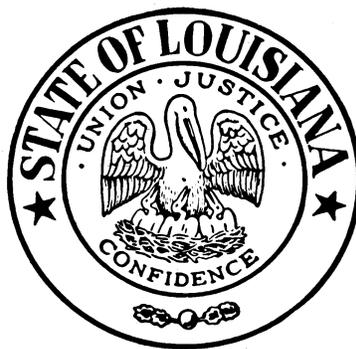


# REQUEST FOR PROPOSALS

PHARMACY BENEFIT MANAGER SERVICES

FOR

OFFICE OF GROUP BENEFITS SELF-FUNDED HEALTH PLANS



RFP#: 3000014397

Proposal Due Date: **March 30, 2020**

STATE OF LOUISIANA  
OFFICE OF GROUP BENEFITS

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# **1 ADMINISTRATIVE AND GENERAL INFORMATION**

## ***1.1 Purpose***

The State of Louisiana, Office of Group Benefits (hereinafter referred to as “OGB” or the “State”), requests Proposals from qualified Proposers who are interested in providing Pharmacy Benefit Manager (“PBM”) services for certain self-funded health plans offered by OGB in accordance with the specifications and conditions specified in this Request for Proposals (hereinafter referred to as “RFP”).

The PBM will be responsible for all facets of the day-to-day operational administration of OGB’s pharmacy benefit plan including, but not limited to, adjudication and payment of pharmacy claims, network and rebate management, Formulary management, call center operations, clinical management programs, auditing of pharmacies, implementation of cost-saving programs, and general and advisory services regarding pharmacy benefit design and implementation.

Also, the PBM will provide a Centers for Medicare and Medicaid Services (“CMS”) approved prescription drug plan (“PDP”) for OGB’s Medicare eligible retirees who participate in the self-funded plans covered by this RFP, which must be administered consistently with applicable regulations. These OGB Medicare eligible retirees (Employer Group Waiver Plan (“EGWP”) PDP Plan Participants) will also be provided with non-Part D wrap-around coverage that supplements the EGWP PDP benefits to make it substantially the same as the pharmacy benefits provided to all other Plan Participants.

OGB reserves the right to change its health plan options at any time during the period of the resulting Contract. OGB will not provide advance funding for payment of claim expenses.

It is expected that the winning Proposer will support OGB’s variety of program offerings and initiatives, as well as support changes to these offerings and initiatives. The winning Proposer will work with other OGB contractors, such as the appointed OGB actuary and employees from the Division of Administration, and the Office of Group Benefits, which is responsible for managing the self-funded health plans.

The general information contained in this RFP is complete and accurate to the best knowledge of OGB and based upon circumstances existing at the time the RFP was prepared. However, any such data and information released with the RFP are representations and not warranties by OGB. Each Proposer submitting a Proposal assumes sole responsibility for reliance upon information included in this RFP.

## ***1.2 Background***

OGB is responsible for the administration and management of state health and welfare benefit programs to over 250,000 active and retired State of Louisiana employees and their dependents, as well as the employees and dependents of certain government entities that have elected to participate in the OGB plan of benefits. Offered benefits include health coverage, prescription drug coverage, and life insurance. OGB currently offers self-funded plans (administered by Blue Cross and Blue Shield of Louisiana), a capitated primary care network to OGB Plan Participants enrolled in OGB self-funded Plans other than the Pelican HSA 775 (administered by Access Health, Inc.), a fully-insured Health Maintenance Organization plan (administered by Vantage Health Plan, Inc.) and Medicare Retiree specific fully-insured plans (administered by

OneExchange, Vantage Health Plan, Inc., Humana Health Benefit Plan of Louisiana, HMO Louisiana, Inc., and Peoples Health).

Plan Participant eligibility includes employees and eligible retirees of state agencies, institutions of higher education, school boards and charter schools, and certain political subdivisions that elect to participate. Eligibility does not include local government entities, parishes, or municipalities.

The self-funded health plans offered by OGB are currently on a calendar year and current options include the following:

- **Pelican HRA 1000** – Consumer Driven Health Plan (“CDHP”) with employer-funded Health Reimbursement Account (HRA)
- **Pelican HSA 775** – CDHP with employer and employee-funded Health Savings Account (HSA)
- **Magnolia Local** – Traditional in-network only plan with a narrow network
- **Magnolia Local Plus** – Traditional in-network only plan
- **Magnolia Open Access** - Traditional in/out of network plan

With the exception of the Pelican HSA 775, all plans currently utilize the current Pharmacy Benefit Manager’s (MedImpact Healthcare Systems, Inc.’s) pharmacy network providers. For pharmacy benefits, OGB currently contracts with MedImpact Healthcare Systems, Inc., for a carved out pharmacy program. OGB’s current PBM contract for three (3) years (1/1/17-12/31/19) is for \$1,397,000,000.00 (One Billion Three Hundred Ninety-Seven Million Dollars), of which \$18,400,000.00 (Eighteen Million Four Hundred Thousand Dollars), is projected for administrative fees. OGB exercised an option to extend the MedImpact contract through December 31, 2020 for an additional amount of \$430,000,000.00 (Four Hundred Thirty Million Dollars). Information regarding OGB’s pharmacy benefit plan design is provided in Attachment V. Additional plan information can also be found by accessing the websites listed below.

<https://info.groupbenefits.org/>

<https://mp.medimpact.com/mp/branding/Index.do?orgCode=OGB&privateLabel=Y&productcode=MP>

### ***1.3 Goals and Objectives***

1. To fulfill OGB’s delegated responsibility to serve the State of Louisiana by managing prescription drug cost and utilization while improving the quality of health for those served by OGB.
2. To provide quality, cost-effective healthcare services to Plan Participants.

### ***1.4 Term of Contract***

The initial term of any Contract resulting from this RFP shall begin on or about January 1, 2021, and is anticipated to end on December 31, 2023. With all proper approvals and concurrence with the successful Contractor, OGB may also exercise the option to extend the Contract for additional periods of time at the same rates, terms and conditions of the initial Contract term; such additional periods of time shall not exceed a total of twenty-four (24) months. Prior to the extension of the contract beyond the initial thirty-six (36)-month term, prior approval by the Joint Legislative Committee on the Budget (JLCB) and/or other approval authorized by law shall be obtained.

Written evidence of JLCB approval shall be submitted, along with the contract amendment, to the Office of State Procurement (OSP) to extend contract terms beyond the initial 3-year term. The total Contract term, with extensions, shall not exceed five (5) years. The continuation of the Contract is contingent upon the appropriation of funds by the legislature to fulfill the requirements of the Contract.

## ***1.5 Definitions***

**Account Management Team** – Contractor’s staff for PBM services assigned to OGB which shall include an Account Executive, Implementation Manager, Employer Group Waiver Plan (“EGWP”)/Retiree Manager, Operational Account Manager, Clinical Program Manager, Clinical Pharmacy Manager (must be a resident of Louisiana), Financial Analyst, Data and Analytics Lead, Privacy Officer, and Customer Service Manager.

**AWP** – the Average Wholesale Price.

**Brand** – a product that is being marketed post patent expiration by the original manufacturer and is subject to generic competition.

**Brand Drug** – a prescription drug that is 1) protected by a patent, supplied by one company and marketed under the manufacturer’s brand name or 2) a multi-source brand product which was once a Brand product.

**CDHP** – a Consumer Driven Health Plan.

**CMS** – the Centers for Medicare and Medicaid Services.

**COB** – the Coordination of Benefits.

**Commercial Prescription Drug Plan** – OGB’s prescription drug plan(s) covering active employees and non-Medicare eligible retirees.

**Contractor** – the successful Proposer who is awarded a Contract and assumes full responsibility and liability for completion of the deliverables.

**Covered Benefit(s)** – outpatient drugs (including those that under state or federal law require a prescription, or over the counter drugs), products, services, or supplies made available as a covered benefit to Plan Participants as set forth in the respective Plan.

**CSR** – a Customer Service Representative.

**DAW** – prescription drugs Dispensed As Written.

**DEA** – Drug Enforcement Administration.

**DUR** – a Drug Utilization Review.

**DMR** – a Direct Member Reimbursement.

**EGWP** – an Employer Group Waiver Plan.

**EOB** – an Explanation of Benefits.

**ERRP** – the Early Retirement Reinsurance Program.

**FDA** – the Federal Drug Administration.

**Formulary** – the list of prescription drugs that are considered as Covered Benefits. The Formulary may contain preferred and non-preferred tiers.

**Generic Drug** – any drug that is not a Brand.

**HIPAA** – the Health Insurance Portability and Accountability Act.

**Identification Cards (“ID Cards”)** – printed identification cards containing specific information about the Covered Benefits to which Plan Participants are entitled. All ID Cards shall have the applicable pharmacy network logo or other method, agreed upon by both parties in writing, of identifying the fact that the Contractor is the PBM.

**IVR** - Interactive Voice Response, an automated telephony system that interacts with callers, gathers information and routes calls to the appropriate recipients.

**MAC** – the Maximum Allowable Cost.

**Multisource** – a drug that is manufactured by more than one labeler.

**MBI** – Medicare Beneficiary Identifier.

**NDC** – the National Drug Code.

**OGB CEO** – the Office of Group Benefit’s Chief Executive Officer.

**OSP** – Office of State Procurement.

**OTC** – Over the Counter drugs.

**PBM** – the Pharmacy Benefit Manager.

**PDP** – a CMS approved Prescription Drug Plan.

**PHI** – Protected Health Information.

**PII** – Personally-Identifiable Information.

**Plan** – OGB’s defined health benefit plan pursuant to which Covered Benefits are provided to Plan Participants.

**Plan Participant(s)** – individuals who are entitled to Covered Benefits through OGB as identified in the eligibility data file prepared, maintained and as determined by OGB, and delivered to the Contractor.

**Primary Plan Participant(s)** – the Plan Participant whose relationship with OGB or the employee/retiree governs the coverage under the Plan.

**PPACA** – the Patient Protection and Affordable Care Act.

**Proposal** – a response to a RFP.

**Proposer** – an individual or organization submitting a proposal in response to a RFP.

**Rebates** – will include rebates and other manufacturer revenues, which is defined as all revenue you receive from outside sources related to the Plan's utilization or enrollment in programs. These would include, but are not limited to, access fees, market share fees, rebates, formulary access fees, inflation protection/penalty payments, administrative fees and marketing grants from pharmaceutical manufacturers, wholesalers and data warehouse vendors.

**RFP** – a Request for Proposals.

**ROI** – a Return On Investment.

**Single Source** – a drug that is manufactured by one labeler.

**Shall, Must, Will** – a mandatory requirement.

**Should, May, Can** – an advisable or permissible action.

**Specialty Drug** – a drug that treats chronic, complex, or life-threatening conditions, usually manufactured through biologic processes and/or targeting a specific gene. Typically, these medications are costly and require intensive clinical monitoring, complex patient actions, and/or special handling by the dispensing pharmacy.

**State** – State of Louisiana.

**U&C** – Usual and Customary.

### ***1.6 Schedule of Events***

<b>EVENT</b>	<b>DATE</b>
Post RFP to LaPAC	February 21, 2020
Deadline to submit Attachment IV: Data Use Agreement for Limited Data Set	4:00 PM (CT), February 28, 2020
Deadline for Receipt of Written Inquiries	4:00 PM (CT), February 28, 2020
Issue Responses to Written Inquiries	March 13, 2020
Deadline for Receipt of Proposals	4:00 PM (CT), March 30, 2020
Oral Presentations, if required	Time, Date, and Location to be determined
Notice of Intent to Award Announcement	TBD
Begin Implementation	July 1, 2020
Contract Effective Date	January 1, 2021

**NOTE: OGB reserves the right to revise this schedule of events. Revisions, if any, before the Proposal submission deadline will be formalized by issuance of one or more addenda to the RFP.**

### ***1.7 Proposal Submittal***

Firms/individuals who are interested in providing services requested under this RFP must submit a Proposal containing the mandatory information specified in this RFP pursuant to the requirements of Sections 1.9 Proposal Response Format and 1.10 Number of Copies of Proposals. The Proposal must be received in hard copy (printed) version by the OGB RFP Coordinator/Blackout Period Contact on or before 4:00 PM Central Time (“CT”) on the date specified in the Schedule of Events. Facsimile and electronic mail (“e-mail”) submissions shall not be acceptable. Proposers mailing their Proposals should allow sufficient mail delivery time to ensure receipt of their Proposal by the time specified.

The Proposer should label Proposal submissions as follows:

Pharmacy Benefit Manager Services for Self-Funded Health Plans

Proposer’s Name

The Proposal package must be delivered at the Proposer’s expense to:

OGB RFP Coordinator/Blackout Period Contact  
Office of Group Benefits  
1201 N. 3<sup>rd</sup> Street  
Claiborne Building, Suite G-159  
Baton Rouge, LA 70802

It is solely the responsibility of each Proposer to ensure that its Proposal is delivered at the specified place and prior to the deadline for submission. Proposals received after the deadline will not be considered.

**Proposers are hereby advised that the U.S. Postal Service does not make deliveries to OGB's physical location.**

## ***1.8 Qualifications for Proposer***

### ***1.8.1 Mandatory Qualifications***

Proposers must meet the following Mandatory Qualifications prior to the deadline for receipt of Proposals:

- Five (5) continuous years of experience providing PBM services to a client organization with a group size of one hundred thousand (100,000) or more covered lives;
- Five (5) continuous years of experience in administration of a retail pharmacy network;
- Approval by CMS to offer a PDP for an EGWP PDP. The EGWP PDP must have a minimum of two (2) years in the administration of EGWP pharmacy benefits and may be provided by or through a qualified subcontractor; and
- Current URAC accreditation (URAC, formerly known as the Utilization Review Accreditation Commission, is the independent, non-profit organization that provides accreditation and certification for pharmacy benefit managers).

Proposers should provide documentation supporting that their record of experience meets these mandatory qualifications.

OGB reserves the right to request additional information and documentation to support that the Mandatory Qualifications were met by the Proposer prior to the deadline for receipt of proposals.

## ***1.9 Proposal Response Format***

Proposals submitted for consideration should follow the format and order of presentation described below.

### **A. Cover Letter**

A cover letter should be submitted on the Proposer's official business letterhead explaining the intent of the Proposer.

### **B. Table of Contents**

The Proposal should be organized in the order contained below.

### **C. Executive Summary**

This section should serve to introduce the scope of the Proposal. It should present administrative information including, Proposer contact name and phone number, and the

stipulation that the Proposal is valid for a time period of at least one hundred eighty (180) calendar days from the date of submission. This section should also include the following:

- 1) A summary of the Proposer's qualifications and ability to meet OGB's overall requirements in the timeframes set by OGB;
- 2) Confirmation statement that the Proposer has not had a record of substandard work within the past five (5) years;
- 3) Indication of whether the Proposer has, in force, insurance coverage that meets the requirements specified in Section 1.33 Insurance Requirements for Contractors, or the ability and commitment to obtain all required insurance coverage by the commencement of the Contract;
- 4) A brief statement describing the adequacy of the Proposer's financial capacity to handle the requirements of this RFP; and
- 5) Confirmation statement that the Proposer has not engaged in and/or been prosecuted for any unethical practices within the past (5) years.
- 6) Confirmation statement that Proposer will comply with applicable Louisiana state law, federal law and all regulations set forth by recognized governmental agencies. .
- 7) The Proposer should provide a statement of whether, in the last ten years, the Proposer has filed (or had filed against it) any bankruptcy or insolvency proceeding, whether voluntary or involuntary, or undergone the appointment of a receiver, trustee, or assignee for the benefit of creditors, and if so, the explanation providing relevant details.
- 8) The Proposer should provide a statement of whether there are any pending Securities Exchange Commission investigations involving the Proposer, and if such are pending or in progress, an explanation providing relevant details and an attached opinion of counsel as to whether the pending investigation(s) will impair the Proposer's performance in a Contract under this RFP.
- 9) Proposer should identify any and all litigation in which Proposer is a party and in which the amount in controversy exceeds \$1,000,000.
- 10) Proposer should provide a statement documenting all open or pending litigation initiated by Proposer or where Proposer is a defendant in a customer/client matter.
- 11) Proposer should provide detail around any mergers or acquisitions scheduled for the next twelve (12) months.
- 12) OGB reserves the right to request any additional information to assure itself of a Proposer's financial status.
- 13) The executive summary should include a positive statement of compliance with the Contract terms contained in the Sample Contract, Attachment I. If the Proposer cannot comply with any one or more of the Contract terms, an explanation of each exception should be supplied. The Proposer should address the specific language in the Sample Contract, Attachment I, Business Associate Addendum, Attachment II, and submit whatever exceptions or exact Contract modifications that it may seek. While final wording will be resolved during Contract negotiations, the intent of the provisions will not be substantially altered. Selection of a Proposer does not require OGB to agree to any

proposed Contract deviation(s). Negotiations may begin with the announcement of the selected Proposer.

#### **D. Company Background, Financial Condition and Experience**

The Proposer should give a brief description of its organization, including a brief history, corporate or organization structure, number of years in business, and copies of its latest financial statement, preferably audited.

This section should provide a detailed discussion of the Proposer's prior experience in working on projects similar in size, scope, and function to the proposed contract. Proposers should describe their experience in providing PBM services with other states and/or with corporate/governmental entities of comparable size and diversity. Proposer should provide a separate reference, including the client name, address, industry, contact person and title, telephone number, and email address for each of the following categories: 1) Long-standing client of your organization; 2) Client that recently implemented a PBM program with your organization on or after January 1, 2018; and 3) Client that left your organization and now uses services of another vendor for reasons other than a merger, sale, or acquisition.

Proposer should provide a listing of any and all notice(s) of deficiency, non-compliance, and termination (for any reason), related to the performance of proposer's services and the status or outcome of the matter, within the past five (5) years.

**OGB/State may consider any relevant information about any Proposer known or discovered by OGB, including any non-compliance actions.**

Proposer should clearly describe their ability to meet or exceed the mandatory qualifications set forth in Section 1.8.1 and include any supporting documentation.

#### **E. Approach and Methodology**

Proposals should include enough information to satisfy evaluators that the Proposer has the appropriate experience, knowledge, and qualifications to perform the scope of services as described herein. If there is any variation in the approach and methodology for Commercial and EGWP, such variation should be indicated in this section. Proposers should respond to all requested areas.

The Proposer should:

- Demonstrate Proposer's understanding of the nature of the project and how its Proposal will best meet the needs of OGB through providing general support and advisory services regarding pharmacy benefit design and implementation, efficient claims processing, network and rebate management, Formulary management, clinical management programs, implementation of cost-saving programs, customer service, quality management, marketing, utilization management, and all other services required to administer the services provided;
- Approach for managing program operations to provide greater efficiency and effectiveness;

- Provide a proposed project work plan that includes implementation plans that fully detail all tasks necessary to begin performance of the Contract on January 1, 2021, 12:00 am CT. This includes, but is not limited to, IT or data file feed implementation, approach, and methodology to be followed in providing the services, all other tasks and services to be performed, as well as the responsible party and expected dates of completion;
- Include annual account management strategy, training of key personnel, IT or data file feed implementation, billing processes, and reporting and data analytics;
- Describe approach to Quality Assurance;
- Describe Proposer’s customer service program including hours of operations, location(s), training plan to ensure understanding of OGB’s benefit plan design, scoring tool and call quality standards, production expectations (i.e., number of calls per day, time spent in available status, etc.), production and quality metrics, staffing ratio, and available services to handle a diverse population;
- Identify areas of project risk and procedures to mitigate risks associated with implementation;
- Describe current procedures in place to handle Protected Health Information (“PHI”) and Personally-Identifiable Information (“PII”) privacy and security;
- Include responses to all questions in Attachment III: Technical Questionnaire; and
- Include a response to Attachment X: Formulary Disruption and Attachment XI: Network Disruption and describe your approach to close any gaps discovered through the respective disruption analysis.

#### **F. Proposed Staff Qualifications**

The Proposer should provide detailed information about the experience and qualifications of the Proposer's dedicated Account Management Team, including but not limited to, the assigned Account Executive, Implementation Manager, Employer Group Waiver Plan (“EGWP”)/Retiree Manager, Operational Account Manager, Clinical Program Manager, Clinical Pharmacy Manager (**must be a resident of Louisiana**), Financial Analyst, Data and Analytics Lead, Privacy Officer, and Customer Service Manager as well as any other assigned personnel considered key to the success of the project. This includes the Proposer’s own staff and staff from any subcontractor to be used.

The Clinical Pharmacy Manager assigned should have a minimum of one (1) year tenure with the Proposer.

The Account Executive and/or Operational Account Manager will provide day-to-day management of project tasks and activities, coordination of Proposer’s employees, and possess the technical and functional knowledge to direct all aspects of the project. **The Account Executive and the Operational Account Manager assigned to OGB must have a minimum of two years’ tenure with the Proposer.** Also, the Account Executive must have at least one (1) back-up staff member designated to handle the overall responsibility of OGB, during the term of the contract.

The Proposer should demonstrate that their staff and/or subcontractor(s) have the necessary experience and knowledge to successfully perform the services listed in Section 2, Scope of Services. Individual resumes should be provided for the Account Management Team and any other assigned personnel considered key to the success of the project. Resumes should include information detailing education, training, technical experience, functional experience, specific dates and names of employers, relevant and related experience, past and present projects with dates and responsibilities, customer references (name, title, company name, address, email address, and telephone number) for the cited projects, and any applicable certifications.

Proposer should also provide an organizational and staffing plan that includes the role and responsibilities of the Account Management Team and any other personnel key to the success of the project, number of years of experience with the organization, number of accounts currently servicing, estimated percentage of time individual will work with OGB, anticipated duration of involvement, location and on-site availability.

**G. Veteran-Owned and Service-Connected Disabled Veteran-Owned Small Entrepreneurships (Veteran Initiative) and Louisiana Initiative for Small Entrepreneurships (Hudson Initiative) Programs Participation**

Each Proposer should address how it will meet the following:

The State of Louisiana Veteran and Hudson Initiatives are designed to provide additional opportunities for Louisiana-based small entrepreneurships (sometimes referred to as LaVets and SEs respectively) to participate in contracting and procurement with the State. A certified Veteran-Owned and Service-Connected Disabled Veteran-Owned small entrepreneurship (LaVet) and a Louisiana Initiative for Small Entrepreneurships (Hudson Initiative) small entrepreneurship are businesses that have been certified by the Louisiana Department of Economic Development. All eligible vendors are encouraged to become certified. Qualification requirements and online certification are available at: <https://smallbiz.louisianaeconomicdevelopment.com>.

If a Proposer is not a certified small entrepreneurship as described herein, but plans to use certified small entrepreneurship(s), Proposer shall include in their proposal the names of their certified Veteran Initiative or Hudson Initiative small entrepreneurship subcontractor(s), a description of the work each will perform, and the dollar value of each subcontract.

During the term of the Contract and at expiration, the Contractor will also be required to report Veteran-Owned and Service-Connected Disabled Veteran-Owned and Hudson Initiative small entrepreneurship subcontractor or distributor participation and the dollar amount of each.

In RFPs requiring the compliance of a good faith subcontracting plan, the State may require Proposers to submit information on their business relationships and arrangements with certified LaVet or Hudson Initiative subcontractors at the time of proposal review. Agreements between a Proposer and a certified LaVet or Hudson Initiative subcontractor

in which the certified LaVet or Hudson Initiative subcontractor promises not to provide subcontracting quotations to other Proposers shall be prohibited.

In performing its evaluation of proposals, the State reserves the right to require a non-certified Proposer to provide documentation and information supporting a good faith subcontracting plan. Such proof may include contracts between proposer and certified Veteran Initiative and/or Hudson Initiative subcontractor(s).

If a Contract is awarded to a Proposer who proposed a good faith subcontracting plan, the using agency, the Louisiana Department of Economic Development (LED), or the Office of State Procurement (OSP) may audit Contractor to determine whether Contractor has complied in good faith with its subcontracting plan. The Contractor must be able to provide supporting documentation (i.e., phone logs, fax transmittals, letters, e-mails) to demonstrate its good faith subcontracting plan was followed. If it is determined at any time by the using agency, LED, or the OSP Director that the Contractor did not in fact perform in good faith its subcontracting plan, the Contract award or the existing Contract may be terminated.

The statutes (La. R.S. 39:2171 *et. seq.*) concerning the Veteran Initiative may be viewed at:

<http://www.legis.la.gov/Legis/Law.aspx?d=671504>.

The statutes (La. R.S. 39:2001 *et. seq.*) concerning the Hudson Initiative may be viewed at: <http://www.legis.la.gov/Legis/Law.aspx?d=96265>.

The rules for the Veteran Initiative (LAC 19:VII. Chapters 11 and 15) and for the Hudson Initiative (LAC 19:VIII Chapters 11 and 13) may be viewed at:

<http://www.doa.la.gov/pages/osp/se/secv.aspx>.

A current list of certified Veteran-Owned and Service-Connected Disabled Veteran-Owned and Hudson Initiative small entrepreneurship may be obtained from the Louisiana Economic Development Certification System at: <https://smallbiz.louisianaeconomicdevelopment.com>

Additionally, a list of Hudson and Veteran Initiative small entrepreneurship, which have been certified by the Louisiana Department of Economic Development and who have opted to register in the State of Louisiana LaGov Supplier Portal, can be found here:

[https://lagoverpvendor.doa.louisiana.gov/irj/portal/anonymous?guest\\_user=self\\_reg](https://lagoverpvendor.doa.louisiana.gov/irj/portal/anonymous?guest_user=self_reg).

This may be accessed from the State of Louisiana Procurement and Contract (LaPAC) Network:

<https://wwwcfprd.doa.louisiana.gov/OSP/LaPAC/vendor/VndPubMain.cfm>.

When using this site, determine the search criteria (i.e. alphabetized list of all certified vendors, by commodities, etc.) and select SmallE, VSE, or DVSE.

A. Twelve percent (12%) of the total evaluation points in this RFP are reserved for Proposers who are certified small entrepreneurships, or who will engage the participation of one or more certified small entrepreneurships as subcontractors. Reserved points shall be added to the applicable Proposer's evaluation score as follows:

B. Proposer Status and Allotment of Reserved Points

- i. If the Proposer is a certified Veterans Initiative small entrepreneurship, the Proposer shall receive points equal to twelve percent (12%) of the total evaluation points in this RFP.

If the Proposer is a certified Hudson Initiative small entrepreneurship, the Proposer shall receive points equal to ten percent (10%) of the total evaluation points in this RFP.

- ii. If the Proposer demonstrates its intent to use certified small entrepreneurship(s) in the performance of contract work resulting from this solicitation, the Proposer shall receive points equal to the net percentage of contract work which is projected to be performed by or through certified small entrepreneurship subcontractors, multiplied by the appropriate number of evaluation points.

The formula for the Hudson/Veterans subcontractor calculation is:  $(A/B)*C=D$  where A = the eligible subcontractor work; B = the estimated value of the three year PBM contract; C = the number of Hudson/Veterans reserved points; and D = points earned.

For purposes of this calculation only, the estimated value of the three year PBM contract used in the formula is One Billion Dollars (\$1,000,000,000.00). This is not a guarantee of awarded contract value and is for the Hudson/Veterans subcontractor score calculation purposes only.

- iii. The total number of points awarded pursuant to this Section shall not exceed twelve percent (12%) of the total number of evaluation points in this RFP.

IF PROPOSER IS A CERTIFIED LA VET OR HUDSON SMALL ENTREPRENEURSHIP, PROPOSER MUST NOTE THIS IN ITS PROPOSAL IN ORDER TO RECEIVE THE FULL AMOUNT OF APPLICABLE RESERVED POINTS.

IF PROPOSER IS NOT CERTIFIED, BUT HAS ENGAGED ONE OR MORE LAVET OR HUDSON CERTIFIED SMALL ENTREPRENEURSHIPS TO PARTICIPATE AS SUBCONTRACTORS, PROPOSER SHALL PROVIDE THE FOLLOWING INFORMATION IN ORDER TO OBTAIN ANY APPLICABLE HUDSON/VETERAN INITIATIVE POINTS:

LaVet or Hudson certified small entrepreneurship subcontractor participation and the dollar amount of each:
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<b>Circle which initiative applies:</b> HUDSON INITIATIVE                      VETERAN INITIATIVE
---

Subcontractor Name: \_\_\_\_\_

Detailed Description of Work to be Performed:  
\_\_\_\_\_

Anticipated Dollar Value of the subcontract for the three-year Contract term: \_\_\_\_\_

\*Note – it is not mandatory to have a Hudson/Veteran Initiative subcontractor. However, it is mandatory to include this information in order to obtain any allotted points when applicable.

If multiple Hudson/Veterans subcontractors will be used, repeat the above-required information for each subcontractor. Additionally, provide a sufficiently detailed description of each subcontractor's work so as to advise if services are duplicative or overlapping, or if services constitute a scope of work distinct from each other subcontractor.

## H. Cost Proposal

The Proposer must provide costs which are inclusive of travel and all Contract-related expenses for providing the services described within this RFP. All cost information must be provided within Attachment XIII: Cost Proposal Template and Attachment XVI: Credits & Allowances, and must comply with all pricing requirements set forth. Proposer must complete Attachment XII: Cost Proposal Questionnaire.

**Any deviation to the templates will be deemed non-responsive and that proposal will be disqualified.**

The rates proposed in response to this RFP shall be guaranteed for the term of the Contract. OGB requires the same rates for the entire Contract term and any option period.

Each Proposer that completes and returns Attachment IV: Data Use Agreement for Limited Data Set by the specified deadline in the Schedule of Events will receive an electronic record containing redacted historical claims detail broken out by Commercial and EGWP.

**Note: OGB will not accept any alterations to Attachment IV: Data Use Agreement for Limited Data Set. OGB will not accept requests after the specified deadline.**

**Note: The redacted historical claims include data furnished by the OGB's incumbent contractor.**

### Commercial and EGWP

#### Attachment XIII: Cost Proposal Template: Pharmacy Network Discounts, Rebate Guarantees, Administrative Services, Clinical Management Fee, and Attachment XVI: Credits & Allowances

1) Pharmacy Network Discounts and Rebate Guarantees: The Proposer must utilize the redacted historical claims detail to facilitate generation of the guaranteed pricing and provide the requested pricing in Attachment XIII: Cost Proposal Template.

OGB's Actuary will apply the Proposer's guaranteed discount terms to the undiscounted AWP for Commercial and EGWP using redacted historical claims data. Trending factors will be taken into consideration in the evaluation such as, drug inflation, brand to generic shifts, retail to mail shifts, brand utilization, and generic utilization. Proposed per script dispensing fees will be added; the guaranteed rebate projection will be subtracted.

2) Administrative Services: The Proposer shall provide a proposed administrative fee for each category specified in the Cost Proposal Template. The proposed administrative fee for each category will be added to the other costs to determine the proposed total cost.

3) Credits & Allowances: The Proposer shall complete Attachment XVI: Credits & Allowances to provide the implementation credits, specified charges, and allowances. The Actuary will calculate the total. The calculated total for Attachment XVI: Credits & Allowances will be added to the other costs to determine the proposed total cost.

4) Clinical Management Fee: The Proposer shall provide an all-inclusive total Clinical Management Fee per Plan Participant per Month (PMPM) for Commercial and an all-inclusive total Clinical Management Fee per Plan Participant per Month (PMPM) for EGWP. The Proposer must provide at least the minimum required level of services set forth in Attachment XIV: Current Clinical Programs and in Section 2, Scope of Services, Task 4. The all-inclusive total Commercial and EGWP Clinical Management Fees must include all the services set forth in Attachment XIV, to equate with the programs currently in place.

The proposed rates for both Commercial and EGWP clinical management services will be combined to determine the total clinical management fee for cost scoring purposes. The proposed clinical management fees will be added to the other costs to determine the proposed total cost.

For billing purposes, per Plan Participant per Month (PMPM) will be based on the group population for the respective health plans.

### **Recommended Options for Clinical Management Programs**

**The "Recommended Clinical Management Programs" section of Attachment XVIII: Recommended Clinical Management Programs may become contractual obligations, at OGB's option, after negotiation. The pricing will not be included in cost scoring as proposers may provide different options for consideration. These options will be considered in the technical score evaluation.**

Proposer should provide a detailed listing of recommended clinical management programs available on an à-la-carte basis, to be selected at OGB's option, in addition to the minimum required level of services.

The Proposer should provide an itemized list of the names of the proposed clinical management programs, a description of each of the proposed programs, a description of the cost savings for each program proposed, and the proposed cost of each clinical management program proposed, on a per Plan Participant per Month basis.

## **I. Certification Statement**

The Proposer must sign and submit Attachment VI, Certification Statement.

## **J. Outsourcing of Key Internal Controls**

Proposer shall provide information regarding the organization's last internal controls and security audit, to include a SOC 1, Type II and/or SOC 2, Type II report resulting from its most recent Statement on Standards for Attestation Engagements No. 18 (SSAE 18) audit. In addition, Contractor should provide any other financial and performance audits from outside companies to assure both the financial viability of the (outsourced) program and the operational viability, including the policies and procedures placed into operation. OGB reserves the right to request any additional information to assure itself of a Proposer's financial and operational condition.

Cost of the audit/validation shall be borne solely by the Proposer. The results of such audit/validation will be evaluated under the Technical Approach.

### ***1.10 Number of Copies of Proposals***

OGB requests the number of Proposal copies specified below be submitted to the OGB RFP Coordinator/Blackout Period Contact.

- One (1) Original (clearly marked "Original") and ten (10) numbered copies of the Technical Proposal. **All should be clearly marked "Technical Proposal."**
- Four (4) portable drives of the entire Technical Proposal in both PDF and Word formats. **All should be clearly marked "Technical Proposal."**
- One (1) Original (clearly marked "Original") and two (2) numbered copies of the Cost Proposal. **All should be clearly marked "Cost Proposal."**
- Four (4) portable drives of the entire Cost Proposal in both Word and Excel formats. **All should be clearly marked "Cost Proposal."**
- If applicable (see Section 1.14), Proposer should also submit two (2) electronic redacted versions of the Proposal. **All should be clearly marked "Redacted."**

At least one (1) copy of the Proposal shall contain original signatures of those individuals, firm officials, or agents duly authorized to sign Proposals or contracts on behalf of the individual/firm. A certified copy of a board resolution granting such authority should be submitted if Proposer is a corporation. The copy of the Proposal with original signatures will be retained for incorporation in any Contract resulting from this RFP.

### ***1.11 Technical and Cost Proposals***

Proposals should be submitted as specified in Sections 1.9 and 1.10, and should include enough information to satisfy evaluators that the Proposer has the appropriate experience and qualifications to perform the scope of services as described herein. Proposers should respond to all requested areas.

### ***1.12 Legibility/Clarity***

Responses to the requirements of this RFP in the formats requested, with all questions answered in as much detail as practicable, are desirable. The Proposer's responses should demonstrate an

understanding of the requirements. Proposals prepared simply and economically, providing a straightforward, concise description of the Proposer's ability to meet the requirements of the RFP, are desired. Each Proposer shall be solely responsible for the accuracy and completeness of its Proposal.

### ***1.13 Confidential Information***

All financial, statistical, personal, technical, and other data and information relating to OGB's operations and Plan Participants and made available to the Contractor in order to carry out the Contract, or which become available to the Contractor in carrying out the Contract, shall be protected by the Contractor from unauthorized use and disclosure through the observance of the same or more effective security and procedural requirements as are applicable to OGB. The Contractor shall not be required under the provisions of this paragraph to keep confidential any data or information (other than protected health information) which is or becomes publicly available through no fault of Contractor or its subcontractors, vendors, agents, or employees, is already rightfully in the Contractor's possession, is independently developed by the Contractor outside the scope of the Contract, or is rightfully obtained from third parties without breach of the Contract.

Under no circumstance shall the Contractor discuss and/or release information to the media concerning this Contract without prior express written approval of the OGB CEO or his/her designee.

Contractor shall not permit PHI or PII to be disclosed to or used by any individual or entity outside of the territorial and jurisdictional limits of the fifty (50) United States of America. As used in this paragraph, PHI refers to protected health information as defined by the Health Insurance Portability and Accountability Act of 1996, and regulations promulgated thereunder by the U.S. Department of Health and Human Services, as amended from time to time.

### ***1.14 Trade Secrets and Proprietary Information***

The designation of certain information as trade secrets and/or privileged or confidential proprietary information shall apply to the technical and cost portion of the Proposal. Any Proposal copyrighted or marked as confidential or proprietary in its entirety may be rejected without further consideration or recourse.

For the purposes of this procurement, the provisions of the Louisiana Public Records Act (La. R.S. 44.1 *et. seq.*) shall be in effect. Pursuant to this Act, all proceedings, records, contracts, and other documents relating to this procurement shall be open to public inspection. Proposers are reminded that while trade secrets and other proprietary information they submit in conjunction with this procurement may not be subject to public disclosure, protections shall be claimed by the Proposer at the time of submission of its technical proposal. Proposers should refer to the Louisiana Public Records Act for further clarification.

The Proposer shall clearly designate the part of the Proposal that contains a trade secret and/or privileged or confidential proprietary information as "confidential" in order to claim protection, if any, from disclosure. The Proposer shall mark the cover sheet of the Proposal with the following legend, specifying the specific section(s) of the Proposal sought to be restricted in accordance with the conditions of the legend:

*“The data contained in pages \_\_\_\_\_ of the proposal have been submitted in confidence and contain trade secrets and/or privileged or confidential information and such data shall only be disclosed for evaluation purposes, provided that if a contract is awarded to this proposer as a result of or in connection with the submission of this proposal, the State of Louisiana shall have the right to use or disclose the data therein to the extent provided in the contract. This restriction does not limit the State of Louisiana’s right to use or disclose data obtained from any source, including the proposer, without restrictions.”*

Further, to protect such data, each page containing such data shall be specifically identified and marked “CONFIDENTIAL”.

If the Proposer’s response contains confidential information, the Proposer shall also submit a redacted copy of its Proposal along with the original Proposal. When submitting the redacted copy, the Proposer should clearly mark the cover as such - “REDACTED COPY” - to avoid having this copy reviewed by an evaluation committee member. The redacted copy should also state which section(s) or information has/have been removed. The Proposer should also submit two (2) electronic redacted copies of the Proposal on a flash drive as stated in Section 1.10. Provided the Proposer has fully complied with all requirements of this Section, the redacted copy of the Proposal will be the copy produced by the State if a competing proposer or other person seeks review or copies of the Proposer’s confidential data.

**If the Proposer does not submit the redacted copy, it will be assumed that any claim to keep information confidential is waived.**

Proposers shall be prepared to defend the reasons why the material should be held confidential. By submitting a Proposal with data, information, or material designated as containing trade secrets and/or privileged or confidential proprietary information, or otherwise designated as “confidential,” the Proposer agrees to indemnify (including attorneys’ fees) and defend the State and hold the State harmless against all actions, fees, expenses, or court proceedings that may ensue seeking to order the State to disclose the information.

The State reserves the right to make any Proposal, including proprietary information contained therein, available to OSP personnel, the Office of the Governor, the Legislative Auditor, and other State agencies or organizations for the sole purpose of assisting the State in its evaluation of the Proposal. The State shall require said individuals to protect the confidentiality of any specifically identified proprietary information or privileged business information obtained as a result of their participation in these evaluations.

Additionally, any Proposal that fails to follow this section and/or La. R.S. 44:3.2(D)(1) shall have failed to properly assert the designation of trade secrets and/or privileged or confidential proprietary information and the information may be considered public record.

Proposer’s signature on the Certification Statement, Attachment VI, signifies its understanding of and compliance with this Section and the requirements herein for claiming any type of confidentiality of information submitted as part of its Proposal.

## ***1.15 Proposal Clarifications Prior to Submittal***

### ***1.15.1 Pre-proposal Conference***

OGB will not hold a pre-proposal conference.

### ***1.15.2 Proposer Inquiries***

Written questions regarding RFP requirements or Scope of Services must be submitted to the OGB RFP Coordinator/Blackout Period Contact at [OGB.Proposals@la.gov](mailto:OGB.Proposals@la.gov).

OGB will only consider written Proposer inquiries and requests for clarification of the content of this RFP received from potential Proposers. OGB reserves the right to modify or supplement the RFP should a change be identified that is in the best interest of OGB or the State.

To be considered, written inquiries and requests for clarification of the content of this RFP must be received via email, [OGB.Proposals@la.gov](mailto:OGB.Proposals@la.gov), by 4:00 PM CT on the date specified in Section 1.6, Schedule of Events. Any and all questions directed to the OGB RFP Coordinator/Blackout Period Contact will receive an official response. Official responses to all questions submitted by potential Proposers will be posted by the date specified in the Schedule of Events, Section 1.6, and can be accessed using the sites listed below.

<https://wwwcfprd.doa.louisiana.gov/osp/lapac/pubMain.cfm>

<http://www.groupbenefits.org/latest-news/>

Only the OGB RFP Coordinator/Blackout Period Contact or designee has the authority to officially respond on behalf of OGB to Proposer questions. Any communications from any other individuals are not binding upon OGB/State.

### ***1.15.3 Blackout Period***

The Blackout Period is a specified period of time during a competitive sealed procurement process in which any person or entity is prohibited from communicating with any State employee and any contractor of OGB/State, including OGB's consultant involved in any step in the procurement process about the affected procurement. "Involvement" in the procurement process shall include but shall not be limited to project management, design, development, implementation, procurement management, development of specifications, and evaluation of proposals for a particular procurement. All solicitations for competitive sealed procurements will identify a designated contact person. All communications to and from interested parties during the Blackout Period must be in accordance with this solicitation's defined method of communication with the designated contact person. The Blackout Period will begin upon posting of the solicitation. The Blackout Period will end when the Contract is awarded.

In those instances in which a prospective vendor is also an incumbent vendor, OGB/State and the incumbent vendor shall contact each other with respect to the existing Contract only. Under no circumstances shall OGB/State and the incumbent vendor and/or its agent(s) or representative(s) discuss the blacked-out procurement.

Any person or entity who violates the Blackout Period may be liable to OGB and the State in damages and/or subject to any other remedy allowed by applicable law. Further, failure to comply with these requirements may result in any involved Proposal's disqualification.

Any costs associated with preparation of a Proposal, even if the solicitation is cancelled, terminated, no contract results therefrom, or the proposer is disqualified, for any reason, will be the responsibility of the Proposer or bidder.

Notwithstanding the foregoing, the Blackout Period shall not apply to the following:

- A protest to a solicitation submitted pursuant to La. R.S. 39:1671, *et seq.* or LAC 34:V.2545;
- Duly noticed site visits and/or conferences for Proposers;
- Oral presentations during the evaluation process; and,
- Communications regarding a particular solicitation between any person and staff of the procuring agency, provided the communication is limited strictly to matters of procedure. Procedural matters shall include but not be limited to deadlines for decisions or submission of Proposals and the proper means of communicating regarding the procurement, but shall not include any substantive matter related to the particular procurement or requirements of the RFP.

The Blackout Period begins on the date the RFP is posted to LaPac and publicly advertised, and concludes upon the announcement of the successful Contractor.

### ***1.16 Errors and Omissions in Proposals***

OGB/State reserves the right to seek clarification of any Proposal for the purpose of identifying and eliminating minor irregularities or informalities. OGB/State will not be liable for any errors or omissions in Proposals.

### ***1.17 RFP Addenda***

OGB reserves the right to change the schedule of events or revise any part of the RFP by issuing an addendum to the RFP at any time. Addenda, if any, will be posted at the following locations:

<https://wwwcfprd.doa.louisiana.gov/osp/lapac/pubMain.cfm>

<http://info.groupbenefits.org/latest-news/>

It is the responsibility of the Proposer to check the website for addenda to the RFP, if any.

### ***1.18 Withdrawal of Proposal***

A Proposer may withdraw a Proposal that has been submitted at any time up to the date and time the Proposal is due. To accomplish this, a written request signed by the authorized representative of the Proposer must be received by the OGB RFP Coordinator/Blackout Period Contact on or before the Proposal deadline.

### ***1.19 Waiver of Administrative Informalities***

OGB/State reserves the right, at its sole discretion, to waive minor administrative informalities contained in any Proposal.

### ***1.20 Proposal Rejection/RFP Cancellation***

Issuance of this RFP in no way shall constitute a commitment by OGB or the State to award a Contract. OGB/State reserves the right to accept or reject, in whole or part, all Proposals submitted, and/or to cancel this RFP if it is determined to be in its best interest.

### ***1.21 Records***

All materials submitted in response to this RFP shall become a Record of the State/OGB. Selection or rejection of a Proposal does not affect this right.

## ***1.22 Cost of Proposal Preparation***

OGB/State shall not be liable for any costs incurred by Proposers prior to issuance of or entering into a Contract. Costs associated with developing the Proposal, preparing for oral presentations, and any other expenses incurred by the Proposer in responding to this RFP are entirely the responsibility of the Proposer and shall not be reimbursed in any manner by OGB or the State. This applies whether or not the RFP is discontinued, cancelled, or withdrawn or whether or not a Contract results therefrom.

## ***1.23 Taxes***

Contractor shall be responsible for payment of all taxes and fees on Contractor's income, property, and entity status (i.e., permits, licenses, etc.).

In accordance with La. R.S. 39:1624(A)(10), the Louisiana Department of Revenue must determine that the prospective Contractor is current in the filing of all applicable tax returns and reports and in payment of all taxes, interest, penalties, and fees owed to the State and collected by the Department of Revenue prior to the approval of a Contract by the Office of State Procurement. The prospective Contractor hereby attests to its prospective compliance, and agrees to provide its seven-digit LDR Account Number to the contracting agency so that the prospective contractor's tax payment compliance status may be verified. The prospective Contractor further acknowledges understanding that issuance of a tax clearance certificate by the Louisiana Department of Revenue is a necessary precondition to the approval of a Contract by the Office of State Procurement and the effectiveness of such Contract. The contracting agency reserves the right to withdraw its consent to the Contract without penalty and proceed with alternate arrangements should the vendor fail to resolve any identified apparent outstanding tax compliance discrepancies with the Louisiana Department of Revenue within seven (7) days of such notification.

## ***1.24 Determination of Responsibility***

Determination of the Proposer's responsibility relating to this RFP shall be made according to the standards set forth in LAC 34:V.2536. OGB/State must find that the selected Proposer:

- Has adequate financial resources for performance, or has the ability to obtain such resources as required during performance;
- Has the necessary experience, organization, technical qualifications, skills, and facilities, or has the ability to obtain them;
- Is able to comply with the proposed or required time of delivery or performance schedule;
- Has a satisfactory record of integrity, judgment, and performance; and
- Is otherwise qualified and eligible to receive an award under applicable laws and regulations.

Proposers should ensure that their Proposals contain sufficient information for OGB/State to make its determination of Proposer's responsibility by presenting acceptable evidence of the above to perform the contracted services.

### ***1.25 Use of Subcontractors***

OGB/State shall have a single Contractor as the result of any Contract negotiation, and that prime Contractor shall be responsible for all deliverables specified in the RFP, Proposal, and any resulting Contract. This general requirement notwithstanding, Proposers may enter into subcontractor arrangements, but shall acknowledge in their Proposals total responsibility for the entire Contract. Proposers may not subcontract for the entire scope of services specified in the RFP.

If the Proposer intends to subcontract portions of the work, the Proposer shall identify any subcontractor relationships and include specific designations of the tasks to be performed by the subcontractor. See Section 1.9.G regarding additional requirements for subcontractors that are Certified Veteran/Hudson Initiative small entrepreneurships. Information required of the Proposer under the terms of this RFP shall be provided for each subcontractor, if requested by the State. The prime Contractor shall be the single point of contact for all subcontractor work.

Unless provided for in the Contract with OGB/State, the prime Contractor shall not contract with any other party for any of the contracted services without the express prior written approval of the OGB CEO or his/her designee.

### ***1.26 Written or Oral Discussions/Presentations***

OGB, at its sole discretion, may require all Proposers reasonably susceptible of being selected for the award to provide an oral presentation of how each such Proposer proposes to meet OGB's objectives. OGB reserves the right to adjust the original scores based upon information received in the presentation, using the original evaluation criteria. Commitments made by the Proposer at the oral presentation, if any, will be considered binding.

### ***1.27 Acceptance of Proposal Content***

All Proposals will be reviewed to determine compliance with administrative and mandatory requirements as specified in the RFP. Proposals that are not in compliance will be rejected from further consideration.

### ***1.28 Evaluation and Selection***

The evaluation of Proposals will be accomplished by an evaluation committee, to be designated by OGB, which will determine the Proposal most advantageous to OGB, taking into consideration cost, technical capabilities, and the other evaluation factors set forth in the RFP. The evaluation team may consult subject matter expert(s) to serve in an advisory capacity regarding any proposer or proposal. Such input may include, but not be limited to, analysis of Proposer financial statements, review of technical requirements, or preparation of cost score data.

### ***1.29 Best and Final Offers (BAFO)***

OGB reserves the right to conduct a BAFO with one or more Proposers identified by the evaluation committee to be reasonably susceptible of being selected for an award. If conducted, the Proposers selected will receive written notification of their selection for a BAFO, a list of specific items to address in the BAFO, and instructions for submittal. The BAFO negotiation may be used to assist OGB in clarifying the scope of services and/or to obtain the most cost-effective pricing, performance guarantees, and other negotiable terms available.

**The written invitation to participate in BAFO will not obligate OGB to enter into a Contract.**

### ***1.30 Contract Award and Execution***

OGB/State reserves the right to enter into a Contract without further discussion of the Proposal submitted based on the initial Proposals received.

The RFP(s), including any addenda added, and the selected Proposal shall become part of the Contract(s) initiated by OGB/State.

Each selected Proposer shall be expected to enter into a Contract that is substantially the same as Attachment I, Sample Contract. A Proposer shall not submit its own standard contract terms and conditions as a response to this RFP. The Proposer should submit with its Proposal any exceptions or exact Contract deviations that it wishes to negotiate. Additionally, the selected Proposer shall execute a Business Associate Addendum that is substantially the same as Attachment II. Negotiations may coincide with the announcement of the selected Proposer.

If the Contract negotiation period exceeds twenty (20) business days or if a selected Proposer fails to sign the final Contract presented by OGB within ten (10) business days of delivery from OGB/State, OGB/State may elect to cancel the award and award the Contract to the next-highest-ranked Proposer.

### ***1.31 Notice of Intent to Award***

The Evaluation Team shall compile the scores and make a recommendation to the OGB CEO on the basis of the responsive and responsible Proposer with the highest score.

OGB/State will notify the successful Proposer(s) in writing by “Notice of Intent to Award” letter and proceed to negotiate terms for final Contract(s). The “Notice of Intent to Award” letter is the notification of the award, contingent upon approval by the Division of Administration, Office of State Procurement, and any other approvals required by applicable law, and successful negotiation and execution of a written Contract. Unsuccessful Proposers will be notified in writing accordingly.

The Proposals received (except for that information appropriately designated as confidential or trade secret in accordance with La. R.S. 44.1, *et. seq.*), evaluation of Proposers’ strengths and weaknesses, including the list of criteria used and the weight assigned each criterion, and scores of each considered Proposal shall be made available, upon request, to all interested parties after the “Notice of Intent to Award” letter has been issued.

Any person aggrieved by the proposed award has the right to submit a protest in writing, in accordance with La. R.S. 39:1671, to the Chief Procurement Officer, within fourteen (14) calendar days after the agency issues a Notice of Intent to Award contract. The “Notice of Intent to Award” letter starts the protest period.

The award of any Contract shall be subject to the approval of the Division of Administration, Office of State Procurement, and other approvals required by applicable law.

### ***1.32 Right to Prohibit Award***

In accordance with the provisions of La. R.S. 39:2192, any public entity shall be authorized to reject a Proposal from, or not award a Contract to, a business in which any individual with an ownership interest of five percent (5%) or more, has been convicted of, or has entered a plea of

guilty or nolo contendere to, any state felony or equivalent federal felony crime committed in the solicitation or execution of a Contract or RFP awarded under the laws governing public contracts under the provisions of Chapter 10 of Title 38 of the Louisiana Revised Statutes of 1950, and all contracts under Title 39, Chapter 17 of the Louisiana Procurement Code, including contracts for professional, personal, consulting, and social services.

### ***1.33 Insurance Requirements for Contractors***

The Contractor shall purchase and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives, employees or subcontractors.

#### **A. MINIMUM SCOPE AND LIMITS OF INSURANCE**

##### **1. Workers Compensation**

Workers Compensation insurance shall be in compliance with the Workers Compensation law of the State of the Contractor's headquarters. Employers Liability is included with a minimum limit of \$1,000,000 per accident/per disease/per employee. If work is to be performed over water and involves maritime exposure, applicable LHWCA, Jones Act, or other maritime law coverage shall be included. A.M. Best's insurance company rating requirement may be waived for workers compensation coverage only.

##### **2. Commercial General Liability**

Commercial General Liability insurance, including Personal and Advertising Injury Liability and Products and Completed Operations, shall have a minimum limit per occurrence of \$1,000,000 and a minimum general annual aggregate of \$2,000,000. The Insurance Services Office (ISO) Commercial General Liability occurrence coverage form CG 00 01 (current form approved for use in Louisiana), or equivalent, is to be used in the policy. Claims-made form is unacceptable.

##### **3. Professional Liability (Errors and Omissions)**

Professional Liability (Error & Omissions) insurance, which covers the professional errors, acts, or omissions of the Contractor, shall have a minimum limit of \$1,000,000. Claims-made coverage is acceptable. The date of the inception of the policy must be no later than the first date of the anticipated work under this contract. It shall provide coverage for the duration of this contract and shall have an expiration date no earlier than 30 days after the anticipated completion of the contract. The policy shall provide an extended reporting period of not less than 36 months from the expiration date of the policy, if the policy is not renewed.

##### **4. Automobile Liability**

Automobile Liability Insurance shall have a minimum combined single limit per accident of \$1,000,000. ISO form number CA 00 01 (current form approved for use in Louisiana), or equivalent, is to be used in the policy. This insurance shall include third-party bodily injury and property damage liability for owned, hired and non-owned automobiles.

5. **Cyber Liability**

Cyber liability insurance, including first-party costs, due to an electronic breach that compromises the State's confidential data shall have a minimum limit per occurrence of \$1,000,000. Claims-made coverage is acceptable. The date of the inception of the policy must be no later than the first date of the anticipated work under this contract. It shall provide coverage for the duration of this contract and shall have an expiration date no earlier than 30 days after the anticipated completion of the contract. The policy shall provide an extended reporting period of not less than 36 months from the expiration date of the policy, if the policy is not renewed. The policy shall not be cancelled for any reason, except non-payment of premium.

**B. DEDUCTIBLES AND SELF-INSURED RETENTIONS**

Any deductibles or self-insured retentions must be declared to and accepted by OGB. The Contractor shall be responsible for all deductibles and self-insured retentions.

**C. OTHER INSURANCE PROVISIONS**

The policies are to contain, or be endorsed to contain, the following provisions:

1. Commercial General Liability, Automobile Liability, and Cyber Liability Coverages

- a. OGB, its officers, agents, employees and volunteers shall be named as an additional insured as regards negligence by the contractor. ISO Forms CG 20 10 (for ongoing work) AND CG 20 37 (for completed work) (current forms approved for use in Louisiana), or equivalents, are to be used when applicable. The coverage shall contain no special limitations on the scope of protection afforded to the Agency.
- b. The Contractor's insurance shall be primary as respects the Agency, its officers, agents, employees and volunteers for any and all losses that occur under the contract. Any insurance or self-insurance maintained by the Agency shall be excess and non-contributory of the Contractor's insurance.

2. Workers Compensation and Employers Liability Coverage

To the fullest extent allowed by law, the insurer shall agree to waive all rights of subrogation against the Agency, its officers, agents, employees and volunteers for losses arising from work performed by the Contractor for the Agency.

3. All Coverages

- a. All policies must be endorsed to require 30 days written notice of cancellation to the Agency. Ten-day written notice of cancellation is acceptable for non-payment of premium. Notifications shall comply with the standard cancellation provisions in the Contractor's policy. In addition, Contractor is required to notify Agency of policy cancellations or reductions in limits.

- b. The acceptance of the completed work, payment, failure of the Agency to require proof of compliance, or Agency's acceptance of a non-compliant certificate of insurance shall not release the Contractor from the obligations of the insurance requirements or indemnification agreement.
- c. The insurance companies issuing the policies shall have no recourse against the Agency for payment of premiums or for assessments under any form of the policies.
- d. Any failure of the Contractor to comply with reporting provisions of the policy shall not affect coverage provided to the Agency, its officers, agents, employees and volunteers.

**D. ACCEPTABILITY OF INSURERS**

- 1. All required insurance shall be provided by a company or companies lawfully authorized to do business in the jurisdiction in which the Project is located. Insurance shall be placed with insurers with an A.M. Best's rating of **A-:VI or higher**. This rating requirement may be waived for workers compensation coverage only.
- 2. If at any time an insurer issuing any such policy does not meet the minimum A.M. Best rating, the Contractor shall obtain a policy with an insurer that meets the A.M. Best rating and shall submit another Certificate of Insurance within 30 days.

**E. VERIFICATION OF COVERAGE**

- 1. Contractor shall furnish the Agency with Certificates of Insurance reflecting proof of required coverage. The Certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The Certificates are to be received and approved by the Agency before work commences and upon any contract renewal or insurance policy renewal thereafter.
- 2. The Certificate Holder Shall be listed as follows:  
  
State of Louisiana  
Office of Group Benefits, Its Officers, Agents, Employees and Volunteers  
Address, City, State, Zip  
Project or Contract #:
- 3. In addition to the Certificates, Contractor shall submit the declarations page and the cancellation provision for each insurance policy. The Agency reserves the right to request complete certified copies of all required insurance policies at any time.
- 4. Upon failure of the Contractor to furnish, deliver and maintain required insurance, this contract, at the election of the Agency, may be suspended, discontinued or terminated. Failure of the Contractor to purchase and/or maintain any required insurance shall not

relieve the Contractor from any liability or indemnification under the contract.

#### **F. SUBCONTRACTORS**

Contractor shall include all subcontractors as insureds under its policies OR shall be responsible for verifying and maintaining the Certificates provided by each subcontractor. Subcontractors shall be subject to all of the requirements stated herein. The Agency reserves the right to request copies of subcontractor's Certificates at any time.

#### **G. WORKERS COMPENSATION INDEMNITY**

In the event Contractor is not required to provide or elects not to provide workers compensation coverage, the parties hereby agree that Contractor, its owners, agents and employees will have no cause of action against, and will not assert a claim against, the State of Louisiana, its departments, agencies, agents and employees as an employer, whether pursuant to the Louisiana Workers Compensation Act or otherwise, under any circumstance. The parties also hereby agree that the State of Louisiana, its departments, agencies, agents and employees shall in no circumstance be, or considered as, the employer or statutory employer of Contractor, its owners, agents and employees. The parties further agree that Contractor is a wholly independent contractor and is exclusively responsible for its employees, owners, and agents. Contractor hereby agrees to protect, defend, indemnify and hold the State of Louisiana, its departments, agencies, agents and employees harmless from any such assertion or claim that may arise from the performance of this contract.

#### ***1.34 Indemnification and Defense***

- (a) Contractor shall be fully liable for its own actions and the actions of its agents, employees, partners and subcontractors and shall fully protect, defend, and indemnify the State, all State departments, Agencies, Boards, and Commissions, its officers, trustees, employees, servants, subcontractors, agents, and volunteers (collectively the "State"), from and against any and all losses, claims, demands, liabilities, suits, actions, damages, costs, fines, penalties, judgments, forfeitures, assessments, expenses, obligations (including attorneys' fees), and other liabilities of every name and description ("Claims/Costs") relating to personal injury or death to any person or damages, loss, or destruction of any real or tangible property which may occur, or in any way arise out of, any act or omission of Contractor, its employees, agents, partners, or subcontractors/vendors. Contractor shall not be required to indemnify for that portion of any Claim/Cost arising due solely to the negligent or intentional act or failure to act of the State.
- (b) Contractor shall further indemnify and defend the State from and against any Claims/Costs resulting from any violation of or failure to comply with any state or federal law, or other legal or Contract requirement to the extent caused by Contractor, its agents, employees, partners or subcontractors. Contractor shall not be required to indemnify for that portion of any Claim/Cost arising due solely to the negligent or intentional act or failure to act of the State.
- (c) Contractor shall fully protect, defend, and indemnify, the State from and against all

adverse federal and state tax consequences, loss, liability, damage, expense, attorneys' fees or other obligations resulting from, or arising out of, any act or omission by Contractor in connection with this Contract, including but not limited to other obligations resulting from or arising out of any premium charge, tax, or similar assessment by federal, state, and local governmental authorities, for which Contractor is liable.

- (d) If applicable, Contractor will protect, defend, and indemnify, the State, its officers, trustees, employees, servants, subcontractors, agents, and volunteers, from and against all Claims/Costs which may be assessed against the State in any action for infringement of a United States Letter Patent with respect to the products furnished, or of any copyright, trademark, trade secret or intellectual property right, in relation to the Contract provided that the State shall give Contractor: (i) prompt written notice of any action, claim or threat of infringement suit, or other suit; (ii) the opportunity to take over, settle or defend such Claim/Cost at Contractor's sole expense; and (iii) reasonable assistance in the defense of any such action at the expense of Contractor. Where a Claim/Cost arises relative to a real or anticipated infringement, the State, its officers, trustees, employees, servants, subcontractors, agents, and/or volunteers, may require Contractor, at its sole expense, to submit such information and documentation, including formal patent attorney opinions, as to such infringement claim as the State deems necessary.
- (e) In addition to the foregoing remedies for patent infringement Claims/Costs, if the use of the product, material, or service or part(s) thereof shall be enjoined for any reason or if Contractor believes that such use may be enjoined, Contractor shall have the right, at its own expense and sole discretion to take action in the following order of precedence: (i) to procure for the State the right to continue using such product, material, or service or part(s) thereof, as applicable, under the same terms and conditions as provided in the Contract; (ii) to modify the product, material, or service so that it becomes a non-infringing product, material, or service of at least equal quality and performance, in the State's sole opinion; (iii) to replace the product, material, or service or part(s) thereof, as applicable, with non-infringing components of at least equal quality and performance, in the State's sole opinion; or (iv) if none of the foregoing is commercially reasonable, provide monetary compensation to the State.
- (f) Contractor agrees to indemnify and defend the State from all Claims/Costs relating to Contractor's or its subcontractors' fault or negligence, including, but not limited to, any claims relating to the failure of Contractor to provide services or fulfill obligations as specified in the Contract due to financial hardship or insolvency.
- (g) Contractor agrees to investigate, handle, respond to, provide defense for and defend any Claims/Costs at its sole expense and agrees to bear all other costs and expenses related thereto, even if the Claims/Costs are groundless, false or fraudulent.
- (h) The State may, in addition to other remedies available to the State, its officers, trustees, employees, servants, subcontractors, agents, and/or volunteers at Law or equity and upon notice to Contractor, retain such monies from amounts due Contractor as may be necessary to satisfy any Claims/Costs asserted by or against the State, its officers, trustees, employees, servants, subcontractors, agents, and/or volunteers, for which Contractor owes indemnification and/or defense pursuant to this Section.

## ***1.35 Payment***

### ***1.35.1 Payment Terms***

In consideration of the services required by the Contract, OGB/the State hereby agrees to pay to Contractor a maximum fee to be determined after Contract award and negotiation for work performed during the term of the Contract. This fee is inclusive of travel and all Contract-related expenses. The payments are predicated upon successful completion by Contractor of the described services and deliverables as provided in the Contract and written approval by OGB. Contractor will not be paid more than the maximum amount of the Contract. **No payments will be made by OGB on banking or State holidays.**

The methods of payment may be via (i) EFT, a method in which payment is sent directly from the State's bank to the payee's bank, or (ii) wire transfer, a same day electronic funds transfer from OGB/State's bank account to the payee's bank account. See Attachment IX, Electronic Funds Transfer Solution, for additional information regarding electronic payment methods and registration.

**Claims Payments.** OGB will not provide advance funding for payment of claims. The Contractor shall submit weekly invoices for reimbursement of claims no later than 12:00 p.m. CT on the established billing day, with an accompanying check register (claims disbursements) showing all paid claims and any other supporting documentation necessary to substantiate invoiced costs. Separate invoices shall be prepared with respect to claims for each Plan offering. Upon receipt and validation of each claims invoice, OGB shall wire the undisputed amount within seven (7) business days of receipt. If the invoice(s) and electronic check register(s) do not reconcile, payment of the disputed amount will be made within seven (7) business days of successful reconciliation. If OGB questions the amount, OGB will notify the Contractor of its questions regarding said amount, and Contractor shall make a reasonable effort to respond to such questions within five (5) business days.

Contractor may not suspend or fail to render payments to participating pharmacies or to OGB Plan Participants within the timeframes provided by applicable law because of non-payment or late payment by OGB. Such payments by Contractor shall not constitute a waiver of any of Contractor's remedies with respect to non-payment. Should Contractor fail to make payments within the timeframes provided by applicable law, Contractor shall be liable to OGB for any penalties or fees that OGB may incur as a result of such inaction by Contractor.

**Administrative Fees.** Contractor will invoice OGB monthly for all fees and charges earned by Contractor set forth in RFP Attachment XIII: Cost Proposal Template, unless lower fees are negotiated, which may be included on the same invoice as claims payments or reflected in a separate invoice. Upon receipt and validation of Contractor's invoice for administrative fees, OGB shall pay undisputed fees by wire transfer within seven (7) business days of receipt. Any monthly fees will be charged the month following the month in which the service is provided. If OGB disputes the amount, OGB will notify the Contractor of its questions regarding said amount, and Contractor shall make a reasonable effort to respond to such questions within five (5) business days.

During the term of the Contract and at expiration, the Contractor will be required to report Veteran-Owned and Service-Connected Disabled Veteran-Owned and Hudson Initiative small

entrepreneurship subcontractor or distributor participation and the dollar amount of each, if applicable.

### ***1.36 Termination of the Contract for Cause***

State may terminate this Contract for cause based upon the failure of the Contractor to comply with the terms and/or conditions of the Contract; provided the State shall give the Contractor written notice specifying the Contractor's failure. If within thirty (30) calendar days after receipt of such notice, the Contractor shall not have either corrected such failure or, in the case of failure which cannot be corrected in thirty (30) calendar days, begun in good faith to correct said failure and thereafter proceeded diligently to complete such correction, then the State may, at its option, place the Contractor in default and the Contract shall terminate on the date specified in such notice. If the date or receipt of such notice can be determined, the presumed date of receipt will be seven days from the date of proof of mailing. Failure to perform within the time agreed upon in the Contract may constitute default and may cause cancellation of the Contract.

#### ***1.36.1 Termination of the Contract for Convenience***

The State may terminate the Contract at any time without penalty by giving thirty (30) calendar days' written notice to the Contractor of such termination or negotiating with the Contractor an effective date. Contractor shall be entitled to payment for deliverables in progress, to the extent work has been performed satisfactorily.

#### ***1.36.2 Termination for Non-Appropriation of Funds***

The continuation of this Contract is contingent upon the appropriation of funds by the Louisiana Legislature to fulfill the requirements of the Contract, as applicable. If the Legislature fails to appropriate sufficient monies to provide for the continuation of the Contract, or if such appropriation is reduced or eliminated by the veto of the Governor or by any means provided in the Appropriations Act of Title 39 of the Louisiana Revised Statutes of 1950 to prevent the total appropriation for the year from exceeding revenues for that year, or for any other lawful purpose, and the effect of such reduction is to provide insufficient monies for the continuation of the Contract, the Contract shall terminate on the date of the beginning of the first fiscal year for which funds have not been appropriated.

### ***1.37 Market Check Provision***

OGB reserves the right to exercise an annual market check throughout the Contract term to assess and verify the competitiveness of the pricing and other terms set forth in the Contract in comparison to that available in the marketplace at that time. OGB may designate a third party of its choosing to complete such market check if it chooses to conduct such. Should the comparison find current market conditions would yield greater than 1.0% savings, the parties will discuss in good faith a revision to the current Contract terms that will at least match the best offer in the marketplace and such revision will go into effect the first day of the upcoming Contract year. If parties are unable to reach agreement on revised terms or other applicable provisions within sixty (60) days from the market check report, OGB may terminate the Contract without penalty (e.g., no loss of rebates earned but not yet paid) upon at least thirty (30) days' prior written notice prior to the beginning of the second and third Contract year, respectively. Benchmarks chosen in the analysis shall be groups with comparable plan design, membership and utilization patterns as OGB, to the extent possible.

### ***1.38 Preferred Client***

If you are awarded the Contract, you agree that OGB will be recognized as a preferred client relationship and will benefit from yearly pricing improvements provided to any other clients in your “book of business”. Essentially, if another client or clients have been offered better pricing than you are offering to OGB in any given year, OGB should not be locked into the less advantageous pricing arrangements and should receive the benefit of any enhancements as well.

### ***1.39 Assignment***

Contractor shall not assign any interest in the Contract by assignment, transfer, novation, or otherwise, without prior written consent of the OGB CEO or his/her delegee. This provision shall not be construed to prohibit Contractor from assigning his bank, trust company, or other financial institution any money due or to become due from approved contracts without such prior written consent. Notice of any such assignment, novation, or transfer shall be furnished promptly to the State Contract Monitor and shall not be binding upon the State until actually received by the State.

### ***1.40 Right to Audit***

The State Legislative Auditor, federal auditors, internal auditors of the Division of Administration and its designated agents, OGB, or others so designated by OGB/State shall be entitled to audit all accounts, procedures, matters, and records of any Contractor or subcontractor/vendor under any negotiated Contract or subcontract directly pertaining to the Contract for a period of five (5) years after final payment under the Contract and for the subcontractor/vendor for a period of five (5) years from the date of final payment under the subcontract, or such longer period as required by applicable laws. Records, including direct read access to databases and all tables, shall be made available during normal business hours for this purpose.

OGB/State has the right to hire an independent third-party auditor, if OGB deems necessary, to review all accounts, procedures, matters, and records, and Contractor and/or subcontractor/vendor shall provide access to all files, information system access, and space access upon request of OGB/State for the third-party auditor selected to perform the indicated audit.

In the event that an examination of records results in a determination that previously paid invoices included charges which were improper or beyond the scope of the Contract, Contractor agrees that the amounts paid to the Contractor shall be adjusted accordingly, and that the Contractor shall within thirty (30) days thereafter issue a remittance to OGB/State of any payments declared to be improper or beyond the scope of the Contract. In combination therewith, or alternatively, OGB/State may offset the amounts deemed improper or beyond the scope of the Contract against Contractor’s outstanding or subsequent invoices, if any.

### ***1.41 Compliance with Laws***

Contractor agrees to abide by the requirements of the following as applicable: Title VI of the Civil Rights Act of 1964 and Title VII of the Civil Rights Act of 1964, as amended by the Equal Employment Opportunity Act of 1972, Federal Executive Order 11246, as amended, the Rehabilitation Act of 1973, as amended, the Vietnam Era Veteran’s Readjustment Assistance Act of 1974, Title IX of the Education Amendments of 1972, the Age Discrimination Act of 1975, the Fair Housing Act of 1968 as amended, and the Americans with Disabilities Act of 1990 as amended.

Contractor agrees not to discriminate in its employment practices, and will render services under this Contract without regard to race, color, religion, sex, national origin, veteran status, political affiliation, disability, or age in any matter relating to employment. Any act of discrimination committed by Contractor, or failure to comply with these statutory obligations when applicable, shall be grounds for termination of this Contract.

### ***1.42 Records***

All records, reports, documents, or other material related to the Contract, delivered or transmitted to the Contractor by OGB or its employees, agents, or authorized vendors, and/or obtained or prepared by Contractor or its subcontractors/vendors in connection with the performance of the services under the Contract shall become records of OGB/State and are referred to herein as “Records.”

Contractor agrees to retain all Records in accordance with all state and federal laws and regulations. Further, Contractor agrees to retain all Records in accordance with OGB’s official retention schedules (the “Schedules”), Attachment VII, until such time as the Records are returned to OGB/State or other disposition is agreed. In the event the applicable law and the Schedules contain different retention periods, the Records shall be kept for the longer period. Records shall be in a format and media as required by applicable law, or as agreed upon by the parties in writing, if allowed by law. The Schedules in place as of the effective date of this Contract are contained in Attachment VII, Records Retention Schedule, and may be amended from time to time as deemed necessary by OGB. To further ensure compliance with the Schedules and Louisiana law, Contractor agrees to abide by the processes outlined in Attachment VIII, Imaging System Survey Compliance and Records Destruction. Contractor shall return the Records to OGB/State, at Contractor’s expense, within seven (7) days of request or in the specific instance of termination or expiration of the Contract, within sixty (60) days after the termination or expiration of the Contract, and shall retain no copies of the Records, unless required by applicable law, provided, the confidentiality and security requirements of this Contract shall apply to such Records as long as retained by the Contractor. Additionally, all State data must be sanitized from Contractor’s (and its vendors’) systems in compliance with the most current revision of NIST SP 800-66.

### ***1.43 Entire Agreement/Order of Precedence***

The Contract, together with the RFP and addenda issued thereto by OGB/State, the Proposal submitted by the Contractor in response to the RFP, and any exhibits specifically incorporated herein by reference, shall constitute the entire agreement between the parties with respect to the subject matter.

In the event of any inconsistent or incompatible provisions, the signed Contract (excluding the RFP and the Contractor’s Proposal) shall take precedence, followed by the provisions of the RFP, and then by the terms of the Contractor’s Proposal.

### ***1.44 Contract Modifications***

No amendment or variation of the terms of the Contract shall be valid unless made in writing, signed by the parties and approved as required by applicable law. No oral understanding or agreement not incorporated in the Contract shall be binding on any of the parties.

### ***1.45 Substitution of Personnel***

The Contractor's personnel assigned to the Contract shall not be replaced without the prior written consent of the State. Such consent shall not be unreasonably withheld or delayed provided an equally qualified replacement is offered. In the event any Contractor personnel become unavailable due to resignation, illness, or other factors, excluding assignment to projects outside the Contract, outside of the Contractor's reasonable control, as the case may be, the Contractor shall be responsible for providing an equally qualified replacement in time to avoid delays in providing services. When possible, Contractor will give OGB a minimum of sixty (60) days' advance written notice of any changes in OGB's account management team, and a description of the training for new team members. Reasonable exceptions would apply in situations beyond Contractor's control (i.e., resignation/termination with less than sixty (60) days' notice). OGB reserves the right to request changes to any of the assigned personnel based on unsatisfactory performance levels as determined by OGB. Additionally, OGB will be provided with the opportunity to interview any new team member(s).

### ***1.46 Governing Law***

The Contract shall be governed by and enforced in accordance with the laws of the State of Louisiana, including but not limited to La. R.S. 39:1551-1736 (Louisiana Procurement Code, as applicable). After exhaustion of any available administrative remedies, the exclusive venue of any action brought with regard to this Contract shall be in the Nineteenth Judicial District Court, Parish of East Baton Rouge, State of Louisiana.

### ***1.47 Claims or Controversies***

Any claim or controversy arising out of the Contract shall be resolved by the provisions of La. R.S. 39:1672.2-1672.4.

### ***1.48 Code of Ethics***

Proposers shall ensure that there will be no conflict or violation of the Louisiana Ethics Code if awarded the Contract. The Louisiana Board of Ethics is the only entity which can officially rule on ethics issues.

### ***1.49 Corporate Requirements***

If the Contractor is a corporation not incorporated under the laws of the State of Louisiana, Contractor shall have obtained a certificate of authority pursuant to La. R.S. 12:301-302 from the Louisiana Secretary of State. If the Contractor is a for-profit corporation whose stock is not publicly traded, the Contractor shall ensure that a disclosure of ownership form has been properly filed with the Louisiana Secretary of State.

### ***1.50 Prohibition of Discriminatory Boycotts of Israel***

In preparing its response, the Proposer has considered all proposals submitted from qualified, potential subcontractors and suppliers, and has not, in the solicitation, selection, or commercial treatment of any subcontractor or supplier, refused to transact or terminated business activities, or taken other actions intended to limit commercial relations, with a person or entity that is engaging in commercial transactions in Israel or Israeli-controlled territories, with the specific intent to accomplish a boycott or divestment of Israel. Proposer also has not retaliated against any person or other entity for reporting such refusal, termination, or commercially limiting actions. The State

reserves the right to reject the response of the Proposer if this certification is subsequently determined to be false, and to terminate any Contract awarded based on such a false response.

### ***1.51 Performance Bond***

Unless issuance of such bond is against applicable law, Contractor shall provide a performance (surety) bond in an amount determined by OGB of no more than one hundred percent (100%) of the annual contracted fees to ensure the successful performance under the terms and conditions of the Contract. The performance bond shall be written by a surety or insurance company currently on the U.S. Department of the Treasury Financial Management Services list of approved companies which is published annually in the Federal Register, or by a Louisiana-domiciled insurance company with at least an A-rating to write individual bonds up to ten percent (10%) of policyholders' surplus as shown in the latest A.M. Best's Key Rating Guide. In addition, any performance bond furnished shall be written by a surety or insurance company that is currently licensed to do business in the State of Louisiana.

The performance bond is to be provided at least thirty (30) working days prior to the effective date of the Contract. Failure to provide within the time specified may cause the Contract to be cancelled.

## **2 SCOPE OF SERVICES**

### ***2.1 Scope of Services***

The Contractor shall provide Pharmacy Benefit Manager services for Plan Participants enrolled in the OGB self-funded Plans other than the Pelican HSA 775. The participating Plans include the Magnolia Local Plus, the Magnolia Local, the Magnolia Open Access, and the Pelican HRA 1000.

### ***2.2 Tasks and Services***

The Contractor must possess the knowledge, capability, and resourcefulness to effectively provide PBM services in accordance with all federal, state, and any other applicable laws, regulations, policies, OGB requirements, etc. The Proposer awarded the Contract under this RFP will be responsible for successfully transitioning (in conjunction with OGB and the incumbent contractor) to being the Contractor responsible for completing all required services. The Contractor shall provide competent and qualified staff to work on the scope of services under the Contract.

The Contractor will be responsible for ensuring the accuracy, timeliness, and completion of all tasks assigned under the resulting Contract. OGB reserves the right to modify or delete the tasks and services listed prior to and during the term of the Contract, subject to the approval of the OGB CEO, Office of State Procurement, and any other approval required by law.

At a summary level, these tasks include:

1. Implementation services
2. General Support Services
3. Pharmacy Benefit Manager Services

Below is a list of minimum services the Contractor shall be responsible for providing under the Contract resulting from this RFP:

#### **Task (1): Implementation**

- Assign a dedicated implementation team to manage the implementation process and the transition of services from the incumbent contractor.
- Work with OGB and incumbent contractor to transfer competencies and operational expertise essential to administering OGB's pharmacy benefits program with minimal interruption to Plan Participants.
- Perform all tasks necessary to complete the pre-implementation audit (including follow-up test claims) at least ten (10) days prior to the effective date. This assumes OGB will sign off on the benefit set up at least thirty (30) days in advance of the Plan effective date.
- Provide an implementation credit to OGB to offset OGB's expense associated with the RFP, transition, and ongoing services, see Attachment XVI: Credits and Allowances on cost proposal spreadsheet. In no case shall OGB be required to repay all or a portion of the used or unused implementation credit. Contractor will track such services and provide OGB a quarterly report, upon request, of current utilization and remaining balance, if any, of the implementation credit. Any remaining balance will not expire and be available for use during the term of this Contract.
- Establish and implement data utilization edits that identify and deny duplicate claims, claims filed too soon, claims requiring authorization when such authorization is not in place, as well as messages to the pharmacist for review and approval or denial of the claim(s) due to safety issues.
- Facilitate system programming including, but not limited to, data collection from OGB; file transfer set-up between OGB and Contractor; and data transfer and mapping. If Contractor requires file mapping and/or subsequent updates, this service will be provided by Contractor at no additional cost to OGB. **Files must be sent electronically to the OTS MOVEit DMZ Secure FTP server utilizing a security file transport protocol; the preference is FTPS. All files must be encrypted using Public Key Infrastructure (PKI) with a prior exchange of Public Key(s), commonly referred to as PGP encryption. The encrypted file(s) must have an extension of "pgp". The encryption key must have an expiration of no longer than five (5) years from the creation date and be approved by the OTS InfoSec Team. All files must be encoded as an ASCII text file prior to encryption.**
- Provide file data in a layout format designated by OGB to include, but not be limited to, Drug Claims File, Prior Authorization Review File, Appeals Determination File, and Out of Pocket Maximum. The Contractor must accept OGB's designated file layout. File layouts will be provided at no cost to OGB. **Files must be sent electronically to the OTS MOVEit DMZ Secure FTP server utilizing a security file transport protocol; the preference is FTPS. All files must be encrypted using Public Key Infrastructure (PKI) with a prior exchange of Public Key(s), commonly referred to as PGP encryption. The encrypted file(s) must have an extension of "pgp". The encryption key must have an expiration of no longer than five (5) years from the creation date and be approved by the OTS InfoSec Team. All files must be encoded as an ASCII text file prior to encryption.**
- Mail identification cards ("ID Cards") to the homes of newly enrolled EGWP Plan Participants within four (4) calendar days of receipt of the eligibility. Contractor will be responsible for cost of reproducing ID Cards and priority mail shipping in the event of Contractor errors and/or initiated changes.

- Mail welcome kits to the homes of newly enrolled Plan Participants within four (4) calendar days upon receipt of eligibility.
- Integrate with selected contractor(s) accurately and timely for the administration of the Plan, including the health claims administrator and COBRA administrator, for the purpose of out-of-pocket maximum accumulation. **Ensure that out-of-pocket maximum accumulation integration with selected contractor(s) as defined by OGB is successful prior to the “Go-Live” date, at no additional cost.**
- Provide ten (10) read only access codes to the online eligibility, claims payment and/or standard and ad hoc reporting systems(s) (collectively, the “System”) which will allow OGB’s specified personnel to view and/or extract information residing in the System on an individual, Plan level, and account structure basis. Training to OGB personnel will be provided by the Contractor’s Account Management Team on-site at OGB.
- Conduct project status implementation meetings with the Contract Monitor on-site, or via teleconference.
- Perform comprehensive systems testing and quality assurance audits, with results reported to OGB prior to the “Go-Live” date, at no additional cost.
- Ensure successful and timely completion of all tasks necessary to begin performance of the Contract on January 1, 2021, 12:00 am CT.

## **Task (2): General Support Services**

- Adhere to all provisions outlined and requested in the Attachment III: Technical Questionnaire.
- Provide a dedicated Account Executive and/or Operational Account Manager that will provide day-to-day management of project tasks and activities, coordination of Proposer’s employees, and possess the technical and functional knowledge to direct all aspects of the project. Also, the Account Executive must have at least one (1) back-up staff member designated to handle the overall responsibility of OGB. Assist OGB in complying with grievance and appeal procedures adopted by OGB as outlined in the Plan. The Contractor will be responsible for resolution of appeals specific to Covered Benefits, medical necessity, and external reviews consistent with the appeals program and Plan Participant requested reviews of prescription drug denials as allowed by and in accordance with all applicable Law.
- Provide support around account strategy, Plan Participant inquiries, issue resolution, reports and other requested projects and deliverables.
- Provide an annual service cycle plan as well as an ongoing task log with timelines for all deliverables and weekly status update meetings in person or via teleconference.
- Attend all on-site quarterly meetings four times per calendar year at OGB. The meetings shall be held no later than sixty (60) days following quarter end. The Account Management Team will provide for OGB approval a draft agenda at least ten (10) business days in advance of a meeting to allow changes to the agenda and a reasonable opportunity to prepare for the meeting.
- Maintain an ongoing process log that will document all benefit and system programming changes, which will be provided to OGB within five (5) business days of any change.

- Upon OGB request, the Contractor will be required to work with the appointed OGB actuary, other selected OGB contractors, employees from the Division of Administration, and the OGB staff for management of the program.
- Investigate any activity, prescription related or otherwise relating to the Plan, which it believes to be fraudulent or abusive whenever detected by the Contractor or brought to the attention of the Contractor by OGB or other persons. The Contractor shall have established procedures and system edits to aggressively monitor and proactively search for cases and potential cases of fraud and abuse including providing OGB with a quarterly report of fraud activities and discoveries relating to the resulting Contract.
- Assist OGB in responding to inquiries received from Plan Participants, pharmacy providers, or other persons. Such requests shall be 1) given priority status; 2) subject to a method of tracking approved by OGB; and 3) result in the delivery of all requested information, documentation, etc. When immediate responses are required, the Contractor shall assist OGB in preparing its reply including providing data and documentation within the timeframes prescribed by OGB for a specific inquiry.
- Provide immediate online real-time manual eligibility updates for urgent requests by OGB staff.
- Make available all necessary resources to assist OGB in responding to legislative inquiries and requests including, but not limited to, the Account Management Team, analytics and outcomes, and government relations department. The Contractor shall respond within the timeframe set by OGB, which will be determined at the time of the inquiry depending upon the scope and complexity of the request.
- Provide knowledgeable staff to attend statewide annual/special enrollments and any other informational meetings as scheduled by OGB as well as prepare, print, and distribute communication materials.
- Provide advisory services to OGB regarding actual or pending state and federal laws, regulations, policies, procedures, and rules specific to self-funded plans for pharmacy benefit management, pharmacy and prescription drugs, other topics related to the provisions of this Plan and provide OGB with interpretation as to the impact of such laws or regulations on the Plan.
- Subject to OGB's customization and approval, the Contractor will be responsible for the development of pharmacy benefit information including, but not limited to 1) annual and special enrollment brochures and promotions; 2) other Plan-related printed materials (i.e., promotional, Plan Participant education, ID Cards, benefit brochures, claim forms, clinical program notices and letters, pre-formatted letters, system generated letters and notifications, correspondence forms, and other written materials and forms). The Contractor will be responsible for all costs associated with designing, writing, printing, distributing, and mailing all such information.
- Upon request of the Plan Participant, provide printed materials in a medium widely accepted and in compliance with all applicable anti-discrimination Laws.
- Provide website that is specific to OGB and that is in compliance with all applicable anti-discrimination Laws.
- Provide all printed material in electronic format with final version submitted to OGB in PDF file format.
- Provide dedicated Customer Service Representatives ("CSR") to research and resolve, to the satisfaction of OGB, benefits, Claims payment, denial inquiries and complaints

submitted by Plan Participants, pharmacies, and OGB. CSR must have the ability to gather and analyze data, create an historical picture, including a timeline of Claim activity for the individual Plan Participant, and develop appropriate correspondence for complicated Claim issues that are appealed to OGB

- Furnish a dedicated toll-free number for incoming customer service calls, including telephone technology for the hearing impaired and multi-lingual support. The dedicated call center for pharmacies, Plan Participants, and account management must be staffed and available to receive calls 24/7.
- Upon request, provide digital recordings of phone calls within two (2) business days of request.
- Document and maintain a service disruption/continuity of operations plan or procedure to continue customer service activities and all other business operations when existing service is temporarily unavailable due to either scheduled or unforeseen events (i.e., repairing/restoring utility or power supply, upgrading phone systems, and other events). OGB must be notified in advance for scheduled disruptions and within twenty-four (24) hours of occurrence for other events.
- Written communications to Plan Participants that have not been previously approved by OGB will be subject to OGB's approval prior to distribution. Such changes are subject to OGB approval prior to implementation. OGB will review prior approvals annually to ensure no change in information, legal requirements as to OGB, etc.
- Conduct annual Plan Participant(s) and OGB satisfaction surveys and report results to OGB. The survey tools are subject to OGB's approval.
- Meet with OGB staff in person or via teleconference, on at least a weekly basis to review and evaluate Contract administration. This schedule may be modified by OGB.
- Notify OGB within five (5) business days of receipt of any class action notice and/or knowledge of other lawsuits related to the services provided hereunder in which the Contractor determines OGB could have an interest and provide copy of such to OGB. Contractor is not authorized to file such claims on behalf of OGB without OGB's express written consent. Contractor will provide claims data and reporting to use in filing for refunds or to participate in any such action or litigation at no additional costs.
- Contractor must notify the applicable state authority (i.e., state treasurer, etc.) and escheat any unclaimed property upon the expiration of the statutory time period for escheatment.

### **Task (3): Pharmacy Benefit Manager Services**

- Provide prescription benefit management services including, but not necessarily limited to, general support and advisory services regarding pharmacy benefit design and implementation, Formulary management, network and rebate management, administrative and claims processing services, clinical management programs, reporting, marketing, customer service, quality management, and utilization management functions.
- Provide network access to licensed and in good standing Louisiana pharmacies without an access fee.
- Perform all aspects of Claims processing, coordination of benefits including non-Medicare and Medicare, Claims reimbursement, point-of-sale transactions, adjudication, and payment. The Contractor shall verify benefits and eligibility before authorizing prescriptions and paying Claims.

- Provide a process for reimbursing Plan Participants through electronic submission and paper reimbursement form.
- Provide a full Claims file feed to all vendors designated by OGB including, but not limited to, OGB's actuary and third-party claims administrator of self-insured health plans, as requested by OGB at no additional cost and in the format specified by OGB. File layouts will be provided at no cost to OGB.
- Modify Formulary as requested by OGB and communicate such modifications as necessary by transmitting disruption letters to those Plan Participants impacted by Formulary changes.
- Manage the current pharmacy benefit plan design and any changes implemented by OGB. Benefit design and coverage for supplies and prescriptions can be modified as needed and requested by OGB to align with associated health/medical programs, such as disease management and diabetic care.
- Provide innovative savings solutions for the prescription drug plan, including a detailed overview of the design and scope of the solution.
- Provide a process flow of the solution, from identification of potential savings, outreach to plan participants and providers, and data regarding savings realized by the plan and participants.
- Provide retail network (30 and 90 day), mail order, and specialty pharmacy services.
- Comprehensive management of the EGWP, including the ability to maintain benefits for OGB retirees who are awaiting EGWP approval by CMS with 100% adherence to all CMS guidelines. Any funds received applicable to Plan Participants in Medicare Part D will be remitted to OGB within ten (10) business days of receipt from CMS and the appropriate files will be provided for purposes of reconciliation.
- Review, clarify, edit as necessary, and confirm the accuracy of all prescription drug program information included in the annual benefit guide and website as requested by OGB. The Contractor shall respond within the timeframe set by OGB, which will be determined at the time of the request.
- Communicate as necessary with those Plan Participants on Plan Participant disruption letters to those impacted by quarterly Formulary changes.
- Perform all aspects of claims processing, coordination of benefits including non-Medicare and Medicare, claims reimbursement, point-of-sale transactions, adjudication, and payment. The Contractor shall verify benefits and eligibility before authorizing prescriptions and paying claims.
- Support any deductible or out-of-pocket maximum cross accumulation in a mutually agreed format to ensure compliance with the Patient Protection and Affordable Care Act ("PPACA").
- Process run-on Claims for eligible OGB Plan Participants incurred prior to but not processed as of the effective date of the resulting Contract at OGB's request.
- Process claims for eligible OGB Plan Participants incurred prior to but not processed as of the termination of the resulting Contract and received not more than one (1) year following Contract termination ("run-off services"). At OGB's request, the handling of such claims may be transitioned to a successor appointed by OGB prior to the end of the run-off period, and the Contractor shall cooperate in transitioning such services to any successor appointed by OGB. Further, Contractor will continue to process all claims and appeals for claims

incurred prior to termination of the resulting Contract during the one (1) year run-off period following termination, unless otherwise transitioned to a successor appointed by OGB.

- Provide membership eligibility/enrollment, co-payment/coinsurance and benefit coverage information, supplied by OGB or its designated agent in mutually agreed format, available to network Pharmacies on a weekly basis at the time of dispensing through the online electronic transmission link maintained between the Contractor and pharmacies to assure claims are processed appropriately
- Provide 24/7 access to online portal, except for scheduled maintenance, to Plan Participants for activities such as Claim submission, account monitoring, communications requested and approved by OGB, Formulary, and any other information required by state and federal Laws. All outages in excess of one (1) hour should be promptly reported to the Contract Monitor.
- Provide web-based tools that will help educate Plan Participants on the benefit plan design and assist in calculating and tracking the cost and utilization of their prescribed drug through all delivery channels (i.e., retail 30, retail 90, specialty, and mail service). The tool(s) must also provide alternative suggestions for more cost-effective medication within the same therapeutic class.
- Unless Louisiana Law requires greater notice, provide advance written notice to OGB no later than ninety (90) days prior to any anticipated Formulary change, with written notice also to be sent to the address of impacted Plan Participants no later than sixty (60) days prior to the effective date of any change. For purposes of this requirement, Plan Participant shall include any Plan Participant who has had a prescription filled for the impacted medication(s) within the last ninety (90) calendar days or has an active refill on file. Written communications to Plan Participants will be subject to OGB's approval prior to distribution. Such changes are subject to OGB approval prior to implementation.
- Unless Louisiana Law requires greater notice, provide advance written notice to OGB no later than ninety (90) days prior to any anticipated material change(s) to the retail pharmacy network, mail order pharmacy, and/or specialty pharmacy with written notice also to be sent to the address of impacted Plan Participants by no later than sixty (60) days prior to the effective date of any change. For purposes of this requirement, Plan Participant shall include any Plan Participant who has had a prescription filled within the last ninety (90) calendar days or has an active refill on file with the terminating pharmacy. Written communications to Plan Participants will be subject to OGB's approval prior to distribution. Such changes are subject to OGB approval prior to implementation.
- Provide Plan Participant notice of any delays beyond three (3) days in the delivery of prescription to the Plan Participant.
- Implement a specialty pharmacy program that will provide cost-effective care and positive patient outcomes through increased adherence, as well as provide an enhanced patient experience through the convenience of scheduled delivery, disease management programs and compliance monitoring employing a care coordination model.
- Provide predictive and plan design modeling capabilities and tools that will assist OGB in assessing the financial impact and/or return on investment ("ROI") of OGB's current benefit plan design and any proposed benefit changes.
- Provide benchmark comparison for clients similar to OGB as well as national comparisons.
- Perform audits of individual pharmacies not located in the State of Louisiana prior to their entering the provider network and as requested by OGB for the purpose of determining

pharmacy accuracy. For pharmacies located in the State of Louisiana that are seeking entrance into the network, the Contractor may accept the formal application of the pharmacy along with a copy of the on-site inspection report completed by the Louisiana Pharmacy Board in lieu of an audit.

- Maintain criteria to establish when and how a utilized participating pharmacy may be selected for audit (i.e., desk audit, on-site audit, client specific on-site participating pharmacy audit requests, etc.) and/or audited to determine compliance with its contract with the Contractor. Audits will be conducted by the Contractor’s internal auditors or its subcontracted auditors at the utilized participating pharmacy. The Contractor will be required to institute action to collect overpayments and return 100% of the recoveries to OGB. Overpayments will be remitted to OGB within thirty (30) days after the close of each Contract quarter via check or wire unless otherwise specified. Contractor will provide reporting at no cost to validate overpayments and recoveries.
- Render payment to OGB for all rebates within one hundred twenty (120) days after termination of the Contract. In addition, all pricing guarantees will be trued up and any shortfalls will be paid to OGB within one hundred twenty (120) days after said termination.
- Provide immediate notification upon receipt by Contractor of any non-routine CMS-related inquiries regarding OGB’s pharmacy benefits program and prepare response to such inquiries for OGB approval within the specified timeframe mutually agreed upon by the parties; and submit such response upon OGB approval.
- Perform and/or process subrogation of prescription Claims and other government agency recoveries on behalf of OGB in accordance with the timeframes specified by Law or such other periods requested by OGB. Government agencies include but are not limited to the Centers for Medicaid and Medicare Services (“CMS”), Office of Inspector General (“OIG”), Health and Human Services (“HHS”), state Medicaid agencies, Veteran’s Administration (“VA”) facilities, Indian Health Services and Bureau of Indian Affairs (“IHS”), and Department of Defense military treatment facilities (or other similar facilities) (“DOD”), or the agencies’ or facilities’ third-party representatives.
- Remit applicable fees to pharmacies as required by Louisiana law.
- For disaster declarations and or catastrophic events, Contractor should have the ability to limit the “refill too soon” edit to either the parish/county of residence or the zip code of residence of Plan Participants.

#### **Task (4) Clinical Management Services**

- Perform Formulary management, rebate sharing and other clinical services described herein. These services will include, but not limited to, prior authorization, step-therapy, concurrent and retrospective drug utilization review and other measures that are deemed appropriate to effectuate Formulary management. All Formulary changes are subject to OGB’s approval prior to implementation.
- Develop and implement clinical intervention and cost-saving programs. All such initiatives are subject to OGB’s approval prior to implementation and/or discontinuance.
- Provide clinical resources (i.e., dedicated pharmacist, etc.) to OGB to assist in interpreting pharmacy data and developing cost management strategies.

### 2.3 Deliverables

The deliverables listed in this section are the minimum required from the Contractor for both Commercial & EGWP. Additional deliverables may be included at the time of Contract award or as mutually agreed between both parties.

Deliverable	Description	Frequency of Submission
<b>Independent Assurances</b>		
Independent Assurances	Contractor shall supply OGB with an exact copy of the annual SOC 1, Type II and/or SOC 2, Type II (as agreed by OGB) resulting from the SSAE18 engagement or any other independent assurances approved by OGB for the period of January 1 – December 31. Contractor shall also provide a bridge letter to OGB for the period of January 1- June 30 of the following independent assurance reporting period.	March 31, 2022 and each calendar year thereafter. Contractor shall provide bridge letter for the period of January 1- June 30 no later than July 31 of each calendar year.
<b>Performance Guarantees</b>		
Performance Guarantee Report	A detailed comprehensive monthly report including metrics for the performance guarantees set forth in the Contract.	Within thirty (30) calendar days after close of each month and calendar year.
Financial Guarantee Report	A comprehensive quarterly report, including the effective AWP discounts, dispensing fees, and rebates.	Within thirty (30) calendar days after the close of each quarter.
<b>Account Satisfaction</b>		
Plan Participant Satisfaction Survey	Conduct annual Plan Participant satisfaction survey and report results to OGB.	Within thirty (30) calendar days after end of each calendar year.
OGB Satisfaction Survey	Conduct annual OGB satisfaction survey and report results to OGB.	Within thirty (30) calendar days after end of each calendar year.
<b>Market Check</b>		
Market Check Report	Provide comments on the market check audit report provided by OGB or its designee.	Within thirty (30) calendar days of receipt.

Operational Activities		
Ad Hoc Reports	Provide client-specific reports that include data related to Contractor's operating performance and health outcomes of OGB Plan Participants.	Within ten (10) business days of request.
Weekly Status Meeting Agenda	A document that provides a high level overview of agenda topics, new and current issues requiring resolution, and any other necessary discussions.	Within twenty-four (24) hours in advance of the scheduled meeting for review and comments.
Service Log	A log detailing open and resolved issues to include, but not limited to, description of issue, date identified, recommended and/or agreed upon course of action, anticipated completion date, responsible party for resolution, notes from meeting discussions regarding the issue, and any other applicable comments.	Within fifteen (15) calendar days after end of each month.
Meeting Minutes	Provide detailed and well-documented draft meeting minutes for review and comment. Final minutes must be provided within three (3) business days after receipt of revisions from OGB.	Within three (3) days after any meeting and/or receipt of revisions from OGB.
Quarterly Meeting Agenda	A document that provides a high level overview of agenda topics, new and current issues requiring resolution, and any other necessary discussions.	Within ten (10) business days in advance of the scheduled quarterly meeting.
Process Log	A comprehensive document including a detailed description of all benefit and system programming changes.	Within five (5) business days of any change.
Drug Type Summary	A summary of claims by drug type, broken out by Plan & level of coverage (employee ("EE"), employee + spouse ("EE+SP"), etc.), drug type (Generic/Brand), prescription count, days' supply, paid amount, total Plan Participant Out of Pocket ("OOP").	Within fifteen (15) calendar days after end of each month.
Paid Claims Summary	A summary of paid claims, broken out by Plan & level of coverage, prescription count, Plan paid amount, Plan Participant paid amount, total claims, and year to date total.	Within fifteen (15) calendar days after end of each month.

Direct Member Reimbursement (“DMR”) Summary	A summary of DMR claims by Plan to include DMR flag, in/out network, prescription count, relationship code, paid amount, total Plan Participant OOP, and year to date total.	Within fifteen (15) calendar days after end of each month.
Specialty Utilization by Drug within Disease Summary	A summary of specialty drug utilization to include, but not limited to, Rheumatoid Arthritis, Multiple Sclerosis, and Hepatitis C broken out by disease state, drug name, number of prescriptions, Plan/Plan Participant cost, Plan/Plan Participant cost per fill, average total cost per fill.	Within fifteen (15) calendar days after end of each month.
Clinical Pipeline Report	A summary of specialty products in Phase III trials that are expected to receive Federal Drug Administration (“FDA”) approvals within the next twelve (12) months. This report is to include information by drug, manufacturer, therapeutic category, main use/description, expected approval, efficacy and safety data, predicted place in therapy, and financial impact. As specialty products are released to market a drug review will be performed that includes efficacy, safety data, place in therapy, comparative cost analysis, Formulary placement recommendation, and prior authorization guideline recommendation.	Last day of the month following end of each quarterly reporting period.
OGB Claims by Therapeutic Class	A description of the top 25 therapeutic classes by Plan paid claims. This report is to include total paid, Plan paid, patient paid, and percentage of Generic of each, number of claims, percentage of total claims, percentage of Generic drugs utilized, Plan paid/day, Plan paid/claim, and per Plan Participant per month. Commercial and EGWP claims must be separated.	Last day of the month following end of each quarterly reporting period.

Drug Utilization Review (“DUR”) Activity Report	A description of the total monthly drug utilization. To include total DUR activity, rejected claims, and reversed claims broken out by conflict description, summarized by total DUR count, ingredient cost, paid and percentage of alerts, total overall claims, claims with alerts, and claims sent summary. Commercial and EGWP claims must be separated.	Last day of the month following end of each quarterly reporting period.
Grievance report	A description of Plan Participant reported grievances, both oral and written broken out by number of type: Plan (co-pays, coinsurance, coverage gap, prescription exclusions/limitations); appeals/formal grievances; customer service (i.e., Plan materials not received, mail order vendor, pharmacy staff, service plan operations, service plan staff); disenrollment (i.e., disenrollment not processed), fraud and abuse; marketing; quality of care; other/misc.	Last day of the month following end of each quarterly reporting period.
Plan Summary	A summary of issues, changes to Formulary, communications, and recommendations, to be presented at quarterly meetings.	Ten (10) days prior to the occurrence of each quarterly meeting.
Maximum Allowable Cost (“MAC”)	A listing of MAC pricing list (i.e., OGB retail pricing).	Within fifteen (15) calendar days after end of each month.
Pharmacy Audits	Detailed results of any pharmacy audit including recommendations for identified deficiencies and plan of action as needed.	Last day of the month following end of each quarterly reporting period.
Plan Participant Communications	Prepare talking points and communications necessary for Plan/Formulary updates and changes.	Within the specified timeframe identified by OGB at time of request.
CMS Reporting	Prepare and submit all CMS mandated and ad hoc reports.	Within the specified timeframe identified at the time of request.
Payment of Rebates	Render payment to OGB for rebates	Within ninety (90) days following the end of each quarter.
Reconciliation and Payment of Financial Guarantees	Render payment to OGB for reconciliation of financial guarantees.	Within ninety (90) days following the end of each quarter.

Unclaimed Property	Detailed listing in a mutually agreeable format of any unclaimed property of OGB Plan Participants held by Contractor.	No later than June 30 of each calendar year.
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**2.4 Performance Guarantees**

The following performance guarantees are the minimum acceptable standards for the resulting Contract. These metrics shall be reported quarterly and reconciled on an annual basis unless another time period is agreed to between OGB and Contractor. OGB shall have the ability to modify the performance guarantees each Contract year. OGB, at its sole discretion, will allocate amounts at risk for performance guarantees, provided no more than thirty (30%) of the total amount at risk is allocated to one performance guarantee excluding financial guarantees (i.e., AWP discounts, dispensing fees, rebates, etc.). OGB may allocate 0% to a guarantee, which would indicate that the performance guarantee will only be reported on with no amounts at risk. Contractor will also be subject to per day fees for Independent Assurance Reporting performance guarantees.

Any penalties owed to OGB shall be reported within sixty (60) days after the close of the period being measured, and will not need to be requested. Any penalties owed to OGB shall be paid within forty-five (45) days after reported. Implementation performance guarantees will be measured and reported within ninety (90) days after the agreed upon implementation date. Payment of any due and owing implementation performance penalty shall be paid within sixty (60) days of notification of the penalty to the Contractor.

**Performance Guarantees:** The Contractor will be subject to the performance standards and those detailed in Section 2, Scope of Service.

Financial guarantees will be covered dollar for dollar on any shortfall with no limit to the amount at risk. Any surplus on financial guarantees will be retained 100% by OGB. All guarantees will be trued up individually, meaning no guarantees can be cross-subsidized (i.e., surplus on one guarantee offsetting other, etc.). This includes not being able to cross-subsidize between delivery channels, or within a delivery channel. For example, retail and retail extended supply networks are considered separate delivery channels.

**Audit:** OGB reserves the right to audit performance guarantee reports on an annual basis. A third party may be utilized to perform this audit without limitation of the scope of the audit.

**Measurement Periods:** The first period to be measured shall be January 1, 2021 through December 31, 2021. The second period will be for calendar year 2022, and the third period for calendar year 2023. The fourth period, subject to the renewal option, will be for calendar year 2024, and the fifth period, subject to the renewal option, will be for calendar year 2025. If the performance guarantees are effective for less than a full calendar year, the payment amounts will be prorated for the portion of the Measurement Period.

**Commercial**

Performance Guarantee	Measurement	Agree? Yes or No. (Indicate Y/N)
<b>Implementation</b>		
Implementation Satisfaction Survey	Provide an implementation satisfaction guarantee that is separate from all other guarantees. The guarantee will be at the sole discretion of OGB, meaning OGB can determine, in good faith, a "yes" or "no" if they were satisfied with the implementation, or a percentage of satisfaction.	
Pre-Implementation Audit	Complete the pre-implementation audit, including follow-up test claims, at least ten (10) days prior to the established implementation date.	
<b>Post Implementation</b>		
Pharmacy Network Disruption	At least 98% of Plan Participants shall reside within one and one half (1.5) miles of a network pharmacy for urban areas, within three (3) miles for suburban areas, and ten (10) miles for rural areas.	
Retail Direct Reimbursement Claims	100% of retail direct reimbursement claims processed for payment or rejected and responded to within five (5) business days.	
Retail Point-of-Sale Claims Adjudication Accuracy	Adjudication accuracy rate of at least 99.5% for all claims processed at point of sale.	
Mail Order Turnaround for Prescription Drugs Requiring No Intervention	99% of mail orders for prescription drugs requiring no intervention (i.e., clinical verification, prior authorization, etc.) will be shipped within two (2) business days. (Measured in business days from the date the prescription drug claim is received by the vendor either paper, phone, fax or e-prescribed.)	
Mail Order Turnaround for Prescription Drugs Requiring Administrative/Clinical Intervention	100% of mail orders for prescription drugs requiring administrative/clinical intervention will be shipped within five (5) business days.	
Mail Order Dispensing Accuracy	99.8% or greater accuracy of mail order prescriptions dispensed with no errors.	

Wait Time for Pharmacist/Clinical Support Supervisor	100% of Plan Participant calls that are transferred to a pharmacist or supervisor will be answered within five (5) minutes.	
Specialty Pharmacy Dispensing Accuracy	99.8% or greater of specialty pharmacy prescriptions filled with no errors.	
Specialty Adherence Rate	Adherence rate for patients using specialty pharmacy of at least 90%. Conditions to be measured include, but are not limited to, Rheumatoid Arthritis, Multiple Sclerosis, Growth Hormones, HIV/AIDS, and Hepatitis C. Conditions will be measured for each condition separately.	
Average Speed to Answer	100% of calls will be answered by a live voice within twenty (20) seconds. The amount of time that elapses between the time a call is received into a Plan Participant service queue to the time the phone is answered by a Customer Service Representative (“CSR”). Measurement excludes calls routed to Interactive Voice Response (“IVR”).	
Abandoned Call Rate	2% or less of calls will be abandoned before call is answered by CSR. (Measurement excludes calls abandoned within the first thirty (30) seconds and calls routed to IVR.)	
First Call Resolution	98% of all calls will be resolved at first point of contact.	
Prior Authorizations	Promptly review and respond to request for prior approval for specific drugs following receipt of all required information, but in any case will respond in no more than two (2) business days.	
Plan Participant Written Inquiry Timeliness	97% of all Plan Participant written inquiries will be responded to and resolved within five (5) business days and 100% within ten (10) business days.	
Plan Participant Satisfaction Survey	Satisfaction rate must be 85% or greater, using metrics mutually agreed by Contractor and OGB prior to January 1, 2022 and each subsequent contract year.	
OGB Satisfaction Survey	Satisfaction rate must be 85% or greater, using metrics mutually agreed by Contractor and OGB prior to January 1, 2022 and each subsequent contract year.	

Standard Reporting	Within the specified timeframe, deliver standard financial and clinical reports detailed in the deliverables section.	
Benefit Plan Review	Conduct an annual benefit plan review forty–five (45) days prior to effective date of any plan benefit changes, i.e. co-payments, coinsurance, clinical rules, etc.	
Plan Participant Identification Card Timeliness	Issue at least 100% of all new Plan Participant identification cards within five (5) business days following receipt of a clean eligibility file.	
Reporting Requirements	Provide OGB all reports specified in Section 2, Scope of Services of this RFP within the specified timeframes. Additionally, Contractor must prepare a written summary analysis and orally present results to OGB annually.	
On-site Pharmacy Audits	At least 3% of pharmacies with greater than 150 OGB Plan Participant prescriptions will be audited on-site on a quarterly basis.	
Point-of-Sale Network System Downtime	System downtime will be 0.5% or less, measured monthly.	
Eligibility Processing Accuracy	100% of electronically transmitted eligibility processed accurately within one (1) business day without error.	
Reconciliation	Reconciliation of all financial settlements (i.e. performance guarantees, Formulary guarantee true-up, generic guarantees, rebates, etc.) to OGB within one hundred twenty (120) days from the close of each reporting period.	
True-up Payments	Payment of all financial settlements (i.e. performance guarantees, Formulary guarantee true-up, generic guarantees, rebates, etc.) to OGB within one hundred twenty (120) days from the close of each reporting period	
Independent Assurances	Contractor shall supply OGB with an exact copy of the annual SOC 1, Type II and/or SOC 2, Type II (as agreed by OGB) resulting from the SSAE18 engagement or any other independent assurances approved by OGB for the period of January 1 –	\$1,000 per day

	December 31 for each calendar year of the contract.	
Audit Response Time and Reconciliation	Audit response and reconciliation of findings will be provided within 60 days of the close of the audit. If a response is not received and the vendor requires the audit be reopened than the vendor will pay for additional audit fees.	
Audit Errors	If a claims or rebate audit results in errors that express more than 1% of drug costs then the vendor will reimburse OGB those costs plus interest, as well as the applicable audit fees.	

**EGWP**

<b>Performance Guarantee</b>	<b>Measurement</b>	<b>Agree? Yes or No. (Indicate Y/N)</b>
<b>Implementation</b>		
Implementation Satisfaction Survey	Provide an implementation satisfaction guarantee that is separate from all other guarantees see Attachment XVI: Credits and Allowances on cost proposal spreadsheet. The guarantee will be at the sole discretion of OGB, meaning OGB can determine, in good faith, a "yes" or "no" if OGB is satisfied with the implementation, or a percentage of satisfaction.	
Pre-Implementation Audit	Complete the pre-implementation audit, including follow up test claims, at least thirty (30) days prior to the established implementation date.	
<b>Post Implementation (ongoing)</b>		
Pharmacy Network Disruption	In accordance with CMS requirements.	
Retail Direct Reimbursement Claims	100% of retail direct reimbursement claims processed for payment or rejected and responded to within five (5) business days.	
Retail Point-of-Sale Claims Adjudication Accuracy	Adjudication accuracy rate of at least 99.5% for all claims processed at point of sale.	

Mail Order Turnaround for Prescription Drugs Requiring No Intervention	99% of mail orders for prescription drugs requiring no intervention (i.e., clinical verification, prior authorization, etc.) will be shipped within two (2) business days. (Measured in business days from the date the prescription drug claim is received by the vendor either paper, phone, fax or e-prescribed.)	
Mail Order Turnaround for Prescription Drugs Requiring Administrative/Clinical Intervention	100% of mail orders for prescription drugs requiring administrative/clinical intervention will be shipped within five (5) business days.	
Mail Order Dispensing Accuracy	99.8% or greater accuracy of mail order prescriptions dispensed with no errors.	
Wait Time for Pharmacist/Clinical Support Supervisor	100% of Plan Participant calls that are transferred to a pharmacist or supervisor will be answered within five (5) minutes.	
Specialty Pharmacy Dispensing Accuracy	99.8% or greater of specialty pharmacy prescriptions filled with no errors.	
Specialty Adherence Rate	Adherence rate for patients using specialty pharmacy of at least 90%. Conditions to be measured include, but are not limited to, Rheumatoid Arthritis, Multiple Sclerosis, Growth Hormones, HIV/AIDS, and Hepatitis C. Conditions will be measured for each condition separately.	
Average Speed to Answer	On average 100% of calls will be answered by a live voice within twenty (20) seconds or less. The amount of time that elapses between the time a call is received into a Plan Participant service queue to the time the phone is answered by a CSR. Measurement excludes calls routed to IVR.	
Abandoned Call Rate	2% or less of calls will be abandoned before call is answered by CSR. (Measurement excludes calls abandoned within the first thirty (30) seconds and calls routed to IVR.)	
First Call Resolution	98% of all calls will be resolved at first point of contact.	
Prior Authorizations	Promptly review and respond to request for prior approval for specific drugs following receipt of all required information, but in any case will respond in no more than two (2) business days.	

Plan Participant Written Inquiry Timeliness	97% of all Plan Participant written inquires will be responded to and resolved within five (5) business days and 100% within ten (10) business days.	
Plan Participant Satisfaction Survey	Satisfaction rate must be 85% or greater, using metrics mutually agreed upon by Contractor and OGB prior to January 1, 2022.	
OGB Satisfaction Survey	Satisfaction rate must be 85% or greater, using metrics mutually agreed upon by Contractor and OGB prior to January 1, 2022.	
Standard Reporting	Deliver within the specified timeframe standard financial and clinical reports detailed in the deliverables section.	
Plan Participant Identification Card Timeliness	Issue at least 99% of all new Plan Participant identification cards within four (4) business days following receipt of a clean eligibility file.	
Reporting Requirements	Provide OGB all reports specified in Section 2, Scope of Services of this RFP within the specified timeframes. Additionally, Contractor must prepare a written summary analysis and orally present results to OGB annually.	
On-site Pharmacy Audits	At least 3% of pharmacies with greater than 150 OGB Plan Participant prescriptions will be audited on-site on a quarterly basis.	
Point-of-Sale Network System Downtime	System downtime will be 0.5% or less, measured monthly.	
Eligibility Processing Accuracy	100% of electronically transmitted eligibility files processed accurately within one (1) business day without error.	
Reconciliation	Reconciliation of all financial settlements (i.e. performance guarantees, Formulary guarantee true-up, generic guarantees, rebates, etc.) to OGB within one-hundred and twenty (120) days from the close of each reporting period.	
True-up Payments	Payment of all financial settlements (i.e. performance guarantees, Formulary guarantee true-up, generic guarantees, rebates, etc.) to OGB within one-hundred and twenty (120) days from the close of each reporting period.	

Independent Assurances	Contractor shall supply OGB with an exact copy of the annual SOC 1, Type II and/or SOC 2, Type II (as agreed by OGB) resulting from the SSAE18 engagement or any other independent assurances approved by OGB for the period of January 1 – December 31.	\$1,000 per day
Audit Response Time and Reconciliation	Audit response and reconciliation of findings will be provided within 60 days of the close of the audit. If a response is not received and the vendor requires the audit be reopened then the vendor will pay for additional audit fees.	
Audit Errors	If a claims or rebate audit results in errors that express more than 1% of drug costs then the vendor will reimburse OGB those costs plus interest, as well as the applicable audit fees.	

**2.5 Technical Requirements**

- Facilitate system programming including, but not limited to, data collection from OGB; file transfer set-up between OGB and Contractor; and data transfer and mapping. If Contractor requires file mapping and/or subsequent updates, this service will be provided by Contractor at no additional cost to OGB. **Files must be sent electronically to the OTS MOVEit DMZ Secure FTP server utilizing a security file transport protocol; the preference is FTPS. All files must be encrypted using Public Key Infrastructure (PKI) with a prior exchange of Public Key(s), commonly referred to as PGP encryption. The encrypted file(s) must have an extension of “pgp”. The encryption key must have an expiration of no longer than five (5) years from the creation date and be approved by the OTS InfoSec Team. All files must be encoded as an ASCII text file prior to encryption.**
- Provide file data in a layout format designated by OGB to include, but not be limited to, Drug Claims File, Prior Authorization Review File, Appeals Determination File, and Out of Pocket Maximum. The Contractor must accept OGB’s designated file layout. File layouts will be provided at no cost to OGB. **Files must be sent electronically to the OTS MOVEit DMZ Secure FTP server utilizing a security file transport protocol; the preference is FTPS. All files must be encrypted using Public Key Infrastructure (PKI) with a prior exchange of Public Key(s), commonly referred to as PGP encryption. The encrypted file(s) must have an extension of “pgp”. The encryption key must have an expiration of no longer than five (5) years from the creation date and be approved by the OTS InfoSec Team. All files must be encoded as an ASCII text file prior to encryption.**

**2.6 Project Requirements**

OGB will designate an OGB Contract Monitor to the Contractor who will serve as the primary point of contact for the Contractor. The Contractor shall be the single point of contact for all subcontractor work.

## 2.7 Contractor Requirements

The Contractor shall meet the following requirements prior to the execution of the contract:

- Authorized to transact business in the State of Louisiana.

OGB reserves the right to request information and documentation to support that the Contractor has met the Contractor requirements.

## 3 EVALUATION

### 3.1 Evaluation and Review

Proposals that pass the mandatory requirements review, Section 1.8.1 Mandatory Qualifications, will be evaluated based on information provided in the Proposal according to the following criteria:

CRITERIA	MAXIMUM SCORE
PHASE 1: TECHNICAL APPROACH	
Approach and Methodology	325
Corporate Experience and Staff Qualifications	205
<b>TECHNICAL APPROACH SCORE</b>	<b>530</b>
Hudson/Veteran Small Entrepreneurship Program (up to 100 points reserved for Hudson-certified vendors; up to 120 points reserved for Veterans-certified vendors; if no Veterans-certified vendors propose, those 20 points are not awarded; see Section 1.9.G for details)	120
<b>HUDSON/VETERAN SCORE</b>	<b>120</b>
PHASE 2: COST PROPOSAL	
Pharmacy Network Discounts, Rebate Guarantees, Administrative Services, Clinical Management Fees, and Credits & Allowances	350
<b>COST PROPOSAL SCORE</b>	<b>350</b>
<b>TOTAL SCORE</b>	<b>1,000</b>

The Evaluation Team will evaluate each criterion within the Technical Proposal and assign scores based upon information submitted in the proposal content for Approach and Methodology and Corporate Experience and Staff Qualifications.

**Proposer must receive a minimum score of 265 points (50%) of the total available points in the categories of Approach and Methodology and Corporate Experience and Qualifications to be considered responsive to the RFP. Proposals not meeting this minimum score shall be rejected and shall not proceed to further Cost or Louisiana Veteran and/or Hudson Initiative evaluation.**

#### Phase 1 – Technical Approach

##### Approach and Methodology

- Demonstrated effectiveness of Proposer’s approach and methodology to performing the various services outlined in Section 2, Scope of Services and Attachment III: Technical Questionnaire.

- Training methodology proposed for project staff to understand current practices and ongoing training needs to address changes in policy and procedures.
- Quality, depth, and completeness of the project work plan.
- Effectiveness of reporting and data analytics including the diversity of report types and formats supported.
- Understanding of the work, including a thoroughness shown in understanding the objectives of the Scope of Services (Section 2), specific services, and planned execution of the Scope of Services.
- Impact of Formulary and Network Disruption to Plan Participants.

#### Corporate Experience and Staff Qualifications

- Effectiveness of the proposed organization and staffing plan.
- Current and relevant knowledge, quality and depth of experience of the proposed staff, Account Management Team, and any other personnel considered key to the success of the project through completed and ongoing efforts similar in nature to this effort.
- Evidence that the Proposer has the current capabilities and can assure performance for each requirement.
- Demonstration of successful past experience, including Proposer and any subcontractor(s), that is similar to that necessary to perform services included in Section 2, Scope of Services with public entity accounts.
- Subcontractor qualifications and experience.

#### Veteran and Hudson Initiative

##### Veteran-Owned and Service-Connected Disabled Veteran-Owned Small Entrepreneurships (Veteran Initiative) and Louisiana Initiative for Small Entrepreneurships (Hudson Initiative) Programs Participation (Value of 12% of the total evaluation points)

Hudson/Veteran Small Entrepreneurship shall be rated as specified in Section 1.9.G. Veteran-Owned and Service-Connected Disabled Veteran-Owned Small Entrepreneurships (Veteran Initiative) and Louisiana Initiative for Small Entrepreneurships (Hudson Initiative) Programs Participation.

Additional services offered through Contractor will be considered as part of the technical evaluation.

#### **Phase 2 – Cost**

Cost Proposals for all Proposers will be evaluated and an absolute score calculated. Points will be assigned for cost using a calculation-based evaluation process based on the costs from the pricing submitted by each Proposer on the Attachment XIII: Cost Proposal Template and Attachment XVI: Credits & Allowances. Proposer must complete Attachment XII: Cost Proposal Questionnaire.

The following methodology will be used to calculate the score:

1. The lowest cost Proposal will receive 100% of the available points for the cost (350 points).

2. Remaining Proposals will receive points based on application of the following formula:

$$\text{Cost Points} = (\text{Cost of Lowest Cost Proposal} / \text{Cost of Proposal Being Evaluated}) * \text{Total Points Available (350 points)}.$$

## **4 PERFORMANCE STANDARDS**

### ***4.1 Performance Requirements***

See Section 2, Scope of Services

### ***4.2 Performance Measurement/Evaluation/Monitoring Plan***

#### Performance Guarantees:

Contractor agrees to provide its operational performance guarantees on a client-specific basis and report OGB's results on a quarterly basis. OGB shall have the ability to modify the performance guarantees each Contract year. OGB, at its sole discretion, will allocate amounts at risk for performance guarantees, provided no more than thirty (30%) of the total amount at risk is allocated to one performance guarantee excluding financial guarantees, (i.e., AWP discounts, dispensing fees, rebates, etc.). OGB may allocate 0% to a guarantee, which indicates that the performance guarantee will only be reported with no amounts at risk.

All guarantees must be reconciled annually and reported to OGB within sixty (60) days after the close of the period being measured and any penalties owed to OGB shall be paid within forty-five (45) days after reported reconciliation. Implementation performance guarantees will be measured and reported within ninety (90) days after the agreed upon implementation date. Payment of any due and owing implementation performance penalty shall be paid within sixty (60) days of notification of the penalty to the Contractor.

**Performance Guarantees:** The Contractor will be subject to negotiated performance standards and those detailed in Section 2: Scope of Services.

Financial guarantees will be covered dollar for dollar on any shortfall with no limit to the amount at risk. Any surplus on financial guarantees will be retained 100% by OGB. All guarantees will be trued up individually, meaning no guarantees can be cross-subsidized, (i.e., surplus on one guarantee offsetting other, etc.). This includes no cross-subsidization between delivery channels, or within a delivery channel. For example, retail and retail extended supply networks are considered separate delivery channels.

**Audit:** OGB reserves the right to audit performance guarantee reports on an annual basis. A third party may be utilized to perform this audit without limitation of the scope.

**Measurement Periods:** The first period to be measured shall be January 1, 2021 through December 31, 2021. The second period will be for calendar year 2022, and the third period for calendar year 2023. The fourth period, subject to the renewal option, will be for calendar year 2024, and the fifth period, subject to the renewal option, will be for calendar year 2025. If the performance guarantees are effective for less than a full calendar year, the payment amounts will be prorated for the portion of the Measurement Period.

#### Monitoring Plan:

The Contract Monitor will be the OGB Medical and Pharmacy Group Benefits Administrator, who will monitor the services and performance provided by the Contractor and the expenditure of funds under the Contract. The monitoring plan is as follows:

1. The Contractor will submit various monthly, quarterly, and annual reports to the Contract Monitor as specified in RFP Section 2, Scope of Services.
2. The Contract Monitor will ensure all scopes of services and deliverables are submitted timely and perform subsequent review and acceptance.
3. The Contract Monitor will provide oversight of the implementation of the Scope of Services to ensure quality, efficiency, and effectiveness in fulfilling the Contract terms and the goals and objectives of OGB.

#### ***4.3 Veteran-Owned and Service-Connected Disabled Veteran-Owned Small Entrepreneurships (Veteran Initiative) and Louisiana Initiative for Small Entrepreneurships (Hudson Initiative) Programs Reporting Requirements***

During the term of the Contract and at expiration, the Contractor will be required to report Veteran-Owned and Service-Connected Disabled Veteran-Owned and Hudson Initiative small entrepreneurship subcontractor participation and the dollar amount of each.

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## **ATTACHMENT I: SAMPLE CONTRACT**

On this \_\_\_ day of \_\_\_\_\_, 20\_\_\_, the State of Louisiana, Office of Group Benefits, 1201 N. 3<sup>rd</sup> Street, Suite G-159, Baton Rouge, LA 70802, hereinafter sometimes referred to as the “OGB” or “State”, and (Contractor Name), (Address), hereinafter sometimes referred to as the “Contractor,” do hereby enter into a Contract under the following terms and conditions.

### **1 SCOPE OF SERVICES**

#### **1.1 CONCISE DESCRIPTION OF SERVICES**

(Contractor Name) shall provide Pharmacy Benefit Manager (“PBM”) services to support certain self-funded plans offered by OGB. These services shall include, at a minimum, all services specified in Section 1.2 and the attachments referenced therein.

#### **1.2 STATEMENT OF WORK**

The Statement of Work consists of the following and/or any subsequent addendum:

See RFP Section 2, Scope of Work/Services

See RFP Attachment II: Business Associate Addendum

See RFP Attachment XIII: Cost Proposal Template

See RFP Attachment VII: Records Retention Schedule

See RFP Attachment VIII: Imaging System Survey Compliance and Records Destruction

#### **1.3 GOALS AND OBJECTIVES**

1. To fulfill OGB’s delegated responsibility to serve the State of Louisiana by managing prescription drug cost and utilization while improving the quality of health for those served by OGB.
2. To provide quality, cost-effective healthcare services to Plan Participants.

#### **1.4 PERFORMANCE MEASURES**

The performance of the Contract, including but not limited to RFP Section 2, Scope of Services, and/or any subsequent addendum including performance criteria and corresponding monetary penalties for Contractor’s failure to comply with the identified criteria in Section 3.6, Performance Guarantees, will be measured by the OGB Contract Monitor. The OGB Contract Monitor is authorized to evaluate the Contractor’s performance against these criteria.

#### **1.5 MONITORING PLAN**

The Contract Monitor will be the OGB Medical and Pharmacy Group Benefits Administrator, who will monitor the services and performance provided by the Contractor and the expenditure of funds under this Contract. The monitoring plan is as follows:

1. The Contractor will submit various monthly, quarterly, and annual reports to the Contract Monitor as specified in RFP Section 2, Scope of Services.
2. The Contract Monitor will ensure all deliverables are submitted timely and perform subsequent review and acceptance.

3. The Contract Monitor will provide oversight of the implementation of the Scope of Services to ensure quality, efficiency, and effectiveness in fulfilling the goals and objectives of OGB.

## 1.6 CONTRACTOR PROJECT MANAGEMENT

Contractor Project Management is as follows:

- A. Account Management Team.** Contractor will provide an Account Management Team for the duration of the engagement including a dedicated Account Executive, Implementation Manager, Employer Group Waiver Plan (“EGWP”)/Retiree Manager, Operational Account Manager, Clinical Program Manager, Clinical Pharmacy Manager (must be a resident of Louisiana), Financial Analyst, Analytics and Data Lead, Privacy Officer, and Customer Service Manager. The Account Executive must have at least one (1) back-up staff member designated to handle the overall responsibility of OGB.
- B. Substitution of Key Personnel.** The Contractor’s personnel assigned to this Contract shall not be replaced without the prior written consent of OGB/State. Such consent shall not be unreasonably withheld or delayed provided an equally qualified replacement is offered. In the event that any Contractor personnel become unavailable due to resignation, illness, or other factors, excluding assignment to projects outside this Contract, outside of the Contractor’s reasonable control, as the case may be, the Contractor shall be responsible for providing an equally qualified replacement in time to avoid delays in providing services. When possible, Contractor will give OGB a minimum of sixty (60) days’ advance notice of any changes in OGB’s account management team, and a description of the training requirements for new team members. Reasonable exceptions would apply in situations beyond Contractor’s control (i.e., resignation/termination with less than 60 days’ notice). OGB reserves the right to request changes to any of the assigned personnel based on unsatisfactory performance levels as determined by OGB. Additionally, OGB will be provided with the opportunity to interview any new team member(s).
- C. Account Management Team Support.** The Account Management Team will provide support around account strategy, Plan Participant inquiries, issue resolution, reports and other requested projects and deliverables. Contractor will provide an annual service cycle plan as well as an ongoing task log with timelines for all deliverables and weekly status update meetings in person or via teleconference.
- D. Quarterly Meetings.** All of the Account Management Team will attend all on-site quarterly meetings at OGB. The meetings shall be held no later than sixty (60) days following quarter end. The Account Management Team will provide a draft agenda for OGB approval at least ten (10) business days in advance of a meeting to allow changes to the agenda and a reasonable opportunity to prepare for the meeting. At minimum, during the quarterly meeting, the Account Management Team should discuss the following: goals, expectations and priorities; review the quarterly report and other issues such as performance guarantees, quality assurance, operations, network pharmacy status and access; benefit and program changes or enhancements; legislative issues; audits; cost trends; utilization; program outcomes; customer service issues; future goals and planning; and other issues reasonably related to the Contract.

- E. Minutes.** Within three (3) business days after any meeting, Contractor shall provide OGB with a draft of detailed and well-documented, meeting minutes. OGB shall review and revise the draft minutes as appropriate and return to the Contractor. Final minutes must be provided within three (3) business days after receipt of the revised minutes from OGB. Minutes shall include a list of and description of all tasks and/or deliverables, identify the responsible party, and provide a projected delivery date.
- F. Documentation.** Contractor will maintain an ongoing process log that will document all benefit and system programming changes, which will be provided to OGB within five (5) business days of any change.
- G. Coordination with other OGB Vendor(s).** Contractor will coordinate and cooperate with OGB's administrative services provider(s) for OGB's self-insured medical plans, actuary, and other vendors as needed on integration of information to or from other service providers relative to the services addressed in this Contract.

## 1.7 DELIVERABLES

The Contract will be considered complete when the entire scope of work has been completed and Contractor has delivered and OGB has accepted all deliverables specified in the Contract.

## 1.8 VETERAN-OWNED AND SERVICE-CONNECTED SMALL ENTREPRENEURSHIPS (VETERAN INITIATIVE) AND LOUISIANA INITIATIVE FOR SMALL ENTREPRENEURSHIPS (HUDSON INITIATIVE) PROGRAMS REPORTING REQUIREMENTS

During the term of the Contract and at expiration, the Contractor will be required to report Veteran-Owned and Service-Connected Disabled Veteran-Owned and Hudson Initiative small entrepreneurship subcontractor or distributor participation and the dollar amount of each.

## 2 DEFINITIONS

**Account Management Team** – Contractor's staff for PBM services assigned to OGB which shall include an Account Executive, Implementation Manager, Employer Group Waiver Plan ("EGWP")/Retiree Manager, Operational Account Manager, Clinical Program Manager, Clinical Pharmacy Manager (must be a resident of Louisiana), Financial Analyst, Data and Analytics Lead, Privacy Officer and Customer Service Manager.

**AWP** – the Average Wholesale Price.

**Brand** – a product that is being marketed post patent expiration by the original manufacturer and is subject to generic competition.

**Brand Drug** – a prescription drug that is 1) protected by a patent, supplied by one company and marketed under the manufacturer's brand name or 2) a multi-source brand product which was once a Brand product.

**CDHP** – a Consumer Driven Health Plan.

**CMS** – the Centers for Medicare and Medicaid Services.

**COB** – the Coordination of Benefits.

**Commercial Prescription Drug Plan** – OGB's prescription drug plan(s) covering active employees and non-Medicare eligible retirees.

**Contractor** – the successful Proposer who is awarded a Contract and assumes full responsibility and liability for completion of the deliverables.

**Covered Benefit(s)** – outpatient drugs (including those that under state or federal law require a prescription, or over the counter drugs), products, services, or supplies made available as a covered benefit to Plan Participants as set forth in the Plan.

**CSR** – a Customer Service Representative.

**DAW** – prescription drugs dispensed as written.

**DEA** – Drug Enforcement Administration.

**DUR** – a Drug Utilization Review.

**DMR** – a Direct Member Reimbursement.

**EGWP** – an Employer Group Waiver Plan.

**EOB** – an Explanation of Benefits.

**ERRP** – the Early Retiree Reinsurance Program.

**FDA** – the Federal Drug Administration.

**Formulary** – the list of prescription drugs that are considered as Covered Benefits. The Formulary may contain preferred and non-preferred tiers.

**Generic Drug** – any drug that is not a Brand.

**HIPAA** – the Health Insurance Portability and Accountability Act.

**Identification Cards (“ID Cards”)** – printed identification cards containing specific information about the Covered Benefits to which Plan Participants are entitled. All ID Cards shall have the applicable pharmacy network logo or other method, agreed upon by both parties in writing, of identifying the fact that the Contractor is the PBM.

**IVR** – Interactive Voice Response, an automated telephony system that interacts with callers, gathers information and routes calls to the appropriate recipients.

**MAC** – the Maximum Allowable Cost.

**MBI** – Medicare Beneficiary Identifier.

**Multisource** – a drug that is manufactured by more than one labeler.

**NDC** – the National Drug Code.

**OGB CEO** – the Office of Group Benefit’s Chief Executive Officer.

**OTC** – Over The Counter drugs.

**PBM** – the Pharmacy Benefit Manager.

**PDP** – a CMS approved Prescription Drug Plan.

**PHI** – Protected Health Information.

**PII** – Personally-Identifiable Information.

**Plan** – OGB’s defined benefit plan pursuant to which Covered Benefits are provided to Plan Participants.

**Plan Participant(s)** – the person(s) who are entitled to benefits through OGB as identified in the eligibility data file prepared, maintained and as determined by OGB, and delivered to the Contractor.

**Primary Plan Participant(s)** – the Plan Participant whose relationship with OGB or the employee/retiree governs the coverage under the Plan.

**PPACA** – the Patient Protection and Affordable Care Act.

**Proposal** – a response to a request for proposals.

**Proposer** - An individual or organization submitting a proposal in response to an RFP.

**Rebates** – will include rebates and other manufacturer revenues, which is defined as all revenue you receive from outside sources related to the Plan's utilization or enrollment in programs. These would include but are not limited to access fees, market share fees, rebates, formulary access fees, inflation protection/penalty payments, administrative fees and marketing grants from pharmaceutical manufacturers, wholesalers and data warehouse vendors.

**RFP** – a Request for Proposals.

**ROI** – a Return On Investment.

**Shall, Must, Will** – a mandatory requirement.

**Should, May, Can** – an advisable or permissible action.

**Single Source** – a drug that is manufactured by one labeler.

**U&C** – Usual and Customary.

### **3 ADMINISTRATIVE REQUIREMENTS**

#### **3.1 TERM OF CONTRACT**

The term of any Contract resulting from this RFP shall begin on or about January 1, 2021, and is anticipated to end on December 31, 2023. With all proper approvals and concurrence with the successful Contractor, OGB may also exercise the option to extend the Contract for additional periods of time at the same rates, terms and conditions of the initial Contract term; such additional periods of time shall not exceed a total of twenty-four (24) months. Prior to the extension of the contract beyond the initial thirty-six (36)-month term, prior approval by the Joint Legislative Committee on the Budget (JLCB) and/or other approval authorized by law shall be obtained. Written evidence of JLCB approval shall be submitted, along with the contract amendment, to the Office of State Procurement (OSP) to extend contract terms beyond the initial 3-year term. The total Contract term, with extensions, shall not exceed five (5) years. The continuation of this Contract is contingent upon the appropriation of funds by the legislature to fulfill the requirements of the Contract.

#### **3.2 OGB FURNISHED RESOURCES**

OGB shall appoint a Contract Monitor for this Contract who will provide oversight of the activities conducted hereunder. The assigned Contract Monitor shall be the principal point of

contact on behalf of OGB and will be the principal point of contact for the Contractor concerning Contractor's performance under this Contract.

### 3.3 TAXES AND FEES

Contractor is responsible for payment of all taxes and fees on Contractor's income, property, and entity status (i.e., permits, licenses, etc.). Contractor's federal tax identification number is \_\_\_\_\_. Contractor's seven-digit Louisiana Department of Revenue account number is \_\_\_\_\_. In accordance with La. R.S. 39:1624(A)(10), the Louisiana Department of Revenue ("LDR") must determine that the prospective Contractor is current in the filing of all applicable tax returns and reports and in payment of all taxes, interest, penalties, and fees owed to the State and collected by the Department of Revenue prior to the approval of this Contract by the Office of State Procurement. The prospective Contractor hereby attests to its current and/or prospective compliance, and agrees to provide its seven-digit LDR Account Number to the contracting agency so that the prospective contractor's tax payment compliance status may be verified. The prospective Contractor further acknowledges understanding that issuance of a tax clearance certificate by the Louisiana Department of Revenue is a necessary precondition to the approval and effectiveness of this Contract by the Office of State Procurement. The contracting agency reserves the right to withdraw its consent to this Contract without penalty and proceed with alternate arrangements should the prospective Contractor fail to resolve any identified apparent outstanding tax compliance discrepancies with the Louisiana Department of Revenue within seven (7) days of notification of such discrepancies.

### 3.4 PAYMENT TERMS

In consideration of the services required by this Contract, OGB hereby agrees to pay to Contractor a maximum fee of \$\_\_\_\_\_ for work performed during the term of this Contract. This fee is inclusive of travel and all Contract-related expenses. Payments are predicated upon successful completion by Contractor and written approval by OGB of the described services and deliverables as provided in the Contract. Contractor will not be paid more than the maximum amount of the Contract. **No payments will be made by OGB on banking or State holidays.**

**Claims Payments.** OGB will not provide advance funding for payment of claims. The Contractor shall submit weekly invoices for reimbursement of claims no later than 12:00 p.m. CT on the established billing day, with an accompanying check register (claims disbursements) showing all paid claims and any other supporting documentation necessary to substantiate invoiced costs. Separate invoices shall be prepared with respect to claims for each Plan offering. Upon receipt and validation of each claims invoice, OGB shall wire the undisputed amount within seven (7) business days of receipt. If the invoice(s) and electronic check register(s) do not reconcile, payment of the disputed amount will be made within seven (7) business days of successful reconciliation. If OGB questions the amount, OGB will notify the Contractor of its questions regarding said amount, and Contractor shall make a reasonable effort to respond to such questions within five (5) business days.

Contractor may not suspend or fail to render payments to participating pharmacies or to OGB Plan Participants within the timeframes provided by applicable law because of non-payment or late payment by OGB. Such payments by Contractor shall not constitute a waiver of any of Contractor's remedies with respect to non-payment. Should Contractor fail to make payments

within the timeframes provided by applicable law, Contractor shall be liable to OGB for any penalties or fees that OGB may incur as a result of such inaction by Contractor.

**Administrative Fees.** Contractor will invoice OGB monthly for all fees and charges earned by Contractor set forth in RFP Attachment XIII: Cost Proposal Template, which may be included on the same invoice as claims payments or reflected in a separate invoice. Upon receipt and validation of Contractor's invoice for administrative fees, OGB shall pay undisputed fees by wire transfer within seven (7) business days of receipt. Any monthly fees will be charged the month following the month in which the service is provided. If OGB questions the amount, OGB will notify the Contractor of its questions regarding said amount, and Contractor shall make a reasonable effort to respond to such questions within five (5) business days.

During the term of the Contract and at expiration, the Contractor will be required to report Veteran-Owned and Service-Connected Disabled Veteran-Owned and Hudson Initiative small entrepreneurship subcontractor or distributor participation and the dollar amount of each, if applicable.

### **3.5 PERFORMANCE BOND**

Unless issuance of such bond is against applicable law, Contractor shall provide a performance (surety) bond in an amount determined by OGB of no more than one hundred percent (100%) of the annual contracted fees to ensure the successful performance under the terms and conditions of the Contract. The performance bond shall be written by a surety or insurance company currently on the U.S. Department of the Treasury Financial Management Services list of approved companies which is published annually in the Federal Register, or by a Louisiana-domiciled insurance company with at least an A-rating to write individual bonds up to ten percent (10%) of policyholders' surplus as shown in the latest A.M. Best's Key Rating Guide. In addition, any performance bond furnished shall be written by a surety or insurance company that is currently licensed to do business in the State of Louisiana.

The performance bond is to be provided at least thirty (30) working days prior to the effective date of the Contract. Failure to provide within the time specified may cause the Contract to be cancelled.

### **3.6 PERFORMANCE GUARANTEES**

Contractor agrees to provide its operational performance guarantees on a client-specific basis and report OGB's results on a quarterly basis. OGB shall have the ability to modify the performance guarantees each contract year. OGB, at its sole discretion, will allocate amounts at risk for performance guarantees, provided no more than thirty (30%) of the total amount at risk is allocated to one performance guarantee excluding financial guarantees (i.e., AWP discounts, dispensing fees, rebates, etc.). OGB may allocate 0% to a guarantee, which would indicate that the performance guarantee will only be reported on with no amounts at risk. Contractor will be subject to per day fees for certain performance guarantees.

All guarantees must be reconciled annually and reported to OGB within sixty (60) days after the close of the period being measured and any penalties owed to OGB shall be paid within forty-five (45) days after reported reconciliation. Implementation performance guarantees will be measured and reported within ninety (90) days after the agreed upon implementation date.

Payment of any due and owing implementation performance penalty shall be paid within sixty (60) days of notification of the penalty to the Contractor.

**Performance Guarantees:** The Contractor will be subject to negotiated performance standards and those detailed in RFP Section 2: Scope of Services.

Financial guarantees will be covered dollar for dollar on any shortfall with no limit to the amount at risk. Any surplus on financial guarantees will be retained 100% by OGB. In addition, the amount at risk will be the full value of the missed performance, not a calculation of OGB's net plan cost impact. All guarantees will be trued up individually, meaning no guarantees can be cross-subsidized (i.e., surplus on one guarantee offsetting another, etc.). This includes no cross-subsidization between delivery channels, or within a delivery channel. Note: Retail and retail extended supply networks are considered separate delivery channels.

**Audit:** OGB reserves the right to audit performance guarantee reports on an annual basis. A third party may be utilized to perform this audit.

**Measurement Periods:** The first period to be measured shall be January 1, 2021 through December 31, 2021. The second period will be for calendar year 2022, and the third period for calendar year 2023. The fourth period, subject to the renewal option, will be for calendar year 2024, and the fifth period, subject to the renewal option, will be for calendar year 2025. If the performance guarantees are effective for less than a full calendar year, the payment amounts will be prorated for the portion of the Measurement Period.

### 3.7 FINANCIAL GUARANTEES

Financial guarantees provided by Contractor will be covered dollar for dollar on any shortfall with no limit to the amount at risk. Any surplus on financial guarantees will be retained 100% by OGB. In addition, the amount at risk will be the full value of the financial guarantee(s) not achieved and not a calculation of OGB's net Plan cost impact. All financial guarantees will be trued up individually, meaning no guarantees can be cross-subsidized (i.e., surplus on one guarantee offsetting another, etc.). This includes no cross-subsidization between delivery channels, or within a delivery channel. Note: Retail and retail extended supply networks are considered separate delivery channels.

Contractor will report financial guarantee performance to OGB on a quarterly basis, including the effective AWP discounts, dispensing fees, and rebates. This reporting will include all prior quarters covered by this Contract. All financial guarantees must be reconciled annually and any shortfalls owed to OGB shall be paid within one hundred twenty (120) days after the end of the Measurement Period.

**Audit:** OGB reserves the right to audit financial guarantees after the end of each Measurement Period. A third party of OGB's choosing may be utilized to perform this audit with no limitation in the scope of the audit.

**Measurement Periods:** The first period to be measured shall be January 1, 2021 through December 31, 2021. The second period will be for calendar year 2022, and the third period for calendar year 2023. The fourth period, subject to the renewal option, will be for calendar year 2024, and the fifth period, subject to the renewal option, will be for calendar year 2025.

## **4 TERMINATION**

### **4.1 TERMINATION FOR CAUSE**

State may terminate this Contract for cause based upon the failure of the Contractor to comply with the terms and/or conditions of the Contract; provided the State shall give the Contractor written notice specifying the Contractor's failure. If within thirty (30) calendar days after receipt of such notice, the Contractor shall not have either corrected such failure or, in the case of failure which cannot be corrected in thirty (30) calendar days, begun in good faith to correct said failure and thereafter proceeded diligently to complete such correction, then the State may, at its option, place the Contractor in default, and the Contract shall terminate on the date specified in such notice. Failure to perform within the time agreed upon in the contract may constitute default and may cause cancellation of the contract.

### **4.2 TERMINATION FOR CONVENIENCE**

OGB/State may terminate the Contract at any time by giving at least thirty (30) days' written notice to Contractor of such termination or negotiating with Contractor an effective date for termination. Contractor shall be entitled to payment for services completed prior to receipt of such notice and deliverables in progress, to the extent work has been performed to OGB's satisfaction.

### **4.3 TERMINATION FOR NON-APPROPRIATION OF FUNDS**

The continuation of this Contract is contingent upon the appropriation of funds by the Louisiana Legislature to fulfill the requirements of the Contract, as applicable. If the Legislature fails to appropriate sufficient monies to provide for the continuation of the Contract, or if such appropriation is reduced or eliminated by the veto of the Governor or by any means provided in the Appropriations Act of Title 39 of the Louisiana Revised Statutes of 1950 to prevent the total appropriation for the year from exceeding revenues for that year, or for any other lawful purpose, and the effect of such reduction is to provide insufficient monies for the continuation of the Contract, the Contract shall terminate on the date of the beginning of the first fiscal year for which funds have not been appropriated.

## **5 INDEMNIFICATION AND DEFENSE**

- (a) Contractor shall be fully liable for its own actions and the actions of its agents, employees, partners and subcontractors and shall fully protect, defend, and indemnify the State, all State departments, Agencies, Boards, and Commissions, its officers, trustees, employees, servants, subcontractors, agents, and volunteers (collectively the "State"), from and against any and all losses, claims, demands, liabilities, suits, actions, damages, costs, fines, penalties, judgments, forfeitures, assessments, expenses, obligations (including attorneys' fees), and other liabilities of every name and description ("Claims/Costs") relating to personal injury or death to any person or damages, loss, or destruction of any real or tangible property which may occur, or in any way arise out of, any act or omission of Contractor, its employees, agents, partners, or subcontractors/vendors. Contractor shall not be required to indemnify for that portion of any Claim/Cost arising due solely to the negligent or intentional act or failure to act of the State.
- (b) Contractor shall further indemnify and defend the State from and against any Claims/Costs resulting from any violation of or failure to comply with any state or federal

law, or other legal or Contract requirement to the extent caused by Contractor, its agents, employees, partners or subcontractors. Contractor shall not be required to indemnify for that portion of any Claim/Cost arising due solely to the negligent or intentional act or failure to act of the State.

- (c) Contractor shall fully protect, defend, and indemnify, the State from and against all adverse federal and state tax consequences, loss, liability, damage, expense, attorneys' fees or other obligations resulting from, or arising out of, any act or omission by Contractor in connection with this Contract, including but not limited to other obligations resulting from or arising out of any premium charge, tax, or similar assessment by federal, state, and local governmental authorities, for which Contractor is liable.
- (d) If applicable, Contractor will protect, defend, and indemnify, the State, its officers, trustees, employees, servants, subcontractors, agents, and volunteers, from and against all Claims/Costs which may be assessed against the State in any action for infringement of a United States Letter Patent with respect to the products furnished, or of any copyright, trademark, trade secret or intellectual property right, in relation to the Contract provided that the State shall give Contractor: (i) prompt written notice of any action, claim or threat of infringement suit, or other suit; (ii) the opportunity to take over, settle or defend such Claim/Cost at Contractor's sole expense; and (iii) reasonable assistance in the defense of any such action at the expense of Contractor. Where a Claim/Cost arises relative to a real or anticipated infringement, the State, its officers, trustees, employees, servants, subcontractors, agents, and/or volunteers, may require Contractor, at its sole expense, to submit such information and documentation, including formal patent attorney opinions, as to such infringement claim as the State deems necessary.
- (e) In addition to the foregoing remedies for patent infringement Claims/Costs, if the use of the product, material, or service or part(s) thereof shall be enjoined for any reason or if Contractor believes that such use may be enjoined, Contractor shall have the right, at its own expense and sole discretion to take action in the following order of precedence: (i) to procure for the State the right to continue using such product, material, or service or part(s) thereof, as applicable, under the same terms and conditions as provided in the Contract; (ii) to modify the product, material, or service so that it becomes a non-infringing product, material, or service of at least equal quality and performance, in the State's sole opinion; (iii) to replace the product, material, or service or part(s) thereof, as applicable, with non-infringing components of at least equal quality and performance, in the State's sole opinion; or (iv) if none of the foregoing is commercially reasonable, provide monetary compensation to the State.
- (f) Contractor agrees to indemnify and defend the State from all Claims/Costs relating to Contractor's or its subcontractors' fault or negligence, including, but not limited to, any claims relating to the failure of Contractor to provide services or fulfill obligations as specified in the Contract due to financial hardship or insolvency.
- (g) Contractor agrees to investigate, handle, respond to, provide defense for and defend any Claims/Costs at its sole expense and agrees to bear all other costs and expenses related thereto, even if the Claims/Costs are groundless, false or fraudulent.

(h) The State may, in addition to other remedies available to the State, its officers, trustees, employees, servants, subcontractors, agents, and/or volunteers at Law or equity and upon notice to Contractor, retain such monies from amounts due Contractor as may be necessary to satisfy any Claims/Costs asserted by or against the State, its officers, trustees, employees, servants, subcontractors, agents, and/or volunteers, for which Contractor owes indemnification and/or defense pursuant to this Section.

## **6 FORCE MAJEURE**

Neither party shall be liable for any delay or failure in performance beyond its control resulting from acts of God or force majeure. Whether a delay or failure results from a force majeure is ultimately determined by the State based on a review of all facts and circumstances. The parties shall use reasonable efforts to eliminate or minimize the effect of such events upon performance of their respective duties under Contract.

## **7 CONTRACT CONTROVERSIES**

Any claim or controversy arising out of the Contract shall be resolved by the provisions of La. R.S. 39:1672.2-1672.4.

## **8 FUND USE**

Contractor agrees not to use Contract proceeds to urge any elector to vote for or against any candidate or proposition on an election ballot, nor shall such funds be used to lobby for or against any proposition or matter having the effect of law being considered by the Louisiana Legislature or any local governing authority. This provision shall not prevent the normal dissemination of factual information relative to a proposition on any election ballot or a proposition or matter having the effect of law being considered by the Louisiana Legislature or any local governing authority.

## **9 ASSIGNMENT**

Contractor shall not assign any interest in this Contract by assignment, transfer, novation, or otherwise without prior written consent of the OGB CEO or his/her delegee. This provision shall not be construed to prohibit Contractor from assigning to a bank, trust company, or other financial institution any money due or to become due from approved contracts without such prior written consent. Notice of any such assignment, transfer, or novation shall be furnished promptly to the State Contract Monitor and shall not be binding upon the State until actually received by the State.

## **10 RIGHT TO AUDIT**

The State Legislative Auditor, federal auditors, internal auditors of the Division of Administration and its designated agents, the State, OGB, or others so designated by the State/OGB shall be entitled to audit all accounts, procedures, matters, and records of any Contractor or subcontractor under any negotiated Contract or subcontract directly pertaining to the Contract for a period of five (5) years after final payment under the Contract and for the subcontractor/vendor for a period of five (5) years from the date of final payment under the subcontract or such longer period as required by applicable state and federal Law. Records, including direct read access to databases and all tables, shall be made available during normal business hours for this purpose.

The State has the right to hire an independent third-party auditor, if the State deems necessary, to review all accounts, procedures, matters, and records, and Contractor and/or subcontractor/vendor shall provide access to all files, information system access, and space access upon request of the State for the third-party auditor selected to perform the indicated audit.

In the event that an examination of records results in a determination that previously paid invoices included charges which were improper or beyond the scope of the Contract, Contractor agrees that the amounts paid to the Contractor shall be adjusted accordingly, and that the Contractor shall within thirty (30) days of notification of such finding issue a remittance to the State of any payments declared to be improper or beyond the scope of the Contract. In combination therewith, or alternatively, the State, at its option, may offset the amounts deemed improper or beyond the scope of the Contract against Contractor's outstanding or subsequent invoices, if any.

## **10.1 RECORDS**

All records, reports, documents, or other material related to this Contract, delivered or transmitted to the Contractor by the State or its employees, agents, or authorized vendors, and/or obtained or prepared by Contractor or its subcontractors/vendors in connection with the performance of the services under the Contract, shall become records of the State and are referred to herein as "Records."

Contractor agrees to retain all Records in accordance with all Louisiana and federal laws and regulations. Further, Contractor agrees to retain all Records in accordance with OGB's official retention schedules (the "Schedules"), RFP Attachment VII, until such time as the Records are returned to the State or other disposition is agreed. In the event the applicable Law and the Schedules contain different retention periods, the Records shall be kept for the longer period. Records shall be in a format and media as required by applicable law or as agreed upon by the parties in writing if allowed by applicable law. The Schedules in place as of the effective date of this Contract are contained in RFP Attachment VII, Records Retention Schedule, and may be amended from time to time as deemed necessary by the State. To further ensure compliance with the Schedules and Louisiana retention laws, Contractor agrees to abide by the processes outlined in RFP Attachment VIII, Imaging System Survey Compliance and Records Destruction. Contractor shall return the Records to the State, at Contractor's expense, within seven (7) days of request or in the specific instance of termination or expiration of the Contract, within sixty (60) days after the termination or expiration of this Contract, and shall retain no copies of the Records unless required by applicable law, provided, the confidentiality and security requirements of this Contract shall apply to such Records as long as they are retained by the Contractor. Additionally, all State data must be sanitized from Contractor's (and its vendors') systems in compliance with the most current revision of NIST SP 800-66.

## **10.2 CONTRACTOR'S COOPERATION**

Contractor has the duty to fully cooperate with the State and provide any and all requested information, documentation, or other such requested support to the State when requested. This applies even if the Contract is terminated and/or litigation ensues. Specifically, Contractor shall not limit or impede OGB's right to audit or withhold Records.

## **11 CONTRACT MODIFICATIONS**

No amendment or variation of the terms of this Contract shall be valid unless made in writing, signed by the parties, and approved as required by applicable law. No oral understanding or agreement not incorporated in the Contract shall be binding on any of the parties.

## **12 CONFIDENTIALITY OF DATA**

All financial, statistical, personal, technical, and other data and information relating to the State's operation or the Contract which are made available to the Contractor in order to carry out this Contract, or which become available to the Contractor in carrying out this Contract, shall be protected by the Contractor from unauthorized use and disclosure through the observance of the same or more effective security and procedural requirements as are applicable to OGB and the State. The Contractor shall not be required under the provisions of this paragraph to keep confidential any data or information (other than protected health information) which is or becomes publicly available through no fault of Contractor or its subcontractors, vendors, agents, or employees, is already rightfully in the Contractor's possession, is independently developed by the Contractor outside the scope of the Contract, or is rightfully obtained from third parties without breach of the Contract.

Under no circumstance shall the Contractor discuss and/or release information to the media concerning this Contract or any Plan Participant without prior express written approval of the OGB CEO or his/her delegee.

### **12.1 SECURITY/DUTIES TO MONITOR AND REPORT SECURITY EVENTS**

The Contractor and its subcontractors/vendors shall maintain safeguards and take commercially reasonable technical, physical, and organizational/administrative precautions to ensure that the State's data is protected from unauthorized access, use, and disclosure, in accordance with the State's current and published Information Security Policy found at <https://www.doa.la.gov/OTS/InformationSecurity/LA-InfoSecPolicy-v1.01.pdf>. The Contractor shall implement and maintain safeguards and monitoring plans to detect unauthorized access to or use of confidential information and any attempts to gain unauthorized access to confidential information. The Contractor and its subcontractors/vendors shall provide the Contract Monitor with immediate notification (not more than forty-eight (48) hours) of the Contractor's awareness of any Security Event, as defined in the Information Security Policy ("Security Event"), involving confidential information under this Contract and also report such Security Event to Louisiana's Information Security Team at 1.844.692.8019 (open 24 hours a day, 7 days a week) as soon as feasibly possible, not to exceed 48 hours following discovery of the Security Event. The reference to Security Event herein may include, but not be limited to, the following: attempts at gaining unauthorized access to confidential information or the unauthorized use of a system for the processing or storage of confidential information, or the unauthorized use or disclosure, whether intentional or otherwise, of confidential information.

In the event of a Security Event, the Contractor shall consult and cooperate fully with the State regarding the necessary steps to address the factors giving rise to the Security Event and to address the consequences of such Security Event. Contractor shall also provide assistance performing a risk assessment of any Security Event that occurs, if requested by the State.

Nothing in this Contract shall be deemed to affect or limit any rights an individual participant may have under any applicable state or federal law concerning privacy rights or the unauthorized access, use, or disclosure of protected health information.

## **12.2 THIRD PARTY REQUESTS FOR RELEASE OF INFORMATION**

Should third parties request the Contractor to submit confidential information to them pursuant to an audit or other request not initiated by the Contractor, public records request, subpoena, summons, search warrant or governmental order, the Contractor will notify the State immediately upon receipt of such request. Notice shall be forwarded via e-mail to the Chief Executive Officer of OGB. The Contractor shall cooperate with the State with respect to defending against any such requested release of information or obtaining any necessary judicial protection against such release if, in the opinion of the State, the information contains confidential information which should be protected against such disclosure. The reasonable legal fees and related expenses incurred by the Contractor or its subcontractor in resisting the release of information under this provision shall constitute reimbursable expenses under this Contract.

Legal service fees of law firms engaged pursuant to this Section may not be “marked up” (i.e., invoiced cost-plus) by the Contractor.

## **13 SUBCONTRACTORS**

The Contractor may enter into subcontracts with third parties for the performance of any part of the Contractor’s duties and obligations, with the express prior written approval of the OGB CEO or his/her designee. In no event shall the existence of a subcontract operate to release or reduce the liability of the Contractor to the State for any breach or deficiency in the performance of the Contractor’s duties. The Contractor will be the single point of contact for all subcontractor work. The Contractor shall require subcontractors/vendors who are performing any key internal control to undergo independent assurance project/program review.

## **14 COMPLIANCE WITH LAWS**

The Contractor must comply with all applicable laws while providing services under this Contract. Specifically, Contractor agrees to abide by the requirements of the following as applicable: Title VI and Title VII of the Civil Rights Act of 1964, as amended by the Equal Opportunity Act of 1972, Federal Executive Order 11246, the Federal Rehabilitation Act of 1973, as amended, the Vietnam Era Veteran’s Readjustment Assistance Act of 1974, Title IX of the Education Amendments of 1972, the Age Act of 1975, and the Americans with Disabilities Act of 1990 as amended.

Contractor agrees not to discriminate in its employment practices, and will render services under this Contract without regard to race, color, religion, sex, national origin, veteran status, political affiliation, or disabilities. Any act of discrimination committed by Contractor or its subcontractors, or failure to comply with these statutory obligations when applicable, shall be grounds for immediate termination of this Contract.

## **15 INSURANCE**

**Contractor’s Insurance:** The Contractor shall not commence work under the resulting Contract until it has obtained all insurance required herein, and Contractor shall maintain the required insurance for the duration of the Contract or as further indicated herein. The date of

the inception of the policy must be no later than the first date of anticipated work under the Contract. Certificates of Insurance shall be filed with the State for approval. If so requested, the Contractor shall also submit copies of insurance policies for inspection and approval of the State before work is commenced.

**Workers' Compensation Insurance:** Before any work is commenced, Contractor must have in place and shall maintain during the life of the Contract, Workers' Compensation Insurance for all of Contractor's employees and other persons for whom Contractor is required to provide Workers' Compensation Insurance under applicable law. In case any work is sublet, Contractor shall require the subcontractor similarly to provide Workers' Compensation Insurance for all the latter's employees, unless such employees are covered by the protection afforded by the Contractor. Workers' Compensation Insurance shall be in compliance with the Workers' Compensation law of the state of the Contractor's headquarters. Employer's Liability Insurance shall be included with a minimum limit of \$500,000 per accident/per disease/per person. If work is to be performed over water and involves maritime exposure, applicable LHWCA, Jones Act, or other maritime law coverage shall be included and the Employer's Liability limit increased to a minimum of \$1,000,000 per accident/per disease/per person. A.M. Best's insurance company rating requirement may be waived for workers' compensation coverage only.

**Workers' Compensation Indemnity:** In the event Contractor is not required to provide or elects not to provide workers' compensation coverage, the parties hereby agree that Contractor, its owners, agents, and employees will have no cause of action against, and will not assert a claim against, the State of Louisiana, its departments, agencies, agents and employees as an employer, whether pursuant to the Louisiana Workers' Compensation Act or otherwise, under any circumstance. The parties also hereby agree that the State of Louisiana, its departments, agencies, agents and employees shall in no circumstance be, or considered as, the employer or statutory employer of Contractor, its owners, agents, and employees. The parties further agree that Contractor is a wholly-independent contractor and is exclusively responsible for its employees, owners, and agents. Contractor hereby agrees to protect, defend, and indemnify the State of Louisiana, its departments, agencies, agents, and employees from any such assertion or claim that may arise from the performance of this Contract.

**Commercial General Liability Insurance:** Contractor shall maintain during the life of the Contract such Commercial General Liability Insurance, including but not limited to Personal and Advertising Injury Liability, which shall protect it, and the State, its officers, trustees, employees, servants, and/or agents, from losses, claims, demands, liabilities, suits, actions, damages, costs, fines, penalties, judgments, forfeitures, assessments, expenses, obligations (including attorneys' fees), and other liabilities relating to personal injury, general negligence, violation of or failure to comply with any state or federal law, regulation, or other legal mandate, and damage to real or personal tangible property to the extent caused by Contractor, its employees, officers, agents, partners or subcontractors, and which may arise from operations or services under the Contract, whether such operations or services be by Contractor or by a subcontractor, or by anyone directly or indirectly employed or procured by either of them, or in such manner as to impose liability on the State, its officers, trustees, employees, servants, and/or agents. Such insurance shall name the State of Louisiana, its officers, trustees, employees, servants, and agents as additional insureds. The amount of coverage shall be as follows: Commercial General Liability insurance, including Personal and Advertising Injury

Liability, with policy limits of not less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate, and Umbrella Liability insurance, with policy limits of not less than \$5,000,000 per occurrence and \$10,000,000 in the aggregate.

The Insurance Services Office (ISO) Commercial General Liability occurrence coverage form CG 00 01 (or current form approved for use in Louisiana), or equivalent, is to be used in the policy. Claims-made form is unacceptable.

**Professional Liability (Errors & Omissions) Insurance:** Contractor shall maintain professional liability insurance, which covers the professional errors, acts, or omissions of the Contractor, with minimum policy limit of \$1,000,000 for the purpose of providing coverage for claims arising out of the performance of its services under this Contract. Claims-made coverage is acceptable. Coverage shall be provided for the duration of the Contract and shall have an expiration date no earlier than thirty (30) days after the anticipated completion of the Contract. The policy shall provide an extended reporting period of not less than twenty-four (24) months, with full reinstatement of limits, from the expiration date of the policy, if the policy is not renewed.

**Cyber/Data Breach Liability Insurance:** Contractor shall have in place before commencing work under the Contract and maintain during the life of the Contract and for the extended reporting period herein, cyber/data breach liability insurance, including first-party costs, for any data breach that compromises the State's confidential data with a minimum policy limit of \$25,000,000 or self-insurance limit of \$25,000,000 for the purpose of providing coverage for claims arising out of the performance of its services under the Contract. Claims-made coverage is acceptable. Such insurance policy shall name the State of Louisiana, its officers, trustees, employees, servants, and agents as additional insureds. If self-insured, evidence of self-insurance must be provided to and accepted by the State. Coverage shall be provided for the duration of the Contract and shall have an expiration date no earlier than thirty (30) days after the anticipated completion of the Contract. The policy shall provide an extended reporting period of not less than twenty-four (24) months from the expiration date of the policy, if the policy is not renewed. The policy shall not be cancelled for any reason, except non-payment of premiums.

**Owned, Non-Owned and Hired Motor Vehicles/Automobile Liability:** Contractor shall maintain during the life of the Contract, Automobile Liability Insurance in an amount not less than combined single limits of \$1,000,000 per occurrence for bodily injury/property damage. ISO form number CA 00 01 (or current form approved for use in Louisiana), or equivalent, is to be used in the policy. Such insurance shall cover and include third-party bodily injury and property damage liability for any owned, non-owned, and hired motor vehicles engaged in operations within the terms of the Contract, unless such coverage is included in insurance elsewhere specified.

**Subcontractor's Insurance:** Contractor shall include all subcontractors performing work required by this Contract as insureds under its policies OR shall be responsible for verifying and maintaining the Certificates of Insurance provided for any and all subcontractors, which are not protected under the Contractor's own insurance policies, of the same nature and in the same amounts as required of Contractor. Subcontractors shall be subject to all of the requirements stated herein. The State reserves the right to request copies of subcontractor's Certificates of Insurance at any time.

**Deductibles and Self-Insured Retentions:** Any deductibles or self-insured retentions must be declared to and accepted by the State. The Contractor shall be responsible for all deductibles and self-insured retentions.

**Other Insurance Provisions:** The policies are to contain, or be endorsed to contain, the following provisions:

1. General Liability and Automobile Liability Coverages

- a. The State, OGB, its officers, agents, employees, and volunteers shall be named as an additional insured as regards negligence by the Contractor. ISO Form CG 20 10 (or current form approved for use in Louisiana), or equivalent, is to be used when applicable. The coverage shall contain no special limitations on the scope of protection afforded to the State.
- b. The Contractor's insurance shall be primary as respects the State, OGB, its officers, agents, employees, and volunteers. Any insurance or self-insurance maintained by the State/OGB shall be excess and non-contributory of the Contractor's insurance.
- c. Any failure of the Contractor to comply with reporting provisions of the policy shall not affect coverage provided to the State/OGB, its officers, agents, employees, and volunteers.
- d. The Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the policy limits.

2. Workers' Compensation and Employer's Liability Coverage

The insurer shall agree to waive all rights of subrogation against the State/OGB, its officers, agents, employees, and volunteers for losses arising from work performed by the Contractor for the State/OGB under the Contract.

3. All Coverages

- a. Coverage shall not be cancelled, suspended, or voided by either the Contractor or the insurer or reduced in coverage or in limits, except after 30 days' written notice has been given to the OGB/State. Ten-day written notice of cancellation is acceptable for non-payment of premium. Notifications shall comply with the standard cancellation provisions in the Contractor's policy.
- b. Neither the acceptance of the completed work nor the payment thereof shall release the Contractor from the obligations of the insurance requirements or indemnification agreement.
- c. The insurance companies issuing the policies shall have no recourse against the OGB/State for payment of premiums or for assessments under any form of the policies.
- d. Any failure of the Contractor to comply with reporting provisions of the policy shall not affect coverage provided to the State/OGB, its officers, agents, employees, and volunteers.

**Acceptability of Insurers:** All required insurance shall be provided by a company or companies lawfully authorized to do business in the jurisdiction(s) in which the Project is

performed. Insurance shall be placed with insurers with a A.M. Best's rating of A-:VI or higher. This rating requirement may be waived for worker's compensation coverage only.

If at any time an insurer issuing any such policy does not meet the minimum A.M. Best rating, the Contractor shall obtain a policy with an insurer that meets the A.M. Best rating and shall submit another Certificate of insurance as required in the Contract.

**Verification of Coverage:** Contractor shall furnish the OGB/State with Certificates of Insurance reflecting proof of required coverage. The Certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The Certificates are to be received and approved by the OGB/State before work commences and upon any Contract renewal thereafter.

In addition to the Certificates, Contractor shall submit the declarations page and the cancellation provision endorsement for each insurance policy. The OGB/State reserves the right to request complete certified copies of all required insurance policies at any time.

Upon failure of the Contractor to furnish, deliver, or maintain such insurance as above provided, the Contract, at the election of the OGB/State, may be suspended, discontinued, or terminated. Failure of the Contractor to purchase and/or maintain any required insurance shall not relieve the Contractor from any liability or indemnification under the Contract.

## **16 APPLICABLE LAW**

This Contract shall be governed by and enforced in accordance with the laws of the State of Louisiana, including but not limited to La. R.S. 39:1551-1736 (Louisiana Procurement Code, as applicable) (collectively referred to as the "Law"). After exhaustion of any available administrative remedies, the exclusive venue of any action brought with regard to this Contract shall be in the Nineteenth (19<sup>th</sup>) Judicial District Court, Parish of East Baton Rouge, State of Louisiana.

## **17 CODE OF ETHICS**

Contractor acknowledges that Chapter 15 of Title 42 of the Louisiana Revised Statutes (La. R.S. 42:1101, *et. seq.*, Code of Governmental Ethics) applies to the contracting parties in the performance of services called for in this Contract. Contractor agrees to immediately notify the OGB's CEO if violations or potential violations of the Code of Governmental Ethics by or through Contractor or its subcontractors/vendors under this Contract arise at any time during the term of this Contract.

## **18 SEVERABILITY**

If any term or condition of this Contract or the application thereof is held invalid, such invalidity shall not affect other terms, conditions, or applications which can be given effect without the invalid term, condition, or application; to this end, the terms and conditions of this Contract are declared severable.

## **19 INDEPENDENT ASSURANCES**

Contractor shall submit, and cause its subcontractors who perform key internal controls to submit, to certain independent audits to ascertain that processes and controls related to the contracted service are operating properly. Independent assurances may be in the form of a Service Organization Control ("SOC") 1, Type II and/or SOC 2, Type II report resulting from



## **21 HEADINGS**

Descriptive headings in this Contract are for convenience only and shall not affect the construction or meaning of Contractual language.

## **22 ENTIRE AGREEMENT**

This Contract, together with the RFP and addenda issued thereto by the State, the Proposal submitted by the Contractor in response to the applicable RFP, and any exhibits incorporated herein by reference, shall constitute the entire agreement between the parties with respect to the subject matter hereof.

## **23 ORDER OF PRECEDENCE**

In the event of any inconsistent or incompatible provisions, this signed Contract (excluding the RFP and the Contractor's Proposal) shall take precedence, followed by the provisions of the RFP, and then by the terms of the Contractor's Proposal.

## **24 BUSINESS ASSOCIATE ADDENDUM**

A Business Associate Addendum, RFP Attachment II, shall be executed between the parties to this Contract to protect the privacy and provide security of Protected Health Information ("PHI") and personally-identifiable information ("PII") in compliance with the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), and regulations promulgated thereunder, as amended from time to time.

OGB is a "Covered Entity" under HIPAA/HITECH. For the purposes of this Contract, Contractor is deemed to be a "Business Associate" of OGB as such term is defined by HIPAA and regulations promulgated thereunder, including in the Privacy Standard of the Federal Register, published on December 28, 2000, and the parties have executed a Business Associate Addendum attached to this Contract as RFP Attachment II, and made a part of this Contract. The parties understand and agree that if additional agreements are required to be compliant as required under HIPAA and applicable law, the parties will execute such agreements in a timely manner. Contractor agrees that its processes, systems, and reporting will be in full compliance with federal and state requirements, including but not limited to HIPAA, throughout the term of the Contract. Any fines or penalties imposed on any party related to Contractor's or its subcontractors' non-compliance will be the sole responsibility of Contractor. Contractor shall require its subcontractors' and any other vendors' processes, systems, and reporting to be in full compliance with federal and state requirements, including but not limited to HIPAA. Further, Contractor agrees that its organization, and that it requires that its subcontractors/vendors, will comply with all HIPAA regulations throughout the term of the Contract with respect to any issue related to the OGB Contract, plans, or participants involving PHI/PII, including but not limited to participant services, complaints, appeals determinations, notification of rights, and confidentiality. Contractor shall require that all agreements with subcontractors or other vendors providing services for this Contract include the provisions of this Section and any Attachments referenced herein. OGB shall be provided copies of such subcontractor/vendor agreements upon request.

Notwithstanding any provision to the contrary, major delegated functions involving PHI and PII, including but not limited to claims processing, customer service, and any other services as

provided by applicable Law, shall not be sourced outside of the territorial and jurisdictional limits of the fifty (50) United States of America.

## **25 CONTRACTOR ELIGIBILITY**

At the time of execution, Contractor, and each tier of subcontractors/vendors, certifies that it is not on the List of Parties Excluded from Federal Procurement or Non-procurement Programs promulgated in accordance with Executive Orders 12549 and 12689, "Debarment and Suspension" as set forth in 24 CFR Part 24. Contractor has a continuing obligation to disclose any suspensions, debarment, or investigations by any government entity, including but not limited to General Services Administration (GSA). Failure to disclose may constitute grounds for suspension and/or termination of the Contract and debarment from future contracting opportunities.

## **26 CONTINUING OBLIGATIONS**

Notwithstanding any provisions to the contrary herein, upon the termination of this Contract for any reason, the provisions of this Contract which by their nature require some action or forbearance after such termination, including but not limited to confidentiality, PHI, reporting, indemnity, insurance, records retention, and performance guarantees, shall survive such termination and be binding until any actions, obligations, and/or rights provided therein have been satisfied or released.

## **27 MARKET CHECK PROVISION**

OGB reserves the right to exercise an annual market check at any time during the Contract term to assess and verify the competitiveness of the pricing and other terms set forth in the Contract in comparison to that available in the marketplace at that time. OGB may designate a third party of its choosing that will compare the aggregate value of the upcoming Contract year pricing and other terms to what they may receive under a competitive procurement. Benchmarks chosen in the analysis shall be groups with similar plan design, membership and utilization patterns as OGB, to the extent possible. Should the comparison find current market conditions would yield greater than 1.0% savings, the parties will discuss in good faith a revision to the current pricing and other terms that will at least match the best offer in the marketplace and will go into effect the first day of the upcoming Contract year. If the parties are unable to reach agreement on revised pricing terms or other applicable provisions within sixty (60) days from the market check report, OGB may terminate the Contract without penalty (e.g., no loss of rebates earned but not yet paid) as indicated in Section 4.2.

## **28 PREFERRED CLIENT**

OGB should be recognized as a preferred client relationship and should benefit from yearly pricing improvements provided to any other clients in Contractor's "book of business". Essentially, if Contractor offers better pricing to another client during the Contract term, OGB will benefit from the lesser pricing arrangement and receive the benefit of any offered enhancements.

## **29 CENTERS FOR MEDICARE AND MEDICAID SERVICES**

Contractor shall make its books and records in connection with any Medicare business available to CMS and/or its designees in accordance with 42 CFR 423.504(d) and 42 CFR

423.505(d) and (e). In this regard, CMS and/or its designees shall have the right to audit, evaluate, and inspect any books, contracts, records, computer and/or other electronic systems, including medical records and documentation involving transactions related to the Plan and/or Medicare business provided under this Contract (including coverage costs, low income subsidies, and privacy and security of PHI and other personally identifiable information, enrollment and disenrollment) and any additional relevant information that CMS may require, and these rights shall continue for a period of ten (10) years, or longer if required by CMS, from the final date of the Contract period or from the date of completion of any audit, whichever is later. CMS and/or its designees shall have direct access (i.e., on-site access) to the Contractor, and the Contractor will make such books, records, computer and/or other electronic systems, directly available to CMS and/or its designee(s) for such inspection, evaluation, and audit.

**30 TRANSITION OF SERVICES AND DATA**

Contractor shall comply with the provisions of this Contract, and other requests of OGB/State, to accomplish a timely transition of services without interruption of services to participants. During any such transition, Contractor will provide all of the same Records and data in the same format as provided during the term of the Contract, to OGB/State or its designee. Contractor further agrees that no dispute or objection it may have regarding the propriety of any transition of services by OGB/State will relieve Contractor of these obligations.

**31 PROHIBITION OF DISCRIMINATORY BOYCOTTS OF ISRAEL**

In accordance with La. R.S. 39:1602.1, for any contract for \$100,000 or more and for any Contractor with five or more employees, Contractor, including any subcontractor, shall certify it is not engaging in a boycott of Israel, and shall, for the duration of this Contract, refrain from a boycott of Israel.

The State reserves the right to terminate this Contract if the Contractor, or any subcontractor, engages in a boycott of Israel during the term of the Contract.

**THUS DONE AND SIGNED on the date(s) noted below:**

**STATE OF LOUISIANA  
OFFICE OF GROUP BENEFITS**

**CONTRACTOR**

**BY:** \_\_\_\_\_

**BY:** \_\_\_\_\_

**NAME:** Tommy Teague

**NAME:** \_\_\_\_\_

**TITLE:** Chief Executive Officer

**TITLE:** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**DATE:** \_\_\_\_\_

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## ATTACHMENT II: BUSINESS ASSOCIATE ADDENDUM

State of Louisiana, Office of Group Benefits

HIPAA Business Associate Addendum

THIS HIPAA BUSINESS ASSOCIATE ADDENDUM (the “Addendum”) is entered into effective the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ (the “Effective Date”), by and between \_\_\_\_\_ (“Business Associate”) and the State of Louisiana, Office of Group Benefits, on behalf of itself and its affiliates, if any (individually and collectively, the “Covered Entity”), and adds to the Agreement or Contract dated \_\_\_\_\_, 20\_\_, entered into between Covered Entity and Business Associate (the “Agreement”).

WHEREAS, pursuant to the Agreement, Business Associate performs functions or activities or arranges for such on behalf of Covered Entity involving the use and/or disclosure of protected health information that Business Associate accesses, creates, receives, maintains or transmits on behalf of Covered Entity (“PHI”); and

WHEREAS, Covered Entity and Business Associate intend to protect the privacy and provide for the security of PHI in compliance with the Health Insurance Portability and Accountability Act of 1996, and regulations promulgated thereunder by the U.S. Department of Health and Human Services (“HHS”), as amended from time to time including by the Health Information Technology for Economic and Clinical Health Act (“HITECH”) (collectively “HIPAA”).

Business Associate, therefore, agrees to the following terms and conditions set forth in this Addendum.

1. *Definitions.* Terms used, but not otherwise defined, in this Addendum shall have the same meaning as those terms are defined under HIPAA.
2. *Compliance with Applicable Law.* The parties acknowledge and agree that, beginning with the Effective Date, Business Associate shall comply with its obligations under this Addendum and with all obligations of a business associate under HIPAA and other applicable laws, regulations, and record retention policies, as they exist at the time this Addendum is executed and as they are amended, for so long as this Addendum is effective.
3. *Uses and Disclosures of PHI.* Except as otherwise limited in the Agreement or this Addendum, Business Associate may, and shall ensure that its directors, officers, employees, contractors, subcontractors, vendors, and agents use or disclose PHI only as follows:
  - (a) Business Associate may use PHI for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate.
  - (b) Business Associate may disclose PHI for the proper management and administration, or to carry out the legal responsibilities, of the Business Associate, provided that disclosures are required by HIPAA, or Business Associate obtains reasonable written assurances from the person or entity to whom the PHI is disclosed that it will remain confidential and be used or further disclosed only as required by law or for the purpose for which it was disclosed to the person or entity, and the person or entity notifies the Business Associate of any

instances of which it is aware or suspects in which the confidentiality of the PHI has been breached. In such case, Business Associate shall report such known or suspected breaches to Covered Entity as soon as possible and in accordance with timeframes set forth in this Addendum.

- (c) Business Associate, upon written request by Covered Entity, may use PHI to provide Data Aggregation services to Covered Entity as permitted by 45 CFR 164.504(e)(2)(i)(B). For purposes of this Section, Data Aggregation means, with respect to PHI, the combining of such PHI by Business Associate with the PHI received by Business Associate in its capacity as a Business Associate of another Covered Entity to permit data analyses that relate to the health care operations of the respective Covered Entities. It is not contemplated that Business Associate will perform Data Aggregation services with PHI received from Covered Entity without express prior written permission of Covered Entity.
- (d) Business Associate may completely de-identify any and all PHI created or received by Business Associate under this Agreement; provided, however, that the de-identification conforms to the requirements of HIPAA and in accordance with any guidance issued by the Secretary. Such resulting de-identified information would not be subject to the terms of this Addendum.
- (e) Business Associate may create a Limited Data Set, as defined in HIPAA, and use such Limited Data Set pursuant to a Data Use Agreement that meets the requirements of HIPAA, provided Covered Entity agrees to such creation and use of a Limited Data Set.

4. Required Safeguards To Protect PHI. Business Associate shall implement appropriate safeguards in accordance with HIPAA to prevent the use or disclosure of PHI other than pursuant to the terms and conditions of the Agreement. To the extent that Business Associate creates, receives, maintains, or transmits electronic PHI (“ePHI”) on behalf of Covered Entity, Business Associate shall comply with the HIPAA Security Rule as of the relevant effective date and further, shall implement Administrative, Physical, and Technical Safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of the ePHI.

5. Reporting to Covered Entity. Business Associate shall immediately report to Covered Entity any use or disclosure of PHI not provided for by this Addendum, including breaches of unsecured PHI in accordance with the Breach Notification Rule (45 CFR Subpart D), and any security incident of which it becomes aware. Business Associate shall cooperate with Covered Entity’s investigation, analysis, notification and mitigation activities, and shall be responsible for all costs incurred by Covered Entity for those activities.

6. Mitigation of Harmful Effects. Business Associate agrees to mitigate, to the extent practicable, any harmful effect of a use or disclosure of PHI by Business Associate in violation of the requirements of this Addendum, including, but not limited to, compliance with any state law or contractual data breach requirements.

7. Agreements with Third Parties. Business Associate understands and agrees that any agent or subcontractor that may create, receive, maintain or transmit PHI on behalf of Business Associate must comply with all applicable laws and regulations as are applicable to Covered Entity in regard to PHI. Business Associate shall enter into a written agreement with any agent or subcontractor of Business Associate that will create, receive, maintain, or transmit PHI on behalf of Business Associate. Pursuant to such agreement, the agent or subcontractor shall agree to be bound by the

same restrictions, terms, and conditions that apply to Business Associate under this Addendum with respect to such PHI. Such agreements with Business Associates agents and subcontractors shall be provided to Covered Entity upon request and subject to audit hereunder.

8. Access to Information. Within ten (10) days of a request by Covered Entity for access to PHI about an individual contained in a Designated Record Set, Business Associate shall make available to Covered Entity such PHI for so long as such information is maintained by Business Associate in the Designated Record Set, as required by 45 CFR 164.524. In the event any individual delivers directly to Business Associate a request for access to PHI, Business Associate shall within five (5) days forward such request to Covered Entity.

9. Availability of PHI for Amendment. Within ten (10) days of receipt of a request from Covered Entity for the amendment of an individual's PHI or a record regarding an individual contained in a Designated Record Set (for so long as the PHI is maintained in the Designated Record Set), Business Associate shall provide such information to Covered Entity for amendment and incorporate any such amendments in the PHI as required by 45 CFR 164.526.

10. Documentation of Disclosures. Business Associate agrees to document disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR 164.528. At a minimum, Business Associate shall provide Covered Entity with the following information: (i) the date of the disclosure; (ii) the name of the entity or person who received the PHI, and if known, the address of such entity or person; (iii) a brief description of the PHI disclosed; and (iv) a brief statement of the purpose of such disclosure which includes an explanation of the basis for such disclosure.

11. Accounting of Disclosures. Within ten (10) days of notice by Covered Entity to Business Associate that it has received a request for an accounting of disclosures of PHI regarding an individual, Business Associate shall make available to Covered Entity information collected in accordance with Section 10 of this Addendum, to permit Covered Entity to respond to the request for an accounting of disclosures of PHI in accordance with 45 CFR 164.528. In the event the request for an accounting is delivered directly to Business Associate, Business Associate shall within five (5) days forward such request to Covered Entity. Business Associate hereby agrees to implement an appropriate record keeping process to enable it to comply with the requirements of this Section.

12. Other Obligations. To the extent that Business Associate is to carry out Covered Entity's obligation under HIPAA, Business Associate shall comply with the requirements of HIPAA that apply to the Covered Entity in the performance of such obligation.

13. Availability of Books and Records. Business Associate hereby agrees to make its internal practices, books, and records relating to the use and disclosure of PHI received from, or created or received by Business Associate on behalf of, Covered Entity available to Covered Entity and to the Secretary for purposes of determining Covered Entity's compliance with HIPAA for the term of this Agreement and for six years following the final payment under the Agreement.

14. Effect of Termination of Agreement. Upon the termination of the Agreement or this Addendum for any reason, Business Associate shall return to Covered Entity, at its expense and within sixty (60) days of the termination, all PHI owned by or belonging to Covered Entity as provided in the Agreement, and shall retain no copies of the PHI unless required by law. In the

event that the law requires Business Associate to retain copies of PHI, Business Associate shall extend the protections of this Addendum to such PHI and limit further uses and disclosures of such PHI to those purposes required by law, for so long as Business Associate maintains such PHI. This provision includes, but is not limited to, PHI: (a) received from Covered Entity; (b) created or received by Business Associate on behalf of Covered Entity; and, (c) in the possession of subcontractors or agents of Business Associate. This provision includes PHI in any form, recorded on any medium, or stored in any storage system. In addition, the Business Associate shall return any books, records, or other documents required by the Agreement.

15. Breach of Contract by Business Associate. In addition to any other rights Covered Entity may have in the Agreement, this Addendum or by operation of law or in equity, Covered Entity may (i) immediately terminate the Agreement if Covered Entity determines that Business Associate has violated a material term of this Addendum, or (ii) at Covered Entity's option, permit Business Associate to cure or end any such violation within the time specified by Covered Entity. Covered Entity's exercise of its option to permit Business Associate to cure a breach of this Addendum shall not be construed as a waiver of any other rights Covered Entity has in the Agreement, this Addendum or by operation of law or in equity.

16. Indemnification. Business Associate shall defend, indemnify and hold harmless Covered Entity and its officers, trustees, employees, subcontractors and agents from and against any and all claims, penalties, fines, costs, liabilities or damages, including but not limited to reasonable attorney fees, incurred by Covered Entity arising from a violation by Business Associate or its subcontractors of Business Associate's obligations under this Addendum or HIPAA. This Section 16 of the Addendum shall survive the termination of the Agreement or this Addendum.

17. Exclusion from Limitation of Liability. To the extent that Business Associate has limited its liability under the terms of the Agreement, whether with a maximum recovery for direct damages or a disclaimer against any consequential, indirect or punitive damages, or other such limitations, all limitations shall exclude any damages to Covered Entity arising from Business Associate's breach of its obligations relating to the use and disclosure of PHI. This Section 17 of the Addendum shall survive the termination of the Agreement and this Addendum.

18. Injunctive Relief. Business Associate acknowledges and stipulates that the unauthorized use or disclosure of PHI by Business Associate or its subcontractors while performing services pursuant to the Agreement or this Addendum would cause irreparable harm to Covered Entity, and in such event, Covered Entity shall be entitled, if it so elects, to institute and prosecute proceedings in any court of competent jurisdiction, either in law or in equity, to obtain damages and injunctive relief, together with the right to recover from Business Associate costs, including reasonable attorneys' fees, for any such breach of the terms and conditions of the Agreement or this Addendum.

19. Third Party Rights. The terms of this Addendum are not intended, nor should they be construed, to grant any rights to any parties other than Business Associate and Covered Entity.

20. Owner of PHI. Under no circumstances shall Business Associate be deemed in any respect to be the owner of any PHI used or disclosed by or to Business Associate pursuant to the terms of the Agreement.

21. Changes in the Law. Covered Entity may amend either the Agreement or this Addendum, as appropriate, to conform to any new or revised federal or state legislation, rules, regulations, and

records retention policies to which Covered Entity is subject now or in the future including but not limited to HIPAA.

22. *Judicial and Administrative Proceedings.* In the event Business Associate receives a subpoena, court, or administrative order, or other discovery request or mandate for release of PHI associated with this contract, other than a standard medical records request/medical records subpoena, Business Associate shall notify Covered Entity of such within five (5) business days by providing a copy of such and any applicable comments. Covered Entity shall have the right to control Business Associate's response to such request.

23. *Conflicts.* If there is any direct conflict between the Agreement and this Addendum, the terms and conditions of this Addendum shall control.

IN WITNESS WHEREOF, the parties have executed this Addendum effective the day and year first above written.

**STATE OF LOUISIANA**  
**OFFICE OF GROUP BENEFITS**

**CONTRACTOR**

By: \_\_\_\_\_  
*Signature*

By: \_\_\_\_\_  
*Signature*

\_\_\_\_\_  
*Tommy Teague*  
*Printed Name*

\_\_\_\_\_  
*Printed Name*

Title: Chief Executive Officer

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

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**ATTACHMENT III: TECHNICAL QUESTIONNAIRE**

**Attachment III: Technical Questionnaire is provided in an Excel Attachment.**

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## ATTACHMENT IV: DATA USE AGREEMENT FOR LIMITED DATA SET

This Data Use Agreement for a Limited Data Set (“Agreement”) is effective on the \_\_\_ day of \_\_\_\_\_, 2020 (“Effective Date”) by and between the State of Louisiana, Division of Administration, Office of Group Benefits (“OGB”), and \_\_\_\_\_ (“Recipient”), collectively, the “Parties”.

OGB is a COVERED ENTITY as defined in the Health Insurance Portability and Accountability Act of 1996 and the regulations promulgated pursuant thereto (collectively, “HIPAA”); and OGB is providing Recipient with a Limited Data Set that may contain Protected Health Information (“PHI”) as defined in HIPAA, such that the Recipient may be a “LIMITED DATA SET RECIPIENT” as defined in HIPAA;

The Parties agree to the provisions of this Agreement in order to address the requirements of HIPAA and to protect the interests of both Parties.

1. **DEFINITIONS.** Except as otherwise defined herein, any and all capitalized terms in this Agreement shall have the definitions set forth in HIPAA. In the event of any inconsistency between the provisions of this Agreement and mandatory provisions of HIPAA, as amended, the HIPAA provisions shall control. Where provisions of this Agreement are different from those provided in HIPAA, but are permitted by HIPAA, the provisions of this Agreement shall control.
2. **USE OR DISCLOSURE.** Recipient shall have the right to use and disclose all PHI provided to it by OGB for the Health Care Operations purposes as follows:
  - Data analysis essential to the formulation of Recipient’s proposal in response to the RFP for Pharmacy Benefit Manager (PBM) Services for Self-Funded Health Plans issued by OGB on the date in the Schedule of Events.
3. **RESTRICTIONS ON USE.** Recipient agrees that it, and any employees, agents, vendors, and subcontractors to whom it discloses the PHI, will not use or further disclose the PHI other than as permitted by this Agreement, or as otherwise required by law or regulation. Recipient shall use appropriate administrative, physical, and technical safeguards to protect the PHI from misuse or inappropriate disclosure and to prevent any use or disclosure of the PHI other than as provided in this Agreement or as otherwise required by law or regulation. Recipient shall not attempt to identify the individuals to whom the PHI pertains, or attempt to contact such individuals.

Recipient acknowledges and stipulates that the unauthorized access, use, or disclosure of PHI by Recipient or its employees, officers, contractors, or subcontractors, while performing pursuant to this Agreement would cause irreparable harm to the State, and in such event, the State shall be entitled, if it so elects, to institute and prosecute proceedings in any court of competent jurisdiction, either in law or in equity, to obtain damages and injunctive relief, together with the right to recover from Recipient costs, including reasonable attorneys’ fees, for any such breach of the terms and conditions of this Agreement.

Recipient represents and warrants that its collection, access, use, storage, disposal and disclosure of PHI does and will comply with all applicable federal and state laws, including but not limited to, privacy and data protection laws, regulations, and directives.

The Recipient and its subcontractors and/or vendors shall maintain safeguards and take commercially reasonable technical, physical, and organizational/administrative precautions to ensure that the State's data is protected from unauthorized access, use, and disclosure, in accordance with the State's current and published Information Security Policy found at <http://www.doa.la.gov/Pages/ots/InformationSecurity.aspx>, including but not limited to NIST SP 800-111 and NIST SP 800-88. The Recipient shall implement and maintain safeguards and monitoring plans to detect unauthorized access to or use of confidential information and any attempts to gain unauthorized access to confidential information. The Recipient and its subcontractors and/or vendors shall provide OGB with immediate notification (not more than forty-eight (48) hours) of the Recipient's awareness of any Security Event, as defined in the Information Security Policy ("Security Event"), involving confidential information related to the RFP or resulting Contract, and also report such Security Event to Louisiana's Information Security Team at 1.844.692.8019 (open 24 hours a day, 7 days a week) as soon as feasibly possible, not to exceed forty-eight (48) hours following discovery of the Security Event. The reference to Security Event herein may include, but not be limited to, the following: attempts at gaining unauthorized access to confidential information or the unauthorized use of a system for the processing or storage of confidential information, or the unauthorized use or disclosure, whether intentional or otherwise, of confidential information.

Thereafter, Recipient shall (i) make available all applicable records, logs, files, data reporting, and other materials required by the State to determine the actual exposure of Personal Information and facilitate any breach notification obligations; (ii) use commercially reasonable efforts to prevent a recurrence of any Security Event; (iii) assist and cooperate with State in its investigation of the Security Event; and (iv) provide the State with the name and contact information for an employee of Contractor who shall serve as the State's primary security contact and shall be reasonably available to assist the State in resolving its obligations associated with the Security Event. Recipient will provide commercially reasonable assistance to the State, bear the cost and expense of all notifications and remediation actions, and implement any agreed upon technical remediation.

Nothing herein shall be deemed to affect or limit any rights an individual Plan Participant may have under any applicable state or federal law concerning privacy rights or the unauthorized access, use, or disclosure of protected health information.

4. **REPORTING.** Recipient shall immediately report to OGB's HIPAA Compliance Director and to OGB's Chief Information Security Officer any Security Event, as defined in the State's Information Security Policy, related to any unauthorized access, use, or disclosure of the PHI of which Recipient becomes aware. Recipient will take all appropriate steps to mitigate such access, use, or disclosure and will take all steps directed by the State to limit any further such access, use, or disclosure and mitigate the effects of such.
5. **TERMINATION.** This Agreement shall be effective on the Effective Date set forth above and shall continue as long as Recipient retains the PHI, unless otherwise terminated by OGB, applicable law, or regulation. Recipient may terminate this Agreement by returning all of the PHI to OGB and certifying destruction of all copies in every form, in a form required by OGB. The certification must include that all PHI has been sanitized from Recipient's (and its

vendors') systems in compliance with the most current revision of NIST SP 800-66. If Recipient determines, and OGB agrees in writing, that destruction or return of the PHI is impossible or infeasible, or Recipient's processes require it to maintain the PHI for longer periods, the protections of this Agreement with respect to such PHI shall remain in effect until such PHI is returned or destroyed in compliance with this Agreement.

6. **APPLICABLE LAW AND VENUE.** This Agreement shall be interpreted in accordance with the laws of the State of Louisiana. After exhaustion of any available administrative remedies, the exclusive venue of any action brought with regard to this Agreement shall be in the Nineteenth (19th) Judicial District Court, Parish of East Baton Rouge, State of Louisiana.
7. **INDEMNIFICATION AND DEFENSE.** Recipient shall defend, indemnify, and release the State of Louisiana from and against all claims, losses, judgments, expenses, and fees of any kind related to or arising from any breach of this Agreement by Recipient, its employees, agents, representatives, vendors, and/or subcontractors.
8. **SEVERABILITY.** No oral understanding or agreement not incorporated in the Agreement is binding on either Recipient or State. If any term or condition of this Agreement or the application thereof is declared invalid, such invalidity shall not affect other terms, conditions, or applications, which can be given effect without the invalid term, condition, or application; to this end, the terms and conditions of this Agreement are declared severable.

**(Signature page to follow)**

**State of Louisiana  
Office of Group Benefits**

**Recipient:**

\_\_\_\_\_  
*Proposer's Name*

\_\_\_\_\_  
*Address*

\_\_\_\_\_  
*City, State & Zip Code*

By: \_\_\_\_\_  
*Signature*

By: \_\_\_\_\_  
*Signature*

\_\_\_\_\_  
Tommy Teague  
*Printed Name*

\_\_\_\_\_  
*Printed Name*

\_\_\_\_\_  
Chief Executive Officer  
*Title*

\_\_\_\_\_  
*Title*

\_\_\_\_\_  
*Date*

\_\_\_\_\_  
*Date*

**ATTACHMENT V: CURRENT PHARMACY DRUG PLAN BENEFIT DESIGN**

<b>Commercial Plans</b>		
<b>Before \$1,500 Rx OOP is met</b>		
<b>Drug Type</b>	<b>Days Supply</b>	<b>Co-Pay</b>
Generic	31	50%, maximum \$30
Brand	31	50%, maximum \$55
Non-Preferred Brand	31	65%, maximum \$80
Specialty	31	50%, maximum \$80
Generic	62	50%, maximum \$60
Brand	62	50%, maximum \$110
Non-Preferred Brand	62	65%, maximum \$160
Generic	93	50%, maximum \$75
Brand	93	50%, maximum \$137.50
Non-Preferred Brand	93	65%, maximum \$200
<b>After \$1,500 Rx OOP is met</b>		
Generic	31	\$0
Brand	31	\$20
Non-Preferred Brand	31	\$40
Specialty	31	\$40
Generic	62	\$0
Brand	62	\$40
Non-Preferred Brand	62	\$80
Generic	93	\$0
Brand	93	\$50
Non-Preferred Brand	93	\$100
<b>Disease Management</b>		
Generic	31	\$0
Brand	31	\$20
Non-Preferred Brand	31	\$40
Specialty	31	\$40
Generic	62	\$0
Brand	62	\$40
Non-Preferred Brand	62	\$80
Generic	93	\$0
Brand	93	\$50
Non-Preferred Brand	93	\$100
Diabetic supplies and preferred Abbott test strips are \$0 copay		

<b>EGWP</b>		
<b>Before \$1,500 Rx OOP is met</b>		
<b>Drug Type</b>	<b>Days Supply</b>	<b>Co-Pay</b>
Generic	31	50%, maximum \$30
Brand	31	50%, maximum \$55

Non-Preferred Brand	31	65%, maximum \$80
Specialty	31	50%, maximum \$80
Generic	62	50%, maximum \$60
Brand	62	50%, maximum \$110
Non-Preferred Brand	62	65%, maximum \$160
Generic	93	50%, maximum \$75
Brand	93	50%, maximum \$137.50
Non-Preferred Brand	93	65%, maximum \$200
<b>After \$1,500 Rx OOP is met</b>		
Generic	31	\$0
Brand	31	\$20
Non-Preferred Brand	31	\$40
Specialty	31	\$40
Generic	62	\$0
Brand	62	\$40
Non-Preferred Brand	62	\$80
Generic	93	\$0
Brand	93	\$50
Non-Preferred Brand	93	\$100

**Notes:**

- \$1,500 prescription-only threshold is met when exceeded, either by Plan Participant alone or family aggregate spend.
- All co-pays are for 30-day supply.
- Co-pay for 90-day supply is 2.5 times the applicable maximum co-pay.
- Members pay the Preferred Brand copay for certain high cost generic medications
- Nasal Steroids are excluded from coverage.
- Proton Pump Inhibitors (PPIs) are excluded for OGB members.
- Members pay their generic copay for certain brand medications.
- OTCs, cosmetics, fertility, vitamins, and weight loss drugs are excluded.
- Disease Management Program in place– categories covered – Asthma, Chronic Obstructive Pulmonary Disease (COPD), Coronary Artery Disease (CAD), and Heart Failure (HF) the member enrolls through the medical benefit and their pharmacy claims for drugs within these categories adjudicate at \$0 for generics, \$20 for preferred brands, and \$40 for non-preferred single source brands – member is not required to meet the \$1,500 OOP in order to benefit from these copays.
- \$0 copay on all diabetic supplies while enrolled in disease management program.
- All insulin pump/pump supplies and continuous glucose monitors are excluded.
- Federal legend products with OTC equivalents are excluded.
- Compounds are covered with Prior Authorization for any compound greater than \$400 – all bulk chemicals are excluded.
- EGWP: \$0 copay if the following criteria is met
  - Aspirin:  $\geq 45$  yrs., applied to both male and female, limited to 1 per day. If the member is  $<45$  yrs., claim will reject.
  - Sodium Fluoride:  $\leq 5$  yrs. If member is  $\geq 6$  yrs., member will pay benefit copay

- Folic Acid:  $\leq 55$  yrs., limited to 1 per day
- Iron Supplement:  $\geq 1$  year
- Federal legend products with OTC equivalent is excluded with the exception of the products listed above
- Smoking cessation products - \$0 copay once every 168 days
- \$0 copay on diabetic supplies if OGB member does not have Medicare Part B.

Members do not have coverage of diabetic supplies if the member has Medicare Part B coverage – diabetic supplies process under Medicare Part B.

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## ATTACHMENT VI: CERTIFICATION STATEMENT

*The undersigned hereby acknowledges she/he has read and understands all requirements and specifications of the Request for Proposals (RFP), including attachments.*

**OFFICIAL CONTACT.** The State requests that the Proposer designate one person to receive all documents and the method in which the documents are best delivered. The Proposer should identify the Contact name and fill in the information below: (Print Clearly)

- A. Official Contact Name: \_\_\_\_\_
- B. E-mail Address: \_\_\_\_\_
- C. Facsimile Number with area code: (     ) \_\_\_\_\_
- D. US Mail Address: \_\_\_\_\_

Phone number with area code: (     ) \_\_\_\_\_

Proposer certifies that the information provided in response to this RFP is true and grants permission to the State or Agencies to contact the above-named person or otherwise verify the information provided.

By its submission of this proposal and authorized signature below, Proposer certifies that:

1. She/he has read and understands all requirements and specifications of the Request for Proposals (RFP), including attachments.
2. The information contained in its response to this RFP is accurate.
  - Proposer complies with each of the mandatory requirements listed in the RFP, including but not limited to the following:
  - Five (5) continuous years of experience providing PBM services to a client organization with a group size of one hundred thousand (100,000) or more covered lives;
  - Five (5) continuous years of experience in administration of a retail pharmacy network;
  - Approval by CMS to offer a PDP for an EGWP PDP. The EGWP PDP must have a minimum of two (2) years in the administration of EGWP pharmacy benefits and may be provided by or through a qualified subcontractor; and
  - Current URAC accreditation (URAC, formerly known as the Utilization Review Accreditation Commission, is the independent, non-profit organization that provides accreditation and certification for pharmacy benefit managers).
3. Proposer will meet or exceed the functional and technical requirements specified in the RFP.
4. Proposer certifies by signing the certification statement that, if selected as the successful Proposer and prior to contract signing, it will be:
  - Authorized to transact business in the State of Louisiana.
5. Proposer accepts the procedures, evaluation criteria, mandatory contract terms and conditions, and all other administrative requirements set forth in this RFP.
6. Proposer's quote is valid for at least 180 calendar days from the date of Proposer's signature below;
7. Proposer accepts the performance guarantees and penalties offered in this proposal.
8. Proposer understands that if selected as the successful Proposer, he/she will have either twenty (20) business days to complete the Contract negotiation period or ten (10) business days from the date of

delivery of final Contract by the contracting agency in which to complete Contract negotiations, if any, and execute the final Contract document.

9. Proposer certifies, by signing and submitting a proposal for \$25,000 or more, that their company/entity, and any subcontractors or principals, are not suspended or debarred by the General Services Administration (GSA) in accordance with the requirements in OMB Circular A-133. (A list of parties who have been suspended or debarred can be viewed via the internet at <https://www.sam.gov>.)
10. Proposer understands that, if selected as a contractor, the Louisiana Department of Revenue must determine that it is current in the filing of all applicable tax returns and reports and in payment of all taxes, interest, penalties, and fees owed to the State and collected by the LDR. Proposer shall comply with La. R.S. 39:1624(A)(10) by providing its seven-digit LDR account number in order for tax payment compliance status to be verified.
11. Proposer acknowledges the provisions of Section 1.14 of the RFP (Trade Secrets and Proprietary Information) and certifies by signature below that it has either followed the procedures therein for claiming confidentiality of certain information submitted and submitted the required redacted copies, or that any such claim of confidentiality is waived.
12. Proposer further acknowledges its understanding that issuance of a tax clearance certificate by LDR is a necessary precondition to the approval of any Contract by the Office of State Procurement. The contracting agency reserves the right to withdraw its consent to any Contract without penalty and proceed with alternate arrangements, should a prospective contractor fail to resolve any identified outstanding tax compliance discrepancies with the LDR within seven (7) days of such notification.
13. In preparing its response, the Proposer has considered all proposals submitted from qualified, potential subcontractors and suppliers, and has not, in the solicitation, selection, or commercial treatment of any subcontractor or supplier, refused to transact or terminated business activities, or taken other actions intended to limit commercial relations, with a person or entity that is engaging in commercial transactions in Israel or Israeli-controlled territories, with the specific intent to accomplish a boycott or divestment of Israel. Proposer also has not retaliated against any person or other entity for reporting such refusal, termination, or commercially limiting actions. The State reserves the right to reject the response of the Proposer if this certification is subsequently determined to be false, and to terminate any Contract awarded based on such a false response.

Signature of Proposer or  
Authorized Representative

Typed or Printed Name:

Date:

Title:

Entity Name:

Address:

City:

State:

Zip:

Phone number: ( ) \_\_\_\_\_

# ATTACHMENT VII: RECORDS RETENTION SCHEDULE

## Records Retention Schedule

Louisiana Secretary of State, Division of Archives, Records Management and History  
 Post Office Box 94125, Baton Rouge, LA 70804

http://www.sos.la.gov

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Item Number	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Remarks
		In Office	In Storage	Total Retention					
1	Unit Audit Reports (Information Accuracy Checks)	ACT + 1 CY		ACT + 1 CY	M	S	N	I	ACT = until end of CY in which administrative need ends
2	Health Insurance Portability and Accountability Act Privacy and Security Policies and Procedures	ACT + 6 CY		ACT + 6 CY	M	S	N	I	ACT = until end of CY in which revised or superseded and agency ceases to operate
3	Notice of Privacy Practices	ACT + 6 CY		ACT + 6 CY	M	S	N	V	ACT = until the end of the CY created or received
4	HIPAA Compliance Documentation	ACT + 6 CY		ACT + 6 CY	M	S	N	V	ACT = until the end of the CY created or received

Permitted Retention Period Abbreviations  
 ACT - Active Period (when used define term in remarks column)  
 FY - Fiscal Year (July 1 - Dec 31)  
 CY - Calendar Year (Jan 1 - Dec 31)  
 AY - Academic Year (Aug 1 - July 31)  
 FFY - Federal Fiscal Year (Oct 1 - Sept 30)  
 MO - Months WK - Week DY - Days  
 PERM - Permanent

Security Status Codes  
 P - Public Record  
 M - May Contain Confidential Information  
 C - Confidential Information

State Records Center Use  
 Y - Yes  
 N - No

Agency Abbreviations

Vital Record Identification Code  
 V - Vital  
 I - Important  
 U - Useful

Agency Approval  
 Date Signed: 12-16-14  
 Secretary of State, State Archives & Records Services  
 Date Approved: 1/20/15

Records Retention Schedule

Item Number	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Agency Abbreviations
		In Office	In Storage	Total Retention					
1	Internal Audit records (audited documents, reports, work papers, legislative audit reports)	ACT + 2 CY	3 CY	ACT + 5 CY	M	S	Y	V	ACT = until the end of the CY in which report issued/project closed
2	Board and Committee Minutes	PERM		PERM	M	R	N	V	
3	Strategic Plan	ACT + 5 CY		ACT + 5 CY	P	S	N	I	ACT = until the end of the CY in which agency ceases to operate
4	Legal Files	ACT + 1 CY	8 CY	ACT + 10 CY	M	S	Y	V	ACT = until end of CY in which file is closed out
5	Board Election Materials	ACT + 2 CY	3 CY	ACT + 5 CY	M	S	Y	V	ACT = until end of CY in which election results are certified
6	Publications	ACT + 10 CY		ACT + 10 CY	M	S	N	I	ACT = until end of CY in which agency ceases to exist
7	Records Management Files (Retention Schedules, Disposal Requests, Transmittals)	ACT + 10 CY		ACT + 10 CY	M	S	N	V	ACT = until end of CY in which agency ceases to exist

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Security Status Codes:  
 P - Public Record  
 M - May Contain Confidential Information  
 C - Confidential Information  
 Archival Processing Codes:  
 A - Transfer to State Archives  
 R - Retain in Agency Archives  
 S - Review by State Archives  
 O - Other (Specify in Remarks)

State Records Center Use:  
 Y - Yes  
 N - No

Vital Record Identification Code:  
 V - Vital  
 I - Important  
 U - Useful

Agency Approval: *[Signature]*

Date Signed: 12-30-14

Secretary of State, State Archives & Records Services: *[Signature]*

Date Approved: 1/7/15

Item Number	Records Series Title	Retention Period		Security	Archival	State Records Center	Vital	Remarks
		In Office	In Storage					
1	Special order forms, Personnel Action Requests, Travel Requests/Expense reports, requisitions and related correspondence/memos.	ACT + 2 CY	1 CY	M	S	Y	I	ACT = until end of the CY in which created or received.
2	General Correspondence (not related to other record series)	ACT + 2 CY	1 CY	M	S	Y	I	ACT = until end of the CY in which created or received.
3	Supervisor Files	ACT + 1 CY	1 CY	M	S	Y	I	ACT = until end of CY in which supervisor ends
4	Visitor sign-in/Sign - Out Sheets	ACT + 2 CY	3CY	M	S	Y	U	ACT = until end of CY in which created or received.
5	Time and Attendance Reports/Vendor Reports, PES, PPR, Leave requests, Overline documentation and related correspondence/memos	ACT + 2 CY	3 CY	M	S	Y	V	ACT = until end of CY in which created or received.
6	Mail, Fax, Postage & Tracked Logs	ACT + 1 CY	2 CY	M	S	Y	I	ACT = until end of CY created or received.
7	Budget records	ACT + 5 CY		M	S	N	I	ACT = until the end of the CY created or received.
8	Contracts and agreements (including contract approval backup material)	ACT + 3 CY	7 CY	M	S	N	V	ACT = until end of CY in which contract or agreement expires or terminates.
9	Notice of Intent to Contract (NIC), Request for Proposals and Reports	ACT + 3 CY		M	S	N	V	ACT = until end of CY in which contract is awarded.

Permitted Retention Period Abbreviations  
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 S - Review by State Archives  
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State Records Center Use  
 Y - Yes  
 N - No  
 Vital Record Identification Code  
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 I = Important  
 U = Useful

Agency Abbreviations  
 PES = Personnel Evaluation System  
 PPR = Personnel Performance Rating

Agency Approval

*[Signature]*  
 Date Signed 12-18-14

*[Signature]*  
 Secretary of State, State Archives & Records Services

Date Approved 12/18/14

### Records Retention Schedule

Item Number	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Remarks
		In Office	In Storage	Total Retention					
1	Automatic Call Distribution Reports/Performance Indicator Reports	ACT + 10 CY		ACT + 10 CY	M	S	N	I	ACT = until end of CY in which agency ceases to operate.
2	Filing Deadline Mail Records	ACT + 3 CY		ACT + 3 CY	M	S	N	V	ACT = until end of CY in which created or received.
3	Live and Event Claim records	ACT + 10 CY		ACT + 10 CY	C	S	N	V	ACT = until end of CY in which agency ceases to operate.
4	Field and Audit Reports	ACT + 1 CY	4 CY	ACT + 5 CY	M	S	Y	I	ACT = until end of CY report is issued.

Agency Approval: 

Date Signed: 12-18-14

Secretary of State, State Archives & Records Services: 

Date Approved: 12/18/14

Permitted Retention Period Abbreviations  
 ACT - Active Period (when used define item in remarks column)  
 FY - Fiscal Year (July 1 - June 30)  
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State Records Center  
 Uses  
 Y - Yes  
 N - No  
 Vital Record Identification Code  
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Agency Abbreviations

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### Records Retention Schedule

Item Number	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Remarks
		In Office	In Storage	Total					
1	Health Claims (including supplemental claims)	ACT + 10 CY		ACT + 10 CY	C	S	N	V	ACT = until end of CY in which agency ceases to operate.
2	Explanation of Benefits (EOBS)	ACT + 10 CY		ACT + 10 CY	C	S	N	V	ACT = until end of CY in which agency ceases to operate.
3	Medical Records	ACT + 10 CY		ACT + 10 CY	C	S	N	V	ACT = until end of CY in which agency ceases to operate.
4	Pre-determinations	ACT + 10 CY		ACT + 10 CY	C	S	N	V	ACT = until end of CY in which agency ceases to operate.
5	Case Management	ACT + 10 CY		ACT + 10 CY	C	S	N	V	ACT = until end of CY in which agency ceases to operate.
6	Medical Necessities	ACT + 10 CY		ACT + 10 CY	C	S	N	V	ACT = until end of CY in which agency ceases to operate.
7	Paid-In Vouchers	ACT + 10 CY		ACT + 10 CY	C	S	N	V	ACT = until end of CY in which agency ceases to operate.
8	Flexible Benefit Forms	ACT + 5 CY		ACT + 5 CY	C	S	N	V	ACT = until end of CY in which superseded, cancelled or revoked.
9	Flexible Benefit Master File	ACT + 10 CY		ACT + 10 CY	C	S	N	V	ACT = until end of CY in which agency ceases to operate.

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**State Records Center Use**  
 Y - Yes  
 N - No

**Vital Record Identification Code**  
 V = Vital  
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 U = Useful

**Agency Abbreviations**

Agency Approval 

Date Signed B-18-14

Secretary of State, State Archives & Records Services Carrie Martin

Date Approved 12/18/14

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Louisiana Secretary of State, Division of Archives, Records Management and History  
 Post Office Box 94125, Baton Rouge, LA 70804

### Records Retention Schedule

http://www.sos.la.gov

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 ADDENDUM PAGE

Item Number	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Remarks
		In Office	In Storage	Total Retention					
1	Eligibility Records for Life and Health Insurance	ACT + 3 CY	PERM	PERM	M	R	N	V	ACT = until end of CY created or received. Microfilm after 3 years.
2	Life Insurance Beneficiary Forms (OGB and Outside agencies held by OGB)	PERM	PERM	PERM	C	R	N	V	
3	Hospital Audits, Statistical Reports and Work papers	ACT + 10 CY		ACT + 10 CY	M	S	N	I	ACT = until end of CY in which agency ceases to operate.
4	Fraud and Abuse Case files and logs	ACT + 10 CY		ACT + 10 CY	C	S	N	V	ACT = until end of CY in which agency ceases to operate.
5	Health Claim Audits and work papers (including over \$500 plan member check audits)	ACT + 5 CY		ACT + 5 CY	C	S	N	I	ACT = until end of CY in which audit is completed.
6	Special Reports (Outlier, Check Cycle)	ACT + 5 CY		ACT + 5 CY	M	S	N	I	ACT = until end of CY in which report is run.
7	Reviews (Medical and Chiropractic)	ACT + 10 CY		ACT + 10 CY	C	S	N	I	ACT = until end of CY in which agency ceases to exist.

Permitted Retention Period Abbreviations  
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State Records Center Use  
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 Vital Record Identification Code  
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 I - Important  
 U - Useful

Agency Abbreviations

Agency Approval

Date Signed

Secretary of State, State Archives & Records Services

Date Approved





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## **ATTACHMENT VIII: IMAGING SYSTEM SURVEY COMPLIANCE AND RECORDS DESTRUCTION**

In connection with OGB's electronic records retention requirements and within thirty (30) days of the Contract's effective date, Contractor shall complete a State Archives Imaging System Survey ("System Survey") and forward to OGB.Records@la.gov<sup>1</sup>, or as otherwise directed by OGB. According to LAC 4:XVII.1305(A), the System Survey must contain the following information:

1. A list of all OGB records series<sup>2</sup> maintained/managed by Contractor's system;
2. The hardware and software used including model number, version number and total storage capacity;
3. The type and density of media used by Contractor's system;
4. The type and resolution of images being produced (TIFF class 3 or 4 and dpi);
5. Contractor's quality control procedures for image production and maintenance;
6. Contractor's system's back up procedures including location of back-up (on or off-site) and number of existing images; and
7. Contractor's migration plan for purging images from the system that have met their retention period.

OGB shall review the System Survey to make an initial determination of conformity with LAC 4:XVII.1305(A). Once OGB determines that Contractor's System Survey contains the requisite information, OGB will forward the System Survey to the Secretary of State. As a continuing requirement, any system changes necessitating a revised System Survey response must be submitted to the Secretary of State within ninety (90) days of the change. To ensure compliance with this rule, Contractor shall notify the Records Officer of these changes within sixty (60) days so that he or she may forward the appropriate information to the Secretary of State.

Further, to ensure compliance with OGB's Records Retention Schedule (RFP Attachment VII) and applicable laws, Contractor shall not destroy any OGB records unless records are converted to digital images and thereafter approved for destruction or other disposition by the Secretary of State. Contractor shall request expedited authority to destroy or otherwise dispose of converted records by email to [disposals@sos.louisiana.gov](mailto:disposals@sos.louisiana.gov) with "EDR\_I2014-009 OGB [Contractor Name]" in the subject line, carbon copy to the Records Officer and OGB.Records@la.gov, and a description of the subject records per the OGB Schedules (such as "Documents, scanned and inspected, for the week/month of X") in the body. Upon receiving approval of the Secretary of State to destroy or otherwise dispose of the requested records, Contractor shall commence destruction or other approved disposition of said records. Contemporaneously therewith, Contractor shall complete a Certificate of Destruction (SSARC 933) form which shall be forwarded to the Records Officer. All SSARC forms can be found on the Louisiana Secretary of State's website <http://www.sos.la.gov/HistoricalResources/ManagingRecords/GetForms/Pages/default.aspx>.

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<sup>1</sup> If OGB makes a different designation, OGB will notify Contractor of the change and provide updated contact information.

<sup>2</sup> A records series is a group of related or similar records that may be filed together as a unit, used in a similar manner, and typically evaluated as a unit for determining retention periods. LAC 4:XVII.301(A). The records series listed in Contractor's imaging survey should correspond to the records series listed on the OGB official Record Retention Schedule, RFP Attachment VII.

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## ATTACHMENT IX: ELECTRONIC FUNDS TRANSFER SOLUTION

In an effort to increase efficiencies and effectiveness as well as be strategic in utilizing technology and resources for the State and Contractor, the State intends to make all payments to Contractors electronically. Contractors will receive electronic payment by Electronic Funds Transfer (EFT). If you receive an award and are not already enrolled in EFT, you will be asked to comply with this request. You may indicate your acceptance below.

**EFT** payments are sent from the State’s bank directly to the payee’s bank each weekday. The only requirement is that you have an active checking or savings account at a financial institution that can accept Automated Clearing House (ACH) credit files and remittance information electronically. Additional information and an enrollment form is available at: <http://www.doa.la.gov/osrap/ISIS%20EFT%20Form.pdf>

To facilitate this payment process, you will need to complete and return the EFT enrollment form contained in the link above.

If an award is made to your company, please check that you will accept or indicate if you are already enrolled in EFT.

<u>Payment Type</u>	<u>Will Accept</u>	<u>Already Enrolled</u>
---------------------	--------------------	-------------------------

EFT

Printed Name of Individual Authorized

\_\_\_\_\_  
Authorized Signature for payment type chosen

\_\_\_\_\_  
Date

\_\_\_\_\_  
Email address and phone number of authorized individual

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**ATTACHMENT X: FORMULARY DISRUPTION**

**Attachment X: Formulary Disruption is provided in an Excel Attachment. Based on the redacted claims data provided, please complete attachment X (Commercial Formulary Disruption Part 1, Commercial Formulary Disruption Part 2, EGWP Formulary Disruption Part 1, and EGWP Formulary Disruption Part 2.)**

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## **ATTACHMENT XI: NETWORK DISRUPTION**

**Instructions:** Based on the redacted claims data provided, please complete the grid in attachment XI for your broad network and proposed custom network.

**Note:** The redacted claims data will be provided to the respective entity upon receipt of a signed Data Use Agreement for Limited Data Set Form included in Attachment IV by OGB. An Excel workbook including the grid below will be provided with the transmission of the redacted claims data for purposes of proposal preparation. OGB will not accept requests for this data after 4 pm CT, on the date specified in the Schedule of Events.

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**ATTACHMENT XII: COST PROPOSAL QUESTIONNAIRE**

**Attachment XII: Cost Proposal Questionnaire is provided in an Excel Attachment.**

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**ATTACHMENT XIII: COST PROPOSAL TEMPLATE**

**Attachment XIII: COST PROPOSAL TEMPLATE is provided in an Excel Attachment.**

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## **ATTACHMENT XIV: CURRENT CLINICAL PROGRAMS**

**Commercial & EGWP:** In place for both OGB01-04 (Commercial) & EGWP (MVS04-07).

### **Clinical Edit Package (ST, QL, Age, Prior Authorization): Point of Service Clinical Management Edits**

Package includes MedImpact's standard point of service Quantity Limit, Step Therapy, and Prior Authorization clinical edit programs where the Claim denies at the point of sale if clinical criteria is not met.

- **Quantity Limit Package:** Discourages excessive and inappropriate utilization leading to more cost-effective use of the prescription drug program.
- **Step Therapy Package:** Encourages the utilization of first line, high value drug choices prior to the use of less cost-effective alternatives.
- **Prior Authorization Package:** Ensures that medications having a higher potential for inappropriate use are utilized in a cost-effective and/or safer manner.

### **Opioid Cumulative Dosing Program**

This is MedImpact's point-of-sale ("POS") intervention that will identify and deny incoming opioid claim(s) for OGB when an Eligible Member's daily morphine milligram equivalent ("MME") is greater than or equal to a hard threshold (e.g.  $\geq 200$  mg) across a single or multiple opioid-containing claim(s). The intervention also allows a soft stop on incoming opioid claim(s) with daily cumulative MME greater than or equal to a soft threshold (e.g.  $\geq 90$  mg). The interventions can be overridden by therapeutic prior authorization or professional pharmacy services ("PPS") codes submitted by the Participating Pharmacy. Note that Eligible Members who reside in a long term care (LTC) facility, have Claims for an oncology or sickle cell disease drug, and/or have a hospice identifier are excluded from this Program.

### **Acetaminophen (APAP) Safety Controls Program**

This is a point-of-sale ("POS") intervention that allows a soft stop on incoming acetaminophen claims for OGB members greater than a threshold amount. It identifies the dispensing of unsafe daily doses of the ingredient acetaminophen (APAP) of greater than 4gm/day. The intervention can be overridden by therapeutic prior authorization or professional pharmacy services ("PPS") codes submitted by the Participating Pharmacy.

### **MedFocus Reporting**

MedImpact provides reporting to OGB which identifies key pharmacy benefit utilization statistics, incorporating trending, business type and book of business benchmarks to measure pharmacy benefit performance and assist with the identification of opportunities for enhanced pharmacy benefit performance as set forth herein. MedImpact provides one (1) MedFocus<sup>®</sup> report set with executive summary quarterly, which includes, but may not be limited to, the following:

- Utilization of therapeutic classes, categories and individual drugs.
- Executive overview of pharmacy benefits performance.

**Commercial Only:** In place for OGB01-04 (Commercial) only, in addition to the programs listed on page 112 above.

**Enhanced Retrospective Drug Utilization Evaluation (DUE) Program – Polypharmacy Topic**

This is a physician outreach program focused on care quality interventions incorporating the identification of Eligible Members utilizing medications in a manner suggesting less than optimum drug therapy utilization with written communication to prescriber requesting a reassessment of therapy.

The Polypharmacy DUE retrospectively identifies members receiving 10 or more unique, chronic medications from 3 or more prescribers in the previous 3 months, and makes outreach to their prescribers.

**High Cost Generics Program**

MedImpact’s High Cost Generics (HCG) Program in place for OGB identifies high cost generic drugs with lower cost generic alternatives to target for a higher copay (copays for certain generic medications are at the member's Preferred Brand copay level). This program includes the identification of Targeted HCGs, Eligible Member and prescriber notifications, implementation of Targeted HCG copay increase, on-line messaging to retail Participating Pharmacies, and reporting to OGB.

**EGWP Only:** In place for MVS04-07 (EGWP) only, in addition to the programs listed on pages 112 above.

**Care Quality and High Risk Safety Management Drug Use Evaluation (DUE) Programs**

MedImpact’s physician outreach programs focused on care quality along with safety management interventions incorporating the identification of Eligible Members utilizing medications in a manner suggesting less than optimum drug therapy utilization with written communication to prescriber requesting a reassessment of therapy.

- Statin Use in Persons with Diabetes (SUPD)
- High Risk Medication
- Concurrent use of Opioids and Benzodiazepines (opioid programs are outlined in the Medicare section)
- Naloxone (opioid programs are outlined in the Medicare section)
- Others, as selected by MedImpact

**Choice90Rx Optimization Program**

This is MedImpact’s provider outreach program focused on medication non-adherence incorporating the identification of Eligible Members filling thirty (30) days’ supply at a ninety (90) day retail pharmacy with communication and pre-populated prescription to the prescriber to encourage ninety (90) day fill. Daily interventions are available to improve adherence to maintenance medications.

**StarForecaster® Program**

This program provides an early warning system that addresses information that Medicare Part D plan sponsors need to know if there is a problem before it is too late. The StarForecaster services uses advanced analytics and a statistical model to estimate year-end performance and overall program value including return on investment (ROI).

- Level 1: “Modeling the Value of Star Ratings”
- Level 2 (includes Level 1): “Measuring and Forecasting Specific Star Measure Performance”
  
- Star Rating Performance Measures included are:
  - High Risk Medications in Elderly
  - Statin Use in Persons with Diabetes (CMS Patient Safety Measure)
  - Medication Adherence for Diabetes Agents
  - Medication Adherence for Hypertension (ACE/ARB/DRI)
  - Medication Adherence for Hypercholesterolemia (statins)

**Medication Therapy Management Program (MTMP)** – program updated annually based on CMS requirements

This Medication Therapy Management Program (MTMP) is a free service offered by all Medicare Prescription Drug (Part D) plans. VibrantRx has received CMS approval for our MTMP, and we administer this for OGB’s EGWP members. Members are invited to take part in a program designed for their specific health and pharmacy needs if they have certain medical conditions or chronic illnesses, take many prescription drugs, and have high drug costs. Our program was created for VibrantRx by a team of pharmacists and doctors to help members make better use of their drug coverage and to improve their understanding and use of medications. Members automatically qualify to take part in this program if they meet the following three required criteria:

1. Three chronic diseases including: asthma, COPD, diabetes, dyslipidemia, congestive heart failure, osteoporosis, hypertension and
2. Approved claims for eight different chronic/maintenance Part D covered drugs and
3. Annual total drug costs of at least \$4,255 for calendar year 2020

Members that meet criteria are automatically sent an Intro Letter which includes the opportunity to schedule a Comprehensive Medication Review (CMR) or opt-out of the program. CMRs review the entire medication profile for appropriateness of therapy, discuss disease-specific goals of therapy and medication-related problems. Members that have not opted-out will receive ongoing Targeted Medication Reviews (TMR) which includes interventions for cost savings, adherence to prescribed medication regimens, and safety concerns. Members are considered in the program unless they opt-out (this is a CMS requirement.). Members may decide not to take part in the program, but it is recommended that they take full advantage of this covered service if they qualify.

### **Opioid Overutilization & Safety Controls Programs**

MedImpact provides OGB’s EGWP population the following Opioid Overutilization & Safety Controls Programs which monitor the utilization of prescribed medications through use of drug utilization controls at the point-of-sale and retrospective interventional programs to increase Eligible Member safety:

- **Acetaminophen Safety Controls at POS & Opioid Cumulative Dosing at POS (as listed above on pages 1-2)**
- **Opioid-Benzodiazepine Concurrent Use at POS:** A point-of-sale (“POS”) intervention that will identify and deny concurrent use of opioids and benzodiazepines when there is an overlap in days’ supply.
- **Duplicative Long-Acting Opioid Therapy at POS:** A point-of-sale (“POS”) intervention that will identify and deny concurrent use of long-acting opioids when there is an overlap in days’ supply.
- **Lock-In Functionality at POS:** A point-of-sale (“POS”) intervention intended to limit coverage of frequently abused drugs for at-risk Eligible Members.
- **Opioid Overutilization-Benzodiazepine/Potentiators Retrospective Intervention:** A prescriber outreach program which identifies Eligible Members with an average daily morphine milligram equivalent (“MME”) greater than or equal to 90 mg for any duration (monthly rolling six (6) month look-back) from either: (i) three (3) or more prescribers and three (3) or more Participating Pharmacies, or (ii) five (5) or more prescribers. Of those Eligible Members identified, MedImpact will also identify Eligible Members with concurrent use of opioids and benzodiazepines, gabapentin (>2400mg/day), and/or pregabalin.
- **Naloxone for High Risk Opioid Use Retrospective Intervention:** A prescriber outreach program which identifies Eligible Members eighteen (18) years of age or older who received an opioid over the previous three (3) month time period without a history of a naloxone Claim in the prior twelve (12) months. In addition, at least one of the following criteria must be met: (i) Eligible Member has a history of opioid addiction, (ii) Eligible Member obtained an average daily morphine milligram equivalent (“MME”) greater than or equal to 50 mg, or (iii) Eligible Member has been taking an opioid in combination with a benzodiazepine for at least thirty (30) days.
- **Opioid Case Management Services:** Case management services for monitoring opioid overutilization include a review of the prescriber fax-back forms from the Opioid Overutilization-Benzodiazepine/Potentiators Retrospective Intervention Program. When such utilization is deemed inappropriate, MedImpact will contact the prescriber to determine the prescriber’s treatment option to resolve the overutilization.

**Note: The Current Clinical Programs includes specification data furnished by OGB’s incumbent contractor.**

## ATTACHMENT XV: CURRENT GROUP STRUCTURE

**Commercial:**

HQ	Group No	Div No	Group Name	Group Effective Date
OGB01	OGB01A15	1	INSURED ONLY - RETIRED ON OR AFTER 20150301	1/1/2016
OGB01	OGB01A15	2	INSURED PLUS 1 - RETIRED ON OR AFTER 20150301	1/1/2016
OGB01	OGB01A15	3	INSURED PLUS CHILDREN - RETIRED ON OR AFTER 20150301	1/1/2016
OGB01	OGB01A15	4	INSURED PLUS FAMILY - RETIRED ON OR AFTER 20150301	1/1/2016
OGB01	OGB01B15	1	INSURED ONLY - RETIRED BEFORE 20150301	1/1/2016
OGB01	OGB01B15	2	INSURED PLUS 1 - RETIRED BEFORE 20150301	1/1/2016
OGB01	OGB01B15	3	INSURED PLUS CHILDREN - RETIRED BEFORE 20150301	1/1/2016
OGB01	OGB01B15	4	INSURED PLUS FAMILY - RETIRED BEFORE 20150301	1/1/2016
OGB02	OGB02A15	1	INSURED ONLY - RETIRED ON OR AFTER 20150301	1/1/2016
OGB02	OGB02A15	2	INSURED PLUS 1 - RETIRED ON OR AFTER 20150301	1/1/2016
OGB02	OGB02A15	3	INSURED PLUS CHILDREN - RETIRED ON OR AFTER 20150301	1/1/2016
OGB02	OGB02A15	4	INSURED PLUS FAMILY - RETIRED ON OR AFTER 20150301	1/1/2016
OGB02	OGB02B15	1	INSURED ONLY - RETIRED BEFORE 20150301	1/1/2016
OGB02	OGB02B15	2	INSURED PLUS 1 - RETIRED BEFORE 20150301	1/1/2016
OGB02	OGB02B15	3	INSURED PLUS 2 - RETIRED BEFORE 20150301	1/1/2016
OGB02	OGB02B15	4	INSURED PLUS 3 - RETIRED BEFORE 20150301	1/1/2016
OGB02	OGB02B15	5	INSURED PLUS 4 - RETIRED BEFORE 20150301	1/1/2016
OGB02	OGB02B15	6	INSURED PLUS 5 - RETIRED BEFORE 20150301	1/1/2016
OGB02	OGB02B15	7	INSURED PLUS 6 - RETIRED BEFORE 20150301	1/1/2016
OGB02	OGB02B15	8	INSURED PLUS 7 - RETIRED BEFORE 20150301	1/1/2016
OGB02	OGB02B15	9	INSURED PLUS 8 - RETIRED BEFORE 20150301	1/1/2016
OGB02	OGB02B15	10	INSURED PLUS 9 - RETIRED BEFORE 20150301	1/1/2016
OGB02	OGB02B15	11	INSURED PLUS 10 - RETIRED BEFORE 20150301	1/1/2016
OGB02	OGB02B15	12	INSURED PLUS 11 OR MORE - RETIRED BEFORE 20150301	1/1/2016
OGB03	OGB03A15	1	INSURED ONLY - RETIRED ON OR AFTER 20150301	1/1/2016
OGB03	OGB03A15	2	INSURED PLUS 1 - RETIRED ON OR AFTER 20150301	1/1/2016

OGB03	OGB03A15	3	INSURED PLUS CHILDREN - RETIRED ON OR AFTER 20150301	1/1/2016
OGB03	OGB03A15	4	INSURED PLUS FAMILY - RETIRED ON OR AFTER 20150301	1/1/2016
OGB03	OGB03B15	1	INSURED ONLY - RETIRED BEFORE 20150301	1/1/2016
OGB03	OGB03B15	2	INSURED PLUS 1 - RETIRED BEFORE 20150301	1/1/2016
OGB03	OGB03B15	3	INSURED PLUS CHILDREN - RETIRED BEFORE 20150301	1/1/2016
OGB03	OGB03B15	4	INSURED PLUS FAMILY - RETIRED BEFORE 20150301	1/1/2016
OGB04	OGB04A15	1	INSURED ONLY - RETIRED ON OR AFTER 20150301	1/1/2016
OGB04	OGB04A15	2	INSURED PLUS 1 - RETIRED ON OR AFTER 20150301	1/1/2016
OGB04	OGB04A15	3	INSURED PLUS CHILDREN - RETIRED ON OR AFTER 20150301	1/1/2016
OGB04	OGB04A15	4	INSURED PLUS FAMILY - RETIRED ON OR AFTER 20150301	1/1/2016
OGB04	OGB04B15	1	INSURED ONLY - RETIRED BEFORE 20150301	1/1/2016
OGB04	OGB04B15	2	INSURED PLUS 1 - RETIRED BEFORE 20150301	1/1/2016
OGB04	OGB04B15	3	INSURED PLUS CHILDREN - RETIRED BEFORE 20150301	1/1/2016
OGB04	OGB04B15	4	INSURED PLUS FAMILY - RETIRED BEFORE 20150301	1/1/2016

**EGWP:**

HQ	Group No	Div No	Group Name	Group Effective Date
MVS04	MVS04NBA15	1	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS04NBA15	1/1/2019
MVS04	MVS04NBA15	2	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS04NBA15	1/1/2019
MVS04	MVS04NBA15	3	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS04NBA15	1/1/2019
MVS04	MVS04NBA15	4	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS04NBA15	1/1/2019
MVS04	MVS04NBB15	1	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS04NBB15	1/1/2019
MVS04	MVS04NBB15	2	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS04NBB15	1/1/2019
MVS04	MVS04NBB15	3	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS04NBB15	1/1/2019
MVS04	MVS04NBB15	4	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS04NBB15	1/1/2019

MVS04	MVS04WBA15	1	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS04WBA15	1/1/2019
MVS04	MVS04WBA15	2	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS04WBA15	1/1/2019
MVS04	MVS04WBA15	3	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS04WBA15	1/1/2019
MVS04	MVS04WBA15	4	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS04WBA15	1/1/2019
MVS04	MVS04WBB15	1	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS04WBB15	1/1/2019
MVS04	MVS04WBB15	2	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS04WBB15	1/1/2019
MVS04	MVS04WBB15	3	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS04WBB15	1/1/2019
MVS04	MVS04WBB15	4	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS04WBB15	1/1/2019
MVS05	MVS05NBA15	1	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS05NBA15	1/1/2019
MVS05	MVS05NBA15	2	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS05NBA15	1/1/2019
MVS05	MVS05NBA15	3	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS05NBA15	1/1/2019
MVS05	MVS05NBA15	4	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS05NBA15	1/1/2019
MVS05	MVS05NBB15	1	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS05NBB15	1/1/2019
MVS05	MVS05NBB15	2	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS05NBB15	1/1/2019
MVS05	MVS05NBB15	3	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS05NBB15	1/1/2019
MVS05	MVS05NBB15	4	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS05NBB15	1/1/2019
MVS05	MVS05NBB15	5	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS05NBB15	1/1/2019
MVS05	MVS05NBB15	6	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS05NBB15	1/1/2019
MVS05	MVS05WBA15	1	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS05WBA15	1/1/2019
MVS05	MVS05WBA15	2	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS05WBA15	1/1/2019
MVS05	MVS05WBA15	3	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS05WBA15	1/1/2019
MVS05	MVS05WBA15	4	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS05WBA15	1/1/2019
MVS05	MVS05WBB15	1	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS05WBB15	1/1/2019
MVS05	MVS05WBB15	2	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS05WBB15	1/1/2019

MVS05	MVS05WBB15	3	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS05WBB15	1/1/2019
MVS05	MVS05WBB15	4	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS05WBB15	1/1/2019
MVS05	MVS05WBB15	5	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS05WBB15	1/1/2019
MVS05	MVS05WBB15	6	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS05WBB15	1/1/2019
MVS06	MVS06NBA15	1	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS06NBA15	1/1/2019
MVS06	MVS06NBA15	2	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS06NBA15	1/1/2019
MVS06	MVS06NBA15	3	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS06NBA15	1/1/2019
MVS06	MVS06NBA15	4	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS06NBA15	1/1/2019
MVS06	MVS06NBB15	1	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS06NBB15	1/1/2019
MVS06	MVS06NBB15	2	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS06NBB15	1/1/2019
MVS06	MVS06NBB15	3	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS06NBB15	1/1/2019
MVS06	MVS06NBB15	4	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS06NBB15	1/1/2019
MVS06	MVS06WBA15	1	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS06WBA15	1/1/2019
MVS06	MVS06WBA15	2	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS06WBA15	1/1/2019
MVS06	MVS06WBA15	3	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS06WBA15	1/1/2019
MVS06	MVS06WBA15	4	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS06WBA15	1/1/2019
MVS06	MVS06WBB15	1	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS06WBB15	1/1/2019
MVS06	MVS06WBB15	2	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS06WBB15	1/1/2019
MVS06	MVS06WBB15	3	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS06WBB15	1/1/2019
MVS06	MVS06WBB15	4	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS06WBB15	1/1/2019
MVS07	MVS07NBA15	1	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS07NBA15	1/1/2019
MVS07	MVS07NBA15	2	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS07NBA15	1/1/2019
MVS07	MVS07NBA15	3	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS07NBA15	1/1/2019
MVS07	MVS07NBA15	4	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS07NBA15	1/1/2019

MVS07	MVS07NBB15	1	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS07NBB15	1/1/2019
MVS07	MVS07NBB15	2	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS07NBB15	1/1/2019
MVS07	MVS07NBB15	3	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS07NBB15	1/1/2019
MVS07	MVS07NBB15	4	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS07NBB15	1/1/2019
MVS07	MVS07WBA15	1	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS07WBA15	1/1/2019
MVS07	MVS07WBA15	2	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS07WBA15	1/1/2019
MVS07	MVS07WBA15	3	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS07WBA15	1/1/2019
MVS07	MVS07WBA15	4	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS07WBA15	1/1/2019
MVS07	MVS07WBB15	1	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS07WBB15	1/1/2019
MVS07	MVS07WBB15	2	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS07WBB15	1/1/2019
MVS07	MVS07WBB15	3	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS07WBB15	1/1/2019
MVS07	MVS07WBB15	4	OFFICE OF GROUP BENEFITS - STATE OF LA - MVS07WBB15	1/1/2019

**Note: The Current Group Structure includes specification data furnished by OGB's incumbent contractor.**

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**ATTACHMENT XVI: CREDITS & ALLOWANCES**

**Attachment XVI: CREDITS & ALLOWANCES is provided in an Excel Attachment.**

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**ATTACHMENT XVII: COMMERCIAL AND EGWP UTILIZATION  
MANAGEMENT**

**Attachment XVII: Commercial and EGWP Utilization Management is provided in an Excel Attachment.**

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**ATTACHMENT XVIII: RECOMMENDED CLINICAL MANAGEMENT PROGRAMS**

**Attachment XVIII: RECOMMENDED CLINICAL MANAGEMENT PROGRAMS is provided in an Excel Attachment.**