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Dedicated to protecting and improving the health and environment of the people of Colorado

Request for Proposal (RFP)

Requirements Section
Technical Specifications

HIV/STI/VH INTEGRATED CARE AND PREVENTION PROGRAM

PHARMACY BENEFIT MANAGEMENT, CONTRACT PHARMACY AND RELATED ADMINISTRATIVE SERVICES

RFP # FAAA 2018000206

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I. BACKGROUND AND OVERVIEW

A. OVERVIEW of RFP Solicitation

The Colorado Department of Public Health and Environment (CDPHE) is soliciting proposals from qualified Pharmacy Benefit Management entities (PBM) to provide pharmacy benefit management services for the Colorado AIDS Drug Assistance Program (ADAP) and the Colorado Public Health Intervention Program (PHIP), to maintain contract pharmacy relationships, and to perform 340B drug pricing program administration for these programs. In addition, the successful Offeror must be able to provide a secure, web-based eligibility and enrollment platform that includes a member-facing application and recertification portal. CDPHE intends to add the management of PBM and 340B management services for the Tuberculosis (TB) and STD Prevention /Treatment programs into the scope of services for the project period.

B. DEFINITION OF TERMS

340B Covered Drug	A drug covered under the federal 340B Drug Pricing Program approved by the Covered Entity for dispensing to an ADAP Patient.
340B Drug Pricing Program	The federal drug discount program established under Section 340B of the Public Health Service Act, 42 U.S.C. § 256b.
340B Program Member	A Covered Entity's Patient in whose name a prescription for a 340B Covered Drug is adjudicated.
ADAP	AIDS Drug Assistance Program
AIDS	Acquired Immune Deficiency Syndrome
CDPHE	Colorado Department of Public Health and Environment
CHN	Colorado Health Network
Contract Pharmacy	An arrangement in which Colorado ADAP, as a United States Health Resources and Services Administration (HRSA) 340B Drug Pricing Program (Section 340B) covered entity, signs a contract with a pharmacy to provide pharmacy services.
Co-Payment	Deductibles, co-payments, coinsurance or other cost-sharing amounts that may be charged to a Patient for 340B Covered Drugs.
Formulary	A listing of all prescription medications; Covered Entity purchase by therapeutic class and National Drug Code Directory 11 Number.
HIAP	HIV Insurance Assistance Program, a subprogram of ADAP
HIV	Human Immunodeficiency Virus
HMAP	HIV Medication Assistance Program, a subprogram of ADAP
HRSA	Health Resources and Services Administration
IBM	Insurance Benefit Management
ID	Identification

Insurance Administration Contractor	The organization selected by the CDPHE STI/HIV/VH Branch to perform administrative functions for HIAP and Bridging the Gap Colorado. The Insurance Administration Contractor as of April 1, 2015, is Colorado Health Network, Incorporated.
LTBI	Latent tuberculosis (TB) infection
MAPDP	Medicare Advantage Plan with prescription drug benefits
Online System	The computerized information transmission link between Offerer and the Contract Pharmacies that Contractor, Covered Entity, and the Contract Pharmacies use to communicate data to and from Pharmacies that are necessary for Covered Entity and Contractor to perform under this Agreement.
PBM	Pharmacy Benefit Management
PDP	Medicare Part D Prescription Drug Plan
PHIP	Public Health Intervention Program -biological interventions (usually pharmaceutical) intended to prevent the spread of HIV, or to treat STIs, Hepatitis B Virus or Hepatitis C Virus
PrEP	Preexposure Prophylaxis – a biological intervention medication that decreases the likelihood of HIV transmission
SDAP (ADAP and PHIP)	State Drug Assistance Program – Umbrella term for both the AIDS Drug Assistance Program and the Public Health Intervention Program
SPAP	State Pharmaceutical Assistance Program
STD	Sexually Transmitted Disease
STI	Sexually Transmitted Infection
SWAP	Supplemental Wrap Around Program, a subprogram of ADAP
TB	Tuberculosis
VH	Viral Hepatitis
Wholesaler	The wholesale distributor of 340B Covered Drugs designated by Covered Entity as the distributor from whom 340B Covered Drugs are purchased by Covered Entity.

C. Existing SDAP system management, PBM and other contractual information

1. **ADAP Structure and Management**
   The management of SDAP is provided by the CDPHE STI/HIV Section, Integrated HIV/STD/VH Care & Prevention Program, and is located at 4300 Cherry Creek Drive South in Denver, Colorado. CDPHE reserves the exclusive right to change the SDAP pharmacy network, the SDAP reimbursement/restocking methodology, the formulary, PBM compensation arrangements, and other major areas likely to impact ADAP/PHIP or that may impact their participants.

2. **ADAP Plan Year and Enrollment**

Applications for **ADAP** are received throughout the year; there is no "open enrollment period." Applications are sent directly to the CDPHE office via mail, fax, or through the online application/recertification portal, and are evaluated by CDPHE staff using eligibility criteria described below. ADAP members must recertify biannually - in the month of their birth, and six months after their birth month; the re-enrollment process is also managed and conducted by CDPHE staff.

3. **ADAP Eligibility**

To be eligible for ADAP, members must demonstrative that they meet the following criteria:
   a. Residency in Colorado;
   b. Household income at or below 500% of the federal poverty level;
   c. Living with HIV or AIDS;

4. **ADAP Component Plans**

ADAP consists of four major components, all claims for which must be adjudicated with a separate Rx Group, Rx Bin, and Rx PCN:

   a. **The HMAP** – Provides direct dissemination of HMAP formulary prescription drugs to individuals who are unable to access any third party payment source (Medicaid, Medicare, private employer or insurance marketplace insurance plans). These individuals must be:
      i. Not currently enrolled in or eligible to enroll in private health insurance (or a COBRA policy) that would provide sufficient coverage for HMAP formulary pharmaceutical medications at a cost equal to or less than the average cost for an HMAP enrollee;
      ii. Not covered by, or eligible for, Medicaid or Medicare.

   b. **The HIAP** Provides secondary payment of enrollee's individual responsibility for prescription drug deductibles, coinsurance, and copays for ADAP formulary medications. These individuals must be:
      i. Enrolled or eligible to enroll in their (or their partner/spouse's) employer's insurance plan;
      ii. Enrolled in an individual or family plan through Colorado's Affordable Care Act's health insurance exchange "Connect for Health Colorado";
      iii. Enrolled in a COBRA insurance plan through a former employer;
      iv. Enrolled in another individually acquired comprehensive insurance plan.

   c. **Bridging the Gap, Colorado** – A SPAP Provides secondary wrap-around payment of enrolled individual's Medicare Part D or MAPDP on the SPAP formulary.

   d. **The SWAP** Provides secondary payment of enrolled individual's Medicaid prescription co-payments on the SWAP formulary.

   Another contractor (for Health Insurance Administration) pays ADAP enrollee's medical insurance premiums, as well as assistance in paying medical deductible, coinsurance, and copayments under Medicare, Medicaid, and private insurance. However, the PBM contractor must be able to transmit eligibility data to the other contractor on a regular basis to assure such payments are appropriately made. These files must be configured to protect Protected Health Information by placing the created files in an Electronic Data Interchange lockbox where they can be retrieved by the relevant parties who need them.

5. **Payer of Last Resort**

By federal law (https://hab.hrsa.gov/sites/default/files/hab/About/RyanWhite/legislationtitlexxvi.pdf), ADAP must be the "payer of last resort." Therefore, every other possible third party source of support for ADAP formulary medications must be exhausted before ADAP is utilized. When members are found to be covered by, or eligible for, public or private health insurance that includes creditable pharmaceutical coverage at an affordable rate, they are transferred to the appropriate component plan (HIAP, SPAP, or SWAP).

6. **ADAP Formulary**

The current ADAP component plans formularies are included in the Appendix D Colorado ADAP Formulary 2018. Each of the ADAP component plans may have a different formulary, although there are many commonalities across those plans. Under Federal and State guidelines, the formulary is highly specialized for persons living with HIV or AIDS, including medications that specifically treat HIV as well as common opportunistic infections and other conditions frequently associated with HIV. Drug utilization review and decisions regarding the formulary are made by CDPHE under advisement by a Medical Advisory Committee and a community HIV Care and Treatment Advisory Committee. The contents of the formulary are NOT at the discretion of the PBM, but ADAP management would request PBM consultation regarding specific formulary management issues.

7. **Cost Sharing**
   Currently, the HMAP does not employ member co-payments, co-insurance, or other cost sharing strategies. However, ADAP reserves the right to impose such strategies in the future via amendment.

8. **Prior Authorization / Step Therapy**
   Colorado ADAP does not currently have prior authorization or step-therapy programs in place. However, ADAP reserves the right to impose prior authorization or step-therapy in the future and a PBM's capacity to deploy such strategies are part of this RFP, and the charges the bidder would impose for implementing such strategies should be reflected in the pricing imputed into the appropriate categories on the Fees and Pricing category in Exhibit 2. System Requirements

A. **CURRENT AND ANTICIPATED ADAP SYSTEM DESIGN**
   1. Pharmacy networks
      a. HMAP - dispenses medications through four contract pharmacies. They are:
         i. The pharmacy located in the Infectious Disease Clinic at University of Colorado Hospital (located in Aurora, Colorado) –serving only individuals receiving medical care at the University of Colorado;
         ii. The pharmacy located in the Infectious Disease Clinic at Denver Health (located in Denver, Colorado) – serving only individuals receiving medical care at Denver Health and Hospital system;
         iii. Scales Pharmacy, an independent entity serving all other uninsured individuals for whom prescriptions are written by any other medical providers.
         iv. Contract pharmacies (i) and (ii) operate primarily as walk-in pharmacies. Contract pharmacy (iii) primarily ships or delivers medications to client homes or other client-designated locations, as described more fully below. The PBM contractor is instructed to enter into a relationship with a pharmacy chosen to operate as the contract pharmacy that serves uninsured individuals who are not treated at the University of Colorado or Denver Health facilities in consultation with CDPHE. In choosing Colorado ADAP's shipping/delivery contract pharmacy, Offeror willingness to work with the CDPHE-designated PBM will be a major selection criterion.
         Additional information on the HMAP pharmacy network may be found in Appendix E.
      b. The HIAP, SPAP, and SWAP network includes 459 pharmacies located throughout Colorado. This network is subject to change at the discretion of the CDPHE ADAP staff. The HIAP network as of February 1, 2018 may be found in Exhibit 5.

   2. **HMAP Shipping and Delivery Services**
      Approximately 50% of current HMAP prescriptions are shipped or delivered to the HMAP enrollee, currently by Scales Pharmacy. A relatively small number of clients also fill their medications in person at Scales Pharmacy.

   3. **Current Program Design**
      a. CDPHE currently operates HMAP using a "direct purchase and restock" methodology. This involves the following key partners:
         i. Amerisource Bergen, STI/HIV current pharmaceutical wholesaler/distributor; the TB Program's current pharmaceutical wholesaler/distributer is Cardinal Health 411 Inc. TB

medications are procured via TB's 340B account by the UCH-MCR pharmacy and medications then distributed to case managers statewide via a TB-specific UPS account; the STD Program's current pharmaceutical wholesaler/distributer is Cardinal Health 411 Inc. STD's medications are procured via STD's 340B account by the Scales pharmacy and medications then distributed to eligible LHAs statewide via a STD-specific FedEx account.

    ii. Colorado's four HMAP contract pharmacies (described above);

    iii. Ramsell Corporation provides the online ADAP eligibility database including:

        I. a client-facing online application and recertification portal, The portal allows the client to upload their information. The data comes through a portal to CDPHE staff who review the information and are able to push the data and uploaded documents directly into the system without rekeying it.

        II. processes and adjudicates prescription claims, contracts with a pharmacy network, pays certain fees to the contract pharmacies,

        III. places return to stock orders on behalf of the HMAP contract pharmacies based on claims data to Amerisource Bergen.

b. The HMAP eligibility determination, dispensing, ordering, and restocking process is depicted as a flowchart in Appendix F.

c. CDPHE currently operates ADAP through a collaboration of a contractual Insurance Administrator and a PBM. This involves the following key partners:

    i. Ramsell Corporation, which provides the online ADAP eligibility and enrollment database, processes and adjudicates prescription claims, contracts with a pharmacy network, and pays the pharmacies for ingredients, copayments, and other approved fees.

    ii. Colorado Health Network maintains HIAP insurance counselors at five regional offices (Northern, Southern, Western, Denver, and Boulder). In addition, counselors are stationed at individual medical providers including the University of Colorado, Kaiser Permanente, Rocky Mountain Cares, and St. Mary's (Ryan White Part C) clinic. The Insurance Administration Contractor pays premiums and medical copays on behalf of enrollees. It coordinates insurance benefits (including enrollment in marketplace insurance) on behalf of HIAP enrollees. It also subcontracts with UMR- a UnitedHealthcare company to perform third party administrator services which pays many of those benefit claims electronically on behalf of enrollees.

    iii. The HIAP eligibility determination, enrollment, dispensing, and payment process is depicted as a flowchart in Appendix G.

    iv. The SPAP (BTGC) and SWAP eligibility determination, enrollment, dispensing, and payment processes are depicted in flowcharts in Appendix H &I.

    v. Anticipated or Potential Design Changes

        I. CDPHE ADAP Management intends to maintain this existing Program Design for all or most of period of the PBM contract (beginning July 1, 2018).

B.   CURRENT AND ANTICIPATED PHIP SYSTEM DESIGN

The PHIP is intended to assist individuals to access HIV/STD and VH prevention services.

1. PHIP Plan Year and Enrollment

Applications for PHIP are received throughout the year; there is no "open enrollment period." Applications are sent directly to the CDPHE office via mail, fax, or through the online application/recertification portal, and are evaluated by CDPHE staff using eligibility criteria described below. PHIP members must recertify annually based on their original enrollment date. This process is managed and conducted by CDPHE staff.

2. PHIP Eligibility

To be eligible for PHIP, members must demonstrate that they meet the following criteria:

a. Residency in Colorado;

b. Household income at or below 500% of the federal poverty level;

c. Considered to be at risk of acquiring HIV, or in need of STD/HIV/VH testing or STD treatment

d.   Must not be enrolled in, or eligible for, Colorado Medicaid.

3. **PHIP Component Plans**
PHIP consists of three major components, all claims for which must be adjudicated with a separate Rx Group, Rx Bin, and Rx PCN:

a. **PHIP for PrEP insured** – Provides secondary wrap-around payment of enrolled individual's private insurance to acquire the biological intervention medications determined by the Federal Drug Administration to provide a preventative benefit to acquiring HIV (PrEP). The only such medication at this time is Truvada, manufactured by Gilead Sciences. Individuals enrolled in PHIP for PrEP (insured) must first utilize available patient assistance programs offered by pharmaceutical manufacturers before the PBM would adjudicate the remaining costs associated with this medication.

b. **PHIP for PrEP (uninsured or underinsured)** Gilead Sciences offers patient assistance that provides the medication at no-cost. The PBM will only pay for such medications to be dispensed for individuals who are determined ineligible for these patient assistance programs. This would include patients who are prescribed the medication off-label, or those who are unable to access PrEP through their insurance.

c. **PHIP for PrEP (Medicare)** Provides secondary wrap-around payment of enrolled individual's Medicare Part D or Medicare Advantage Plans to acquire the biological intervention medications determined by the Federal Drug Administration to provide a preventative benefit to acquiring HIV PrEP. Medicare beneficiaries are ineligible to use manufacturer patient assistance programs. Therefore PHIP (Medicare) pays all of the costs related to the dispensing of PrEP.

4. **PHIP Formulary**
The current PHIP component plans formularies are very limited, consisting of biological intervention medications for the prevention of HIV transmission PrEP, vaccinations to prevent VH, and STD treatment medications. Drug utilization review and decisions regarding the formulary are made by CDPHE under advisement by a Medical Advisory Committee and a community State Drug Assistance Program Advisory Committee. The contents of the formulary are NOT at the discretion of the PBM, but ADAP management would request PBM consultation regarding specific formulary management issues.

5   **Prior Authorization**
Colorado PHIP has a prior authorization program in place. Individuals who are deemed ineligible to use manufacturer patient assistance programs to access PrEP medication are granted access to fill the medication at certain pharmacies established in conjunction with CDPHE. These are largely 340B eligible institutions who agree to charge those discounted prices to PHIP with an agreed to adjudication fee. CDPHE staff is responsible for identifying those individuals to the PBM.

6. **Pharmacy networks**
The PHIP (insured and Medicare) program network includes 459 pharmacies located throughout Colorado. Enrolled members are typically referred to pharmacies that are acquainted and frequently interact with the Gilead patient assistance program. This network is subject to change at the discretion of the CDPHE ADAP staff. The network as of February 1, 2018 may be found in Appendix E.

7. **Current Program Design**
Unlike the ADAP, PHIP currently does not directly acquire PHIP formulary medications in any of its component programs. The PBM provides payment to the individual's insurance provider, or to reimburse the cost of the PrEP medications at 340B institutions that agree to work with CDPHE on that basis.

a.   Ramsell Corporation provides the online PHIP eligibility database (including a client-facing online application and recertification portal), processes and adjudicates prescription claims, contracts with a pharmacy network, and pays certain fees to the contract pharmacies based on claims data.

b.   Colorado Health Network acts as the Insurance Administration Contractor pays for medical costs related to accessing PrEP or STD treatment, either directly or through the IBM subcontractor.

c. The PHIP eligibility determination and PBM adjudication process are as follows:

    i.   Applicants submit initial applications and periodic recertification requests to the ADAP Office at CDPHE, or through the PBM's online application/recertification portal (https://www.coenroll.com/).

    ii.   ADAP staff at CDPHE certifies or recertifies applicants and update the online eligibility and enrollment database provided by the PBM.

    iii.   Enrollees receive a benefits card from the PBM along with a list of their pharmacy network options.

    iv.   Based on personal preference and/or where they receive PrEP or STD treatment, enrollees fill their prescriptions at a network pharmacy.

    v.   The PBM pays agreed-upon fees and shipping costs to the contract pharmacies.

    vi.   The PBM submits a monthly invoice to CDPHE for claims processing fees, amounts paid by the PBM to the contract pharmacies, and other costs.

    vii.   CDPHE currently operates PHIP through a collaboration of a contractual Insurance Administrator and a PBM. This involves the following key (subcontracted) partner: UMR.

8. **Anticipated or Potential PHIP Design Changes**

   CDPHE Management intends to enhance PHIP program benefits and plan design before, or during the period of the PBM contract (beginning July 1, 2018). A PHIP component plan intended to assist enrolled individuals access HIV/STD/VH testing and treatment of STDs is under design, which will likely require the PBM to operate a online system that generates a testing voucher to applicants.

9. **Other Key Functions provided by the current PBM that successful Offeror *must* replicate at the time services begin:**

   a. CDPHE has entered into data sharing agreements with Colorado Ryan White Part A, C, and D providers whereby verification of eligibility for ADAP may be used to determine eligibility for all other Ryan White funded services, such as outpatient/ambulatory, oral health, mental health and substance abuse providers. For individuals who opt-in to this data sharing, the winning contractor will create regular secured EDI files that will be shared with other Ryan White Parts to be uploaded into their data system. This data will be used to verify eligibility for receiving case management, transportation, housing, emergency financial and food bank assistance. The PBM must be able to create these secure data files containing eligibility information to a variety of contractors, as well as to current case management data systems (CAREWare and ARIES), or to other systems chosen by CDPHE to replace those data systems. The PBM must be able to print this eligibility information on identification cards provided to ADAP and PHIP enrollees.

   b. CDPHE's Insurance Administration Contractor maintains a subcontract with UMR to provide electronic payment adjudication for enrollee's medical costs. Information regarding this billing process must also be printed on identification cards provided by the PBM to ADAP and PHIP beneficiaries. The PBM must send data files ideally daily but at a minimum weekly to UMR indicating the eligibility of members to receive service.

10. **New Activities to be performed by the successful Offeror upon contract implementation, or within 90 days of implementation:**

    a. CDPHE has maintained separate pharmacy and 340B relationships for the TB and STD treatment functions performed within the Disease Control and Environmental Epidemiology Division. Both of these programs operate on legacy systems that lack the capacity to adjudicate claims, bill insurance if necessary, and provide detailed claims level data. It is the intent of CDPHE to merge these contract pharmacy and 340B management functions under one provider.

    b. The current STD and TB contract pharmacy relationships utilize a different drug wholesaler relationship (Cardinal). The successful Offeror shall set up a system in which required medications c However, CDPHE reserves the right to impose prior authorization or step-therapy in the future and a PBM's capacity to deploy such strategies are part of this RFP, and the charges the bidder would impose for implementing such strategies should be reflected in the pricing imputed into the appropriate categories on the Fees and Pricing category in Exhibit 2. Can be ordered from more than one drug wholesaler when necessary.

c. For TB eligibility—any person suspected of or diagnosed with TB disease as well as close contacts and other at-risk persons with LTBI would be eligible to receive 340B TB medications

d. The successful Offeror shall facilitate transition from the current legacy systems that are in place for TB and STD to a new methodology by working in close consultation with CDPHE and other critical stakeholders. Offeror shall accommodate existing processes in the interim. The contract pharmacy selected by the contractor would need to replicate essential functions in this regard. These would include the ability to compound TB treatment medications for toddlers, receipt of fax orders for treatment medications, a relationship with an overnight shipping company, use of a current data system during transition, and separate eligibility criteria when applicable. In addition the contract pharmacy needs to have the ability to repackage STD treatment drugs into individual dose regimens for the LHA's that are in need of that service.

e. The successful Offeror shall work with the program to assure appropriate 340B compliance and registration of affiliated providers, whether they act as contractors to CDPHE, or act in an in-kind capacity that renders them eligible for 340B status under either STD treatment or Tuberculosis.

C. Required Experience

Offeror's proposal shall demonstrate that the Offeror is able to successfully perform the work outlined in this RFP.

Offeror's proposal shall demonstrate that the Offeror has:

1. A minimum of five (5) years of in-depth, functional knowledge and actually working experience providing Pharmacy Benefit Management and at least three (3) years' experience providing ADAP Pharmacy Benefit Management.
2. A minimum of 3 years of providing 340B management
3. Established customer service processes.
4. Reporting capabilities that including: claims listing, demographic, enrollment, drug utilization, rebate, adherence, and suspended / reversed claims reports.
5. Experience with content management for websites for at least two years.

The successful Offeror shall ensure the website is compliant with all Americans with Disabilities Act (ADA) regulations.

The PBM shall perform all the services identified in the PBM column of this Scope of Work, or state a willingness to do so upon implementation of the contract. The following table identifies whether Colorado SDAP or the vendor will perform the service. All vendors shall provide quality metrics for meeting these performance standards. In addition, the PBM will work with CDPHE to facilitate and implement services as PBM/340 B administrator for required new scope of work activities, specifically the TB and STD treatment projects.

Responsibility	Colorado SDAP	PBM
ENROLLMENT and ELIGIBILITY	▪ Determines eligibility in all cases and maintains a database of enrolled members. ▪ Provides eligibility and enrollment information to PBM in a specified format. ▪ Verifies and reconciles enrollment numbers and pays administrative fees to vendor(s). ▪ Uploads eligibility verification documentation to the PBM website	▪ Provide eligibility and enrollment database platform that is fully compatible with required federal reporting requirements for State ADAP grantees https://hab.hrsa.gov/program-grants-management/ ▪ Accepts enrollment information from State in electronic format. ▪ Provides a secure online member-facing enrollment and recertification portal ▪ Reconciles enrollment numbers with administration fee dollars received on a monthly basis. ▪ Provides a mechanism for ID card generation and replacement via the Internet.

Responsibility	Colorado SDAP	PBM
		▪ Provides electronic client eligibility information to network pharmacies, to Colorado Ryan White Parts A-F grantees, and to other Colorado SDAP contractors and subcontractors.
CUSTOMER SERVICE	▪ Assists agencies and participants with eligibility and enrollment issues. ▪ Monitors the service agreements and insured contracts. ▪ Monitors vendor performance and reviews customer complaints.	▪ Staffs a customer service department that provides telephone support to participants via a toll free number. ▪ Maintains a recording of all customer service calls (preferred). ▪ Maintains an electronic database of customer service inquiries including trends, assessment of quality (i.e., customer satisfaction), response times ▪ Assists participants with claims issues. ▪ Responds to participant and pharmacy-based questions related to pharmacy issues and refers all other questions to appropriate vendor. ▪ Maintains telephone technology for the hearing impaired. ▪ Handles complaints initially and resolves all other inquiries in a timely fashion and advises the State of escalated issues and recurring patterns.
COMMUNICATIONS	▪ Assists in development of enrollment materials as necessary. ▪ Develops standardized forms for use by participants. ▪ Develops descriptions of the support available to clients through SDAP. ▪ Approves all communication materials prior to distribution. ▪ Notifies PBM of initial SDAP formularies and modifications to the formularies.	▪ Provides information necessary to develop enrollment materials. ▪ Provides and maintains current formulary descriptions both electronically and hard copy. ▪ Develops and prints customized pharmacy and medical claims ID cards. These cards must be able to contain prescription drug billing information such as Rx Group, BIN and PCN, patient's eligibility dates and Federal Poverty Level, and medical billing information provided by the contracted Third Party Administrator. Please provide samples of ID cards utilized in other programs that the bidder operates. ▪ Mails pharmacy ID cards directly to member's home address. ▪ Provides content for direct State-specific member communications at the State's request.
CLAIMS PROCESSING	▪ Makes all final appeals determinations. ▪ Defines timelines and return to stock parameters for the HMAP clinical sites and the mail order provider. ▪ Sets the Colorado SDAP formularies and makes periodic additions to or deletions from the formularies.	▪ Administers pharmacy claims in accordance with the State's plan of benefits and subject to State mandates. ▪ Follows the state guidelines for the appeals process. Current guidelines are found at: ▪ https://drive.google.com/file/d/10F9iWYbNvMLBpKLATaL5pz7Q9rR0yLL3/view ▪ Receives claims data from the HMAP clinical sites and mail order provider, and adjudicates secondary claims for insured SDAP participants. ▪ Monitors outliers and unusual claims submissions.

Responsibility	Colorado SDAP	PBM
		▪ Has a transition of care plan in place for participants entering during a course of treatment. ▪ Makes available at State's request all data, claims processing manuals and related documents.
NETWORK MANAGEMENT	▪ Defines HMAP clinical sites eligible to be part of the HMAP (340B pharmacy) network.	▪ To the extent possible, contracts with a network consisting of the HMAP clinical sites defined by the State. ▪ Consistent with Section 340B of the Public Health Services act, either provides mail order pharmacy services as the contract pharmacy or coordinates with a contract pharmacy to provide mail order services. ▪ Manages the HMAP clinical sites and mail order provider to respond to the Colorado ADAP's needs. ▪ Notifies State of any significant network changes and identifies the affected members if provider(s) terminate within 15 days of the change. ▪ Ensures that network quality monitoring is performed. ▪ Supports patient safety and quality of care initiatives.
REPORTING	▪ Monitors system performance through the reports, including performance guarantees.	▪ Provides standard and agreed upon ad hoc reports on a timely basis. ▪ Provides reports that show adherence to agreed upon processes, policies and systems on a timely basis. ▪ Provides performance standard monitoring reports.
MISCELLANEOUS	▪ Conducts periodic audits of claims, operational and administrative procedures and systems used in providing services to the State. ▪ Conducts periodic meetings in person or via phone, which may include other agency staff or vendors at vendor expense. ▪ Assures compliance with Section 340B of the Public Health Services Act, HIPAA, and pertinent regulations.	▪ Allows State to audit all claims, operational and administrative procedures and systems used in providing services to the State. ▪ Participates in periodic meetings with ADAP staff in person or via phone which may include other agency staff or vendors at vendor expense as requested by the State. ▪ Complies with all HIPAA requirements. ▪ Assists Colorado ADAP to comply with Section 340B of the Public Health Services Act. ▪ Advises the State of any new regulatory compliance issues that affect the State's account.

III.   PROJECT BUDGET, TIMELINE AND LIFE OF PROJECT

A.   Project Budget and Award Period (Life of Project)

Funding for this project is provided by several sources, including Part B Ryan White HIV/AIDS grants, General funds appropriated by the Colorado General Assembly and funding made available through the Tobacco Master Settlement agreement from which the State of Colorado receives an annual allocation. Approximately $9,500,000 will be available beginning July 1, 2018 through June 30, 2019 with an anticipated start date for STD of January 1,2019. The contract may be renewed for up to four (4) additional years, at the sole discretion of CDPHE, contingent upon contractor performance and funding availability. CDPHE reserves the right to modify the funding at its sole discretion, and the PBM contract will contain a grant funding letter option, enabling additional funds to be added to the annual budget without amendment.

IV. How to respond

Responses must be submitted as described in *Request for Proposal (RFP): Administrative process & Information*, as well as follow the requirements specified in this section. **NOTE: Proposals that fail to follow ALL of the requirements may not be considered**.

A.   Requirements Documentation

All proposals must include the following:

1. Vendor Information-Confirmation of Offer Form (Exhibit 1).
A completed and signed form must be submitted with the response.

2. Executive Summary. (5 pages)
    a. Please provide a brief description of the number of years in business and history of providing PBM services. Confirm that the Offeror has been in this business for at least 5 years, and has worked with an AIDS Drug Assistance Program in another state.
    b. The Offeror shall describe compliance processes including keeping abreast of regulatory changes and issuesand communicating changes to clients?
    c. Offeror shall describe what key strengths and/or competitive advantages are possessed that would generate superior performance and service to CDPHE? Demonstrate in a manner that would prove to the Colorado SDAP how services would be the most advantageous for CDPHE and SDAP

3. Summary of Experience and Qualifications. (6 pages)
    a. Complete Exhibit 3 Organizational Information and Experience. This form is not included in the page limit for Summary of Experience and Qualifications.
    b. Proposals must list all relevant work experience and qualifications relating to the work described in this RFP. Specifically, each proposal must address and provide each of the following: Does the Offeror:
        i. own, or is it owned by, a drug manufacturer?
        ii. have an affiliation with any insurance carriers or HMO? If yes, please describe.
        iii. currently act as a PBM for an STD, tuberculosis, family planning, or other 340B program, please indicate this within the Summary of Experience.

    c. Customer Service
        i. Complete Exhibit 4 Customer Service. This form is not included in the page limit for Summary of Experience and Qualifications.
        ii. Provide hours of operation expressed in Mountain Standard Time when members may contact the customer service department for assistance and talk to a live person. How are calls handled after these hours?
        iii. How does the Offeror monitors customer service representatives (i.e., dual jack monitoring), how calls are selected that will be monitored and who conducts the monitoring activity.
        iv. Does the Offeror provide a single toll-free telephone number? Does it include an "ask a pharmacist" service?
        v. What is the Offeror's ability to answer a consumer's question accurately on the first point of contact? How it this measured?

    d. Appeals and Complaint Process
        i. Provide a comprehensive description of the complaint process and when a complaint becomes an appeal, including the process for filing and turnaround time frames.
        ii. How does the Offerorinform consumers and clients of their rights and responsibilities, including obtaining services and submitting a complaint or

appeal? How does the Offeror handle appeals that are categorized as "urgent" by the member or by the provider?

    iii. Prior to submittal of a formal appeal, does the Offerorinform consumers of how to request coverage of a non-covered prescription drugs? Does the Offeror use an exception process and how does it work?

    e. **Section 340B Compliance**

CDPHE is a "covered entity" as defined in section 340B of the U.S. Public Health Service Act (hereinafter "Section 340B") and is eligible to purchase certain outpatient drugs at reduced prices for use by HMAP members from drug manufacturers who have signed a drug purchasing agreement with the United States Department of Health and Human Services. See Part I of this RFP for more information on how CDPHE interprets and applies 340B for Colorado ADAP.

    i. CDPHE currently contracts with Scales Pharmacy in Denver to act as CDPHE's "contract mail order pharmacy" as defined in Section 340B. Shall CDPHE continue this arrangement, if not propose replacing or modifying this arrangement? Describe any proposed changes.

    ii. Describe how the Offeror would comply with Section 340B and assist the State in its obligations regarding Section 340B. Address all of the following compliance issues:

        I. Assurances that only medications included on the ADAP formulary are dispensed by HMAP clinical sites or by mail order.

        II. Assurance that ADAP medications are dispensed only to individuals deemed by the State to be ADAP eligible.

        III. Providing reports and other appropriate means whereby the State may monitor any inventory of ADAP medications on hand at ADAP clinical sites or the provider of mail order pharmacy services.

        IV. Providing tracking mechanisms that allow the State to identify potential diversions, sales or other transfers of ADAP medications to individuals who are not ADAP members.

        V. Maintain records and reports as required under Section 340B.

        VI. Assisting the State in conducting audits of the ADAP clinical sites and the provider of mail order services regarding compliance with Section 340B.

        VII. Promptly reporting to the State any suspected instances of noncompliance with Section 340B that may come to the attention of PBM in the performance of its duties.

        VIII. Assisting CDPHE in transitioning the TB and STD contractual and 340B relationship under the new scope of work.

4. **Technical Component (6 pages)**

    a. Explain technical skill level in administering and managing a Pharmacy Benefit Program. Describe the skill level of personnel involved in the technical day-to-day administration and management as well as advanced data management and reporting skills.

    b. Is the application platform for data management in-house or outsourced?

    c. Describe in detail any system enhancements and/or conversions you have planned beginning July 1, 2018 and for the next 24 months after.

    d. The current Colorado SDAP plan design is included in Part I of this RFP. Describe any technical challenges perceived regarding the current design and how to overcome those technical challenges.

    e. Current SDAP participant reporting is based on a CDPHE alphanumeric code. The PBM's system must have the capability to manage an 11 character digit number in its

reporting system that meets HRSA requirements. Describe capacity to implement and maintain compliance with this requirement.

f.   All claims data is the property of the State of Colorado.

g.   Indicate the services and information available on the Offeror's current website that is available to inform and direct potential enrollees of the current programs that are managed by the Offeror. If not currently available but scheduled to be introduced, include the effective date.

h.   Describe the Offeror's web site's adherence to all web site access, format, content, and technical requirements outlined in ADA.

i.   **Disaster Recovery**
   i.   Describe the Offeror's disaster recovery and contingency plans and when they were last tested. What contingency plans and procedures provide back-up service in the event of strike, natural disaster, act of God, backlog, or other events that might interrupt, delay or shut-down service? If available, provide a copy of the PBMs disaster recovery plan and/or business resumption plan including the results of the most recent test of the plan. Please attach the plan and results as an Attachment which will not count toward the page limit for Technical Component.

j.   **Fraud Detection**
   i.   As a condition for award, the successful Offeror must currently have, or agree to develop, a comprehensive plan regarding fraud. This plan must address all of the following:
      I.   Intentional misrepresentation or negligence in preparing SDAP-related claims;

      II.   Failure by an HMAP clinical site to provide an individual with any benefits, services, coverages, equipment, supplies or products that are required to be provided under this Contract or applicable laws and regulations in connection with the SDAP;

      III.   The making of materially false or misleading representations or failure or refusal to provide information required to be provided to CDPHE or PBM by law or contractually in order to obtain medications or to establish the legitimacy of a claim or to avoid any damages or penalties otherwise payable;

      IV.   Misappropriation from or commission of any malfeasance in connection with the CDPHE's account or in connection with any SDAP member information; or

      V.   Detection of a pattern of wrongful requests for medication restock, or requests that are not medically/pharmaceutically necessary.

      VI.   Does the Offeror have a comprehensive plan regarding fraud that meets the specifications described above? If available, attach this comprehensive plan to the proposal as an Exhibit. If the Offeror does not have such a plan, or the plan does not meet the specifications, when could such a plan be reasonably developed, no later than 9 months following contract effective date?

      VII.   Briefly summarize how the Offeror's claim processing system screens for fraud. If a fraud or abuse problem is identified, describe how to intervene with the participant, pharmacy or provider.

k.   **Additional System Capabilities**
   i.   Explain the Offeror's capability for integration of systems, data sharing and provider connectivity.
      I.   How would the HMAP clinical site and mail order claims systems be integrated?

     II. How would the HMAP clinical site and mail order reporting systems integrated?

     III. Describe capability to share data with providers.

     IV. What procedures are in place for HIPAA compliance prior to sharing data?

     V. Explain any provider connectivity functions the Offeror's systems provide.

     VI. How does the Offeror encourage the electronic submission of claims?

     VII. What are the Offeror's capabilities for processing "e-prescriptions"?

     VIII. Explain how the Offeror identifies incomplete mail orders due to error or omission and the process for notification to the participant. Does the Offeror hold the order open for a reasonable period of time until the participant provides the required information?

     IX. Describe the process for archiving data. How long is historical data stored and accessible for viewing in the Offeror's system? How is confidentiality guaranteed for CDPHE's data residing on the Offeror's system?

     X. Propose how to merge the TB and STD contracts under this PBM upon implementation of the contract, including how TB and STD medication prescriptions can be filled and sent out within one-day of prescription receipt.

l. Reporting

    i. The Offeror shall demonstrate how the reporting system will allow the Colorado SDAP to gather, sort and analyze utilization data for auditing and forecasting needs. Demonstrate how the Offeror will work with the State to develop an appropriate reporting package in electronic format to facilitate analysis. How will electronic access to the data system be available to the Colorado ADAP staff to perform reporting tasks?

    ii. The Offeror shall provide a listing of all standard reports generated for customers and the frequency with which they are produced. Provide a one-page sample of each available report which will not count toward the page limit for Technical Component.

    iii. Describe ad hoc reporting capabilities. Under what circumstances are there charges for these reports?

    iv. Can the Offeror perform internal analysis of State-specific data? Will the Offeror use the reported data to develop recommendations for program improvement?

    v. Describe and provide examples of any reporting that will be used to support rebate payments to the State of Colorado.

m. HIPAA Compliance

    i. Do all the employees who will be working with the Colorado SDAP data understand the responsibility to preserve confidentiality? Describe how the Offeror ensures that an individual's health information is used only for purposes necessary for conducting the business of the organization, including evaluation activities.

    ii. Indicate any vendors to whom the Offeror subcontracts any or all HIPAA compliance. If HIPAA compliance is subcontracted, explain any system modifications that are in process or scheduled such as modifying existing system, purchase of software, purchase of complete new system or any others that would permit in-house HIPAA compliance.

    iii. If using a subcontractor, has the subcontractor performed or the Offeror performed a Security Risk Assessment in the past year to assess the current

system to determine how it compares with the HIPAA security regulations with respect to physical and technical procedures, services, controls or safeguards? If yes, what were the final recommendations and if remedies were recommended, has this remediation plan been implemented.

5. **Program Infrastructure (3 pages)**

   Provide a written narrative of the Offeror's qualification answering each of the following questions:

   a. **Network**

   CDPHE strongly desires to maintain the ability of ADAP members to access ADAP formulary medications at the established ADAP clinical sites. Please complete the following table as Exhibit 5 Program Infrastructure - Network

ADAP Clinical Site	Already part of the Offeror's network	Offeror has or will initiate negotiation to include this site in the network	Cannot be part of the Offeror's network (explain below)
Denver Health Infectious Disease Clinic Pharmacy			
University of Colorado Hospital Infectious Disease Clinic Pharmacy			
Scales Pharmacy			

   b. **Network Management**

   Explain the extent to which the following elements are required from the network pharmacies:
   - i. Sign a participation agreement
   - ii. Provide online electronic adjudication
   - iii. Comply with National Council of Prescription Drug Program's standards
   - iv. Be HIPAA compliant
   - v. Maintain a signature log
   - vi. Require continuing education for all pharmacists
   - vii. Have procedures for complaint resolution
   - viii. Have procedures for prescription errors
   - ix. Have current and active licenses with appropriate state and federal licensing agencies
   - x. Be in good standing with the National Association of Boards of Pharmacy and the U.S. Drug Enforcement Agency
   - xi. Maintain designated amount of liability insurance
   - xii. Maintain adequate hours of operation
   - xiii. Allow onsite audits
   - xiv. Possess disability access to its facility
   - xv. Accommodation for people with visual or hearing impairments

   c. **Formulary Management and Plan Design**

   The State of Colorado will determine the ADAP formulary, based on community and medical advisory processes convened by CDPHE. Describe any technical or operational challenges this requirement might pose if selected the PBM for Colorado ADAP.
   - i. How does the Offeror communicate formulary decisions to the prescriber

network and plan membership?

ii. The State maintains its own community and medical advisory committees to inform decisions about the ADAP formulary. It will not depend on the advice of the PBM or its Pharmacy and Therapeutics Committee on this matter. Describe any problems or issues with this arrangement.

iii. Describe how the prescriber and member may easily identify utilization restrictions or formulary alternatives for non-formulary or high-cost formulary products.

iv. Describe the PBM's process for implementing plan design changes. How much advance notice is required for a change to be placed in the system?

d. **Quality Assurance and Improvement**
Describe the Offeror's quality assurance program.

i. Describe current quality improvement plan, if any. If the plan exists in written form, attach as an Attachment which will not count toward the page limit for Technical Component.

ii. Provide the outcome of a recent quality improvement project. How was this value added back?

iii. How are quality goals communicated to the Offeror's staff?

iv. What quality assurance processes are provided in the PBM's data system to ensure accurate programming of benefits?

v. How does the Offeror identify situations that could create potential harm to ADAP members?

vi. How does the Offeror notify members/ and or prescribers about an adverse event or a drug recall?

vii. Provide clinical outcomes based on efforts to support quality initiatives and offer enhanced wellness and disease management programs? Describe those outcomes in detail and provide ROI if applicable.

viii. Describe how the Offeror reinforces the use of standardized measures that have been adopted through broad-based national consensus processes.

B. **Project Description (5 Pages)**
1. Work Plan/ Budget

Submit a work plan that describes how the Offeror will carry out the scope of work. Responses must address and clearly identify each of the deliverables in the order presented. *SOW Work Plan/ Budget Table* templates are included as Exhibit 2. Thoroughly describe the objective service sought (the work to be done). The proposal must state the total fixed-price fee for performance of and completion of services that will become part of a contract between the CDPHE and awarded Offeror. This RFP will result in a "fixed-price" contract.

Statements of work shall include Year 1 only (July 1, 2018 through June 30, 2019).

Year 2 (July 1, 2019 through June 30, 2020), Year 3 (July 1, 2020 through June 30, 2021) be completed at a later date and do not need to be submitted as part of this RFP.

C. **Page Formatting Instructions**
Unnecessarily elaborate proposals are not desired. Indexes, tables of contents, lists of figures/tables, and glossary of terms will not be counted toward the overall page count. Allowance will be made for tabular or graphical presentations and screen prints, whether incorporated in the text of the technical description or attached as separate exhibits. Textual explanations of screen prints or graphic materials, standard commercial brochures or descriptions, or other standard product documentation that are attached in appendices or exhibits will not be counted against page limitation. However, evaluators

cannot be expected to comprehend all material in exhibits whose content and relevance to the proposal description are not clearly integrated into the technical discussion.

CDPHE prefers the RFP be submitted using the following page formatting guidelines:
1. Proposal Font: Times New Roman
2. Proposal Font Size: 11 point
3. Proposal Spacing: Single spaced, 1" margins on all sides
4. Proposal Page Size: 8.5"x11"
5. Proposal Printing: Double sided printing
6. Page Numbering: Number all pages at the bottom right corner of the page (x of x)
7. Page Limits:
    a. Executive Summary: no more than 5 pages
    b. Summary of Experience: no more than 6 pages
    c. Technical Components: no more than 6 pages
    d. Program Infrastructure: no more than 5 page
    e. Project Description: no more than 5 pages
8. Headings: The original headings for each and all sections of the response must be included. Please follow the outline and headers in Exhibit C.
9. Labeling Requirements: Each attachment should be labeled with the original label for the document, e.g., Scope of Work, Budget Template, etc. Please follow the outline and the headers in Exhibit C.
10. Paper Type: The CDPHE encourages that proposals be submitted on recycled paper. While the appearance of proposals and professional presentation is important, the use of non-recyclable or non-recycled glossy paper is discouraged.

D.   SELECTION AND EVALUATION:

The technical aspects of proposals will be assessed based on the soundness of the Offeror's approach and the Offeror's demonstrated understanding of the requirements. Past experience/qualifications will be assessed by considering the extent to which the qualifications, experience, and past performance are likely to foster successful, on-time performance. Technical and past experience assessments may include a judgment concerning the potential risk of unsuccessful or untimely performance, and the anticipated amount of State resources necessary to insure timely, successful performance. The State may use all information available regarding past performance as defined in C.R.S. §24-102-205 et.seq.

Awards will be made to a single Offeror. The award will be made to the Offeror whose proposal conforms to the RFP and is determined to be most responsive, responsible and advantageous to the State of Colorado.

Evaluation Factors:

The evaluation factors, are:
1. The technical content of the proposal, including:
    a. Soundness of methods proposed to complete the project
    b. Proposal clearly and accurately demonstrates how the Offeror meets all of the requirements set forth in the RFP.

    Examples of possible criteria:
    a. Does the response demonstrate sufficient understanding of the project?
    b. How well does the Offeror explain its approach to completing this work, including the project, methods and implementation plan, including time-framed and measurable goals, objectives, and outcomes?
    c. The Offeror demonstrates that all the requirements in Section C are met through a secure, web-accessed single-platform system that integrates core ADAP PBM functions, 340B

inventory management, and commercial and public insurance premium and co-pay management for both ADAP and the PHIP

    d. The Offeror demonstrates that the hardware and software supporting the system, including the data processing and repositories, are securely segregated from any other PBM account or project considering the statement of work activities?

    e. The Offeror demonstrates that the system solution will be housed at the Offeror's secure data center and provide for adequate redundancy, disaster recovery, and business continuity such that in the event of any catastrophic incident, system availability is restored within 24 hours of incident onset in the event of a catastrophic incident and two (2) hours in the event of an unscheduled downtime incident involving functionality.

    f. Was the response submitted on the requested templates and required supporting documents and attachments, etc.?

    g. Did the Offeror provide conceptual designs for the TB and STD scope that will be part of the new PBM relationship?

  2. Experience

    a. Offeror's experience, qualifications and experience of key personnel assigned to this project

    b. The extent to which the qualifications, experience, and past performance are likely to foster successful, on-time performance

  Examples of possible criteria:

    a. References from current contracts that describe the Offeror's past performance within the last five (5) years, and would indicate that the Offeror achieves a high degree of customer satisfaction and positive relationships with the funder.

    b. Offeror clearly describes the extent of past experience performance based on the quantity and quality of performance on projects of comparable size (covering approximately 5,000 lives, and adjudicating an average of 75,000 claims), highly technical nature, ability to provide a client-facing online application process, and complexity. *Please note that these numbers are slightly higher than those listed in the current utilization listed in Exhibit 2. They reflect possible increased enrollment, as well as the incorporation of clients and prescription utilization for the TB and STD contracts.*

    c. The Offeror demonstrates familiarity, knowledge and/or understanding of the Ryan White AIDS Drug Assistance Program, 340B inventory management and insurance premium and/or co-pay management for commercial and public health insurance plans. Experience in management of TB or STD 340B programs will be of additional merit.

  3. Statement of Work/ Budget

    a. Proposed Statement of Work

    b. Budget and total proposed cost: The cost provided must be a total cost and not an estimate, and constitute the Offeror's best and final offer.

  Examples of possible criteria:

    a. How well do the deliverables and activities in the statement of work align with the goals and priorities outlined in this RFP?

    b. Offeror's total price as provided in the Offeror's Price Proposal

    c. Are the proposed costs reasonable?

    d. Was the response submitted on the requested templates and required supporting documents and attachments, etc.?

E.   **TEMPLATES AND RESOURCES**

  A. **Templates**

    i.   Exhibit 1 Vendor Information-Confirmation of Offer Form

    ii.   Exhibit 2 SOW Work Plan/ Budget Table Template

    iii.   Exhibit 3 Organizational Information and Experience