Y ☐ N ☐
6.11.8 Survey Data (M) Contractor must have the ability to collect data via surveys and provide the data to CDPH/OA/ADAP or authorized contractors in a searchable dataset or database. This would include, for example, a survey of pharmacies in the Pharmacy Provider Network regarding HIV prevention goods and services available to Clients.	Y ☐ N ☐

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**SECTION 6 – CDPH/OA/ADAP
Technical Requirements**

Requirement Description	Accept Y/N
6.11.9 Enrollment Worker Data (M) Contractor, including the Customer Service Unit, must maintain access to current list of active Enrollment Workers provided by CDPH/OA/ADAP or authorized contractor(s) on a daily basis for the purpose of validating authority to share Client information.	Y ☐ N ☐

6.12 Liquidated Damages

Requirement Description	Accept Y/N

6.12.1 Liquidated Damages (M)
 	
In the event that the Contractor fails to deliver in accordance with the Agreement requirements, including the established service levels for the following:
  1. Contractor's Claims Adjudication System Availability
  2. Contractor's Customer Service Unit Availability
  3. Contractor Compliance with Confidentiality Requirements
  4. Grievance Process,
 	
the Parties agree that the delay will interfere with the proper implementation of the CDPH/OA/ADAP's programs, to the loss and damage of the state. From the nature of the case, it would be impracticable and extremely difficult to fix the actual damages sustained in the event of any such delay. The Parties, therefore, presume that in the event of any such delay the amount of damage which will be sustained from a delay will be the amounts set forth in the Statement of Work, and the Parties agree that in the event of any such delay, the Contractor shall pay such amounts as liquidated damages and not as a penalty. Amounts due to CDPH/OA/ADAP as liquidated damages may be deducted by CDPH/OA/ADAP from any money payable to the Contractor. CDPH/OA/ADAP shall notify the Contractor in writing of any claim for liquidated damages pursuant to this paragraph on or before the date CDPH/OA/ADAP deducts such sums from money payable to the Contractor.
 	
Once notified of such claim, the Contractor must take immediate steps to resolve any problem resulting in a liquidated damages charge and provide CDPH/OA/ADAP with a corrective action plan.
 	
The Parties agree that all assessments of liquidated damages shall be in addition to, not in lieu of, the rights of CDPH/OA/ADAP to pursue other
	Y ☐
	N ☐

SECTION 6 – CDPH/OA/ADAP
Technical Requirements

Requirement Description	Accept Y/N
appropriate remedies, including cancellation of the Agreement. All decisions regarding the assessment, reduction, or waiver of liquidated damages shall remain solely with CDPH/OA/ADAP and shall be final. Service level modifications may be adjusted temporarily without an amendment to the Agreement for Force Majeure; CDPH/OA/ADAP must approve modifications to the service levels and time period. Contractor must pay any liquidated damages as a credit to CDPH/OA/ADAP no later than the tenth (10th) Business Day of the month following the quarterly report. The maximum liquidated damages that the Contractor shall be responsible to pay to the CDPH/OA/ADAP will be capped at 10 percent of the fees paid to Contractor for each Fiscal Year of the Agreement.	
6.12.2 Liquidated Damages for Implementation (M) Contractor will be liable for any liquidated damages for late performance (including late delivery) specified in the Statement of Work if Contractor fails to provide any subject service or deliver any subject Deliverable, ready for use in substantial conformance with its specifications, on or before the Delivery Dates in the Statement of Work. Unless otherwise specified in the Statement of Work: such liquidated damages will stand in lieu of all other damages for such late performance or nonperformance. For late implementation, the Contractor shall be responsible for providing liquidated damages calculated at 50 percent of the average fees paid to the Contractor per day from the first quarter after implementation multiplied by the number of days late.	Y ☐ N ☐
6.12.3 Contractor's Claims Adjudication System Availability - Service Level (M) Contractor's Claims Adjudication System shall be available as defined in Section 6.5.11 at least 99 percent of the time, twenty-four (24) hours a day/seven (7) days a week. The service level shall be calculated for the three month average of each Calendar Quarter. The service level will be calculated as follows and presented as percentages: The number of hours the Contractor's Claims Adjudication System was available	Y ☐ N ☐

SECTION 6 – CDPH/OA/ADAP
Technical Requirements

Requirement Description	Accept Y/N
in the reporting period ÷ (divided by) the number of hours during the reporting period. Minimum liquidated damage is: | Less than 95.0 percent Contractor's Claims Adjudication System Availability	The Contractor shall provide CDPH/OA/ADAP with a credit in the amount of two percent of the fees paid to the Contractor for the reporting period.		
6.12.4 Contractor's Customer Service Unit Availability - Service Level (M) Contractor shall provide Customer Service Unit services as defined in Section 6.5.8 at least 99 percent of the time as defined by the following two measures: 1. Customer wait time for a telephone call to be answered by the customer service representative shall be less than two minutes. Wait time shall be defined as the hold/wait time between the end of the phone system routing options message and hand off to a live agent. 2. Customer wait time for a call back after leaving a voice mail shall be within the next Business Day. Service level shall be calculated for the three month average of each Calendar Quarter. Measure #1 will be calculated as follows and presented as percentages: The number of incoming telephone calls related to this Agreement that were to be answered by a customer service representative within two minutes during the reporting period ÷ (divided by) the total number of incoming telephone calls related to this Agreement during the reporting period. Measure #2 will be calculated as follows and presented as percentages: The number of voicemails related to this Agreement that are returned within five Business Hours during the reporting period ÷ (divided by) the total number voicemails received related to this Agreement during the reporting period. Minimum liquidated damage is:	Y ☐ N ☐

**SECTION 6 – CDPH/OA/ADAP
Technical Requirements**

Requirement Description			Accept Y/N
Less than 95.0 percent for the average of the two measures for Customer Service Availability Service Level	The Contractor shall provide CDPH/OA/ADAP with a credit in the amount of two percent of the fees paid to Contractor for the reporting period.		

6.12.5 Grievance Process -Service Level (M)
 	
Contractor shall provide a grievance process, as defined in Section 6.5.14. Contractor must measure and provide CDPH/OA/ADAP with the following two measures:
   1. Number of grievances acknowledged within one (1) Business Day.
   2. Number of grievances resolved within ten (10) Business Days.
 	
Service level shall be calculated for the three month average of each Calendar Quarter.
 	
Measure #1 will be calculated as follows and presented as percentages:
 	
     The number of grievances received and acknowledged by the Contractor to the Client and/or Provider (per process referenced in Section 6.5.14) within one (1) Business Day of receipt of the grievance received during
			Y ☐
			
			N ☐

SECTION 6 – CDPH/OA/ADAP
Technical Requirements

Requirement Description	Accept Y/N
the reporting period ÷ the number of grievances received during the reporting period. Measure #2 will be calculated as follows and presented as percentages: The number of grievances resolved with the Client and/or Provider within ten (10) Business Days of receipt for grievances received during the reporting period ÷ the number of grievances received during the reporting period. Minimum penalty is: <table><tr><td>Less than 95.0 percent for the average of the two measures for grievance process service level</td><td>The Contractor shall provide CDPH/OA/ADAP with a credit in the amount of two percent of the fees paid to contractor for the reporting period.</td></tr></table>	
6.12.6 Service Level Modifications (M) Service level modifications may be made if agreed to by both Parties, through a formal amendment of the Agreement.	Y ☐ N ☐

6.13 Unanticipated Tasks

Requirement Description	Accept Y/N
6.13.1 Unanticipated Tasks (M) CDPH/OA/ADAP will allocate up to 5 percent of the Contractor's staff time dedicated to the administration of the Agreement to perform unanticipated tasks that are not identified in the Agreement, but in CDPH/OA/ADAP's opinion are necessary to successfully accomplish the scope of work. These tasks may include programmatic changes due to state or federal requirements that may occur after the Go Live Date. The Contractor must work with CDPH/OA/ADAP to determine an appropriate timeline for project activities in accordance with the unanticipated project deliverables/tasks at a mutually agreed upon cost.	Y ☐ N ☐

6.14 Audit

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Requirement Description	Accept Y/N
6.14.1 Audit (M) All Client specific data collected by or relating to the administration of this Agreement must be made available by the Contractor upon request by CDPH/OA/ADAP, or state or federal auditors and on a mutually agreeable timeline and in accordance with a mutual non-disclosure agreement established with CDPH/OA/ADAP and any approved third party. Contractor must maintain this information for the current calendar year plus five preceding years. This requirement is supported during the contract term and for one (1) year after termination of CDPH/OA/ADAP. Auditable records may include but are not limited to a sample of: 1. Records substantiating the provision of service, including beneficiary profiles, program remittance advices and billing and delivery records. 2. Eligibility Data. 3. Expenditure Data. 4. Pharmaceutical Manufacturer Remumeration identified in Section 6.5.29. The Contractor shall: • Dedicate sufficient resources to conduct audits of pharmaceutical claims. • Dedicate sufficient resources to conduct on-site audits of network pharmacies.	Y ☐ N ☐
6.14.2 Pharmacy On-Site Audit (M) Contractor shall conduct on-site audits as determined by CDPH/OA/ADAP, of pharmacies in the Pharmacy Provider Network to review at a minimum: 1. Entries from Client signature log. 2. Will call bin procedures. 3. Software vendor identification. 4. Prescription orders to: (1) detect possible forging or altering of prescriptions, (2) Verify drug, dosage, and strength were billed using the correct NDC, and (3) Verify quantity, day supply, prescriber NPI, and DAW Code were billed correctly. 5. Called-in prescription orders. 6. Electronic prescribing orders to confirm: (1) Completeness of orders, (2) Compliance with requirements for scheduled drugs, and (3) Compliance with DAW documentation. 7. Prospective Drug Utilization Review override documentation. 8. Usual and customary pricing. 9. Stocked drugs compared with billed NDC's from a sample of paid claims. 10. Outdated drugs in stock. 11. Pharmacy employees on the sanctioned providers' list. 12. Drug samples in the pharmacies inventory.	Y ☐ N ☐

SECTION 6 – CDPH/OA/ADAP
Technical Requirements

Requirement Description	Accept Y/N
13. Patient returned drugs. 14. Pharmacy and pharmacist licensure postings and other board of pharmacy required postings. Contractor shall provide CDPH/OA/ADAP will the summary of findings from all audits upon request. Contractor will invoice CDPH/OA/ADAP for the contracted cost of conducting the audit, as agreed upon in the Audit Plan, upon completion of the audits.	
6.14.3 Pharmacy Desktop Audit (M) Contractor shall conduct desktop audits as determined by CDPH/OA/ADAP, of pharmacies in the Pharmacy Provider Network to review at a minimum to compare prescriptions and signature logs to claims data obtained from the Client's data files.	**Y** ☐ **N** ☐
6.14.4 Pharmacy Post on-Site and Desktop Audits (M) Contractor shall perform post on-site and desktop audit activities for pharmacies in the Pharmacy Provider Network to: 1. Provide a summary of findings to the pharmacy, including discrepancies and areas of concern. 2. Request additional documentation from the pharmacy. 3. Allow appeals of audit findings. 4. Coordinate and audit appeals. 5. Validate recoveries to CDPH/OA/ADAP, including confirming that the pharmacy corrected the claims in question. CDPH/OA/ADAP agrees to work with the Contractor to identify a mutually agreed upon process for correcting claims. 6. Report corrected claims to CDPH/OA/ADAP. 7. Void non-corrected claims. Contractor shall provide CDPH/OA/ADAP will the summary of findings from all audits upon request. Contractor will invoice CDPH/OA/ADAP for the contracted cost of conducting the audit, as agreed upon in the Audit Plan, upon completion of the audits.	**Y** ☐ **N** ☐

SECTION 6 – CDPH/OA/ADAP
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Requirement Description	Accept Y/N
6.14.5 Audit Plan (M) Contractor shall work with CDPH/OA/ADAP to develop a responsive and responsible audit plan to ensure successful claims processing, and billing and credit to CDPH/OA/ADAP for all services available through the Agreement. Contractor shall provide CDPH/OA/ADAP with the proposed audit plan a minimum of one month prior to the Go Live date. CDPH/OA/ADAP must approve the audit plan prior to the Go Live date.	Y ☐ N ☐

6.14.6 Independent Auditor (M)
 	
Contractor shall work with any independent auditor hired by CDPH/OA/ADAP and reasonably approved by Contractor, to audit Contractor's performance of the Agreement. Contractor shall provide CDPH/OA/ADAP specific data as mutually agreed upon and required to determine that Contractor has performed in accordance with the terms of the Agreement. These audits may include but are not limited to:
  1. Claims.
  2. Pharmaceutical Manufacturer Remumeration identified in Section 6.5.29.
  3. Service Levels.
 	
Contractor agrees to:
  1. Respond to the audit report within thirty (30) days of receipt.
  2. Work with CDPH/OA/ADAP for resolution of any issues related to audit finding.
	Y ☐
	
	N ☐

6.14.7 Independent Consultant (M) CDPH/OA/ADAP, may contract with a mutually agreeable independent consultant. The independent consultant may be used to perform or assist in: 1. Performing a market check of the aggregate pricing terms provided under the Agreement. The market check will compare the aggregate value of the pricing terms provided by Contractor under the Agreement with the aggregate value of the pricing terms then currently available in the marketplace. This comparison will be made based on the consulting firm's internal benchmark targets and measurements for individual companies with similar plan designs and population mix similar to CDPH/OA/ADAP. An audit report prepared by the consulting firm will be submitted to CDPH/OA/ADAP. 2. Auditing claims, utilization controls, Financial Benefits, validity and accuracy of reports, application of administrative fees, invoicing, HIPAA compliance, etc.,	Y ☐ N ☐

SECTION 6 – CDPH/OA/ADAP
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Requirement Description	Accept Y/N
to ensure contract deliverables are met and the state is obtaining maximum value out of the Agreement. Contractor shall provide comments to the audit report within thirty (30) Business Days of its receipt. Contractor may be required to reimburse the independent consultant fee, which will be negotiated by CDPH/OA/ADAP.	
6.14.8 Pharmacy Contract Audit (M) CDPH/OA/ADAP or through an independent auditor, as selected by CDPH/OA/ADAP and reasonably agreed to by Contractor, may conduct an annual Pharmacy Contract Audit. Such audit shall be limited to a review of a reasonable sample of agreements relating to CDPH/OA/ADAP's Pharmacy Provider Network as selected by independent auditor. Such review of agreements shall be limited to information necessary for validating the accuracy of the amounts charged to CDPH/OA/ADAP by Contractor for services performed by the participating pharmacies. The scope of the Pharmacy Contract Audit shall be consistent with, and shall not exceed, the guidelines set forth in Exhibit C. CDPH/OA/ADAP shall be responsible for all reasonable expenses incurred by CDPH/OA/ADAP. The auditor as selected by CDPH/OA/ADAP, and reasonably agreed to by Contractor, shall execute a confidentiality agreement with Contractor prior to conducting a Pharmacy Contract Audit ensuring that all information gathered during such audit and all details and terms of any participating pharmacy contract reviewed will be treated as confidential and will not be revealed in any manner or form by or to any third party except as required by law.	Y ☐ N ☐

6.15 Reporting

Requirement Description	Accept Y/N

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Technical Requirements**

Requirement Description	Accept Y/N
6.15.1 Custom Report Requests (MS) ***Maximum Score 10 Points*** Contractor must have the capacity to accommodate requests from CDPH/OA/ADAP for custom reports, within ten (10) Business Days for requests that do not require modifications to Contractor's System. Other requests must be accommodated in a mutually agreed upon time frame between the Parties.	Y ☐ N ☐
Bidder's response to include a check mark option from the table below: <table><tr><td colspan="2">Bidder must select one of the following:</td></tr><tr><td>One to two days-10 points</td><td>☐</td></tr><tr><td>Three to four days-8 points</td><td>☐</td></tr><tr><td>Five to six days-6 points</td><td>☐</td></tr><tr><td>Seven to eight days-4 points</td><td>☐</td></tr><tr><td>Nine days-2 points</td><td>☐</td></tr><tr><td>10 days-0 points</td><td>☐</td></tr></table>	
SCORE-state evaluation team use only <table><tr><td>**DELIVERABLE**</td><td>**POINTS**</td></tr><tr><td>**Custom Report Requests**</td><td></td></tr></table>	
6.15.2 Customer Service Log (M) Contractor must provide a monthly report that summarizes the questions received by the Customer Service Unit and the response time to the Client and/or Provider. CDPH/OA/ADAP must approve the Contractor's report format prior to the Go Live date. This report must document all inquiries and resolutions regarding Client access to services.	Y ☐ N ☐
6.15.3 Contractor Negotiated Pharmacy Reimbursement Report (M) Contractor shall report annually to CDPH/OA/ADAP the detail regarding the Contractor Negotiated Reimbursement Rate negotiated with individual pharmacies in the Pharmacy Provider Network. This report must identify reimbursement percentages based on WAC or AWP as reflected in the Cost Workbook.	Y ☐ N ☐

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Technical Requirements

Requirement Description	Accept Y/N
<table><tr><th colspan="3">PHARMACY REIMBURSEMENT: PBM→PHARMACY RATES</th></tr><tr><th>PHARMACY TYPE</th><th>BRAND</th><th>GENERIC</th></tr><tr><td>Non-340B Drugs</td><td></td><td></td></tr><tr><td>Retail</td><td>x.xx%</td><td>x.xx%</td></tr><tr><td><i>Dispensing Fee</i></td><td><i>$x.xx per claim</i></td><td><i>$x.xx per claim</i></td></tr><tr><td>Chain Store</td><td>x.xx%</td><td>x.xx%</td></tr><tr><td>Independent Base</td><td>x.xx%</td><td>x.xx%</td></tr><tr><td>Independent Enhanced</td><td>x.xx%</td><td>x.xx%</td></tr><tr><td>Mail order</td><td>x.xx%</td><td>x.xx%</td></tr><tr><td><i>Dispensing Fee</i></td><td><i>$x.xx per claim</i></td><td><i>$x.xx per claim</i></td></tr><tr><td>Specialty</td><td>x.xx%</td><td>x.xx%</td></tr><tr><td>Dispensing Fee</td><td>$x.xx per claim</td><td>$x.xx per claim</td></tr><tr><td>Hospital</td><td>x.xx%</td><td>x.xx%</td></tr><tr><td>Miscellaneous</td><td>x.xx%</td><td>x.xx%</td></tr><tr><td>340B Drugs</td><td>x.xx%</td><td>x.xx%</td></tr><tr><td>Dispensing Fee</td><td>$x.xx per claim</td><td>$x.xx per claim</td></tr></table>	
6.15.4 Quality Assurance Report (M) Contractor must generate, provide and present this report on a quarterly basis to CDPH/OA/ADAP. This report must be submitted to CDPH/OA/ADAP no later than forty-five (45) calendar days after the last day of each Calendar Quarter. This report must include: 1. A narrative of accomplishments for the quarter. 2. Goals and proactive strategic planning for the next quarter. This report must also contain at a minimum the following quality assurance measures presented by month: **Contractor's Claims Adjudication System Availability** 1. Month.	Y ☐ N ☐

Commented [DN3]: Can we remove this?

Commented [DN4]: Can we remove this as well?

SECTION 6 – CDPH/OA/ADAP
Technical Requirements

Requirement Description	Accept Y/N

2. Total time Contractor's Claims Adjudication System was unavailable (in minutes).
3. Justification for Contractor's Claims Adjudication System being unavailable.
 	
Grievance Process
  1. Month.
  2. Number of grievances received.
  3. Number of outstanding grievances from previous quarters.
  4. Average and median turnaround time to resolve grievances.
  5. Issues identified in the grievances and resolutions in a narrative format.
 	
Individual Access to Protected Health Information (PHI)
  1. Accounting of Disclosure Log for the purposes of tracking the disclosure of protected health information.
  2. Accounting of Disclosure Tracking Record including requests for, and responses to, any disclosure of PHI.
  3. Log will detail the month, contact information, purpose, and other data defined by CDPH/OA/ADAP.
 	
Pharmacy Audit Findings
Contractor must report, with supporting documentation, the audit findings as identified in Section 6.14 and agreed upon in the audit plan, Section 6.14.5.
 	
Service Level Requirements
Contractor must report, with supporting documentation, the liquidated damages as identified in Section 6.12.
 	
Survey (if conducted during the quarter)
  1. Goal/objective of survey, including sampled population
  2. Number of survey responses.
  3. Summary of survey questions and results.
 	
Telephone Wait Time Report
  1. Month.
  2. Total number of calls received.
  3. Total number of call blocked and abandoned (see Section 6.5.8).
  4. Total number of calls answered by a live customer service representative in less than two minutes.
  5. Total number of calls answered by a customer service representative in more than two minutes.
  6. Average wait time for calls answered in less than two minutes. Wait time shall be defined as the hold/wait time between the end of the phone system routing options message and hand off to a live customer service	

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Requirement Description	Accept Y/N
representative. 7. Average wait time for calls answered in more than two minutes. 8. Average wait time for all calls. **Timeliness of Each Required Report** 1. Month 2. Number of reports submitted late. 3. Report Title. 4. Time and date report was submitted to CDPH/OA/ADAP. 5. Reason why report was submitted late. 6. Average length of time between deadline for report and time report was actually submitted. **Voice Mail Return Calls** 1. Month 2. Number of voice mail messages received. 3. Number of voice mail messages responded to within five normal service hours as defined in Section 6.5.6. 4. Percentage of voice mail messages responded to within five normal service hours . Additional quality assurance measures may be requested by CDPH/OA/ADAP.	
6.15.5 CMS Processing Report (M) Contractor shall generate a monthly report for Medicare Part D True Out-Of-Pocket (TrOOP) expense facilitation reporting to the federal Centers for Medicare and Medicaid Services (CMS). See Attachment 6g.	Y ☐ N ☐
6.15.6 Prior Authorization Report (M) Contractor must work with CDPH/OA/ADAP to generate a template and monthly report for the number of prior authorizations requests received, the number of prior authorizations filled, and the fill date.	Y ☐ N ☐
6.15.7 Active Pharmacy Report (M) Contractor must generate a monthly report for CDPH/OA/ADAP on the number of active pharmacies in the Pharmacy Provider Network.	Y ☐ N ☐
6.15.8 ADAP Summary Report (M) Contractor must provide a monthly report that summarizes information for the ADAP Client population utilizing ADAP Benefits each month associated with this	Y ☐ N ☐

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Requirement Description	Accept Y/N
contract. See Attachment 6a.	
6.15.9 Price Verification Report (M) Contractor must have the capacity to generate a price verification report validating all regularly submitted prescription data sets from the weekly invoice.	Y ☐ N ☐
6.15.10 Financial Benefits Report (M) The Contractor must generate a quarterly report identifying all Pharmaceutical Manufacturer Remumeration, identified in Section 6.5.29, the PBM receives for medications reimbursed through this Agreement.	Y ☐ N ☐
6.15.11 Report Submission Timeline (M) Contractor must provide all monthly reports to CDPH/OA/ADAP by the 10th of the following month or the next Business Day should the 10th fall on a non-business day. Contractor must provide all quarterly reports to CDPH/OA/ADAP no later than thirty (30) calendar days after the last day of each Calendar Quarter.	Y ☐ N ☐
6.15.12 Report Corrections (M) Contractor must correct errors identified by CDPH/OA/ADAP and authorized CDPH/OA contractors in required reports within three Business Days.	Y ☐ N ☐

6.16 Transition

Requirement Description	Accept Y/N
6.16.1 Plan for Transition to New Pharmacy Benefit Manager for Continuity of Care (M) Should CDPH/OA/ADAP award a new contract for Pharmacy Benefit Manager services, Contractor will work with CDPH/OA/ADAP to ensure an efficient and effective transition takes place. Contractor must work with the new contractor to appropriately transition all records. At a minimum, Contractor will be required to provide program data to the new contractor a miniumum 6-week lead time. Required fields, format and deadline are	Y ☐ N ☐

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to be determined by mutual agreement by CDPH/OA/ADAP and Contractor prior to the Go Live date.	