



Solicitation Information

RFP # 7464385

TITLE: Medical & Pharmacy Plans for the State of Rhode Island

SUBMISSION DEADLINE: June 7, 2013 Time: 2:00 pm (EST)

PRE-BID/ PROPOSAL CONFERENCE: Yes Date: May 17, 2013 Time: 2:00 pm (EST) Mandatory: No Location: Department of Administration / Division of Purchases, One Capitol Hill, Providence, RI, Conference Room C
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Questions concerning this solicitation must be received by the Division of Purchases at rfp.questions@purchasing.ri.gov no later than May 21, 2013 . Questions should be submitted in a <i>Microsoft Word</i> attachment. Please reference the RFP# in the subject of all correspondence. Questions received, if any, will be posted on the Internet as an addendum to this solicitation. It is the responsibility of all interested parties to monitor the website and download this information.
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BID SURETY REQUIRED: No

PERFORMANCE BOND REQUIRED: No

Daniel W. Majcher, Esq.
Assistant Director, Special Projects

Vendors must register on-line at the State Purchasing Website at www.purchasing.ri.gov.

NOTE TO VENDORS:

Offers received without the completed three-page RIVP Generated Bidder Certification Form attached may result in disqualification. This form is available at www.purchasing.ri.gov.

THIS PAGE IS NOT A BIDDER CERTIFICATION FORM



Department of Administration

Division of Purchases

The State of Rhode Island

Providence, Rhode Island

Request for Proposal No. 7464385

Medical & Pharmacy Plans

Part 1 - Questionnaire/ Terms and Conditions

1.0 INTENT

The Rhode Island Department of Administration/Division of Purchases ("Division") is soliciting proposals from qualified organizations to provide health benefits for the State of Rhode Island's ("State") more than 13,000 enrolled employees and over 3,000 non-Medicare retirees. The Medicare-eligible retirees are not part of this RFP. Specifically, the State seeks a health benefit partner that will meet the following objectives:

- Provide nationwide coverage to State employees, non-Medicare retirees, and their eligible dependents;
- Administer and support a wellness/health program and initiatives for the active population;
- Provide a high level of accountability around the member experience both in terms of quality care and in administration; and
- Manage the finances of the health benefit program to optimize the cost/value.

The State currently provides medical insurance for State employees and retirees, and eligible dependents through United HealthCare. At present, the State offers one (1) Preferred Provider Organization (PPO) for active employees. The retirees under sixty-five (65) years of age have two medical plan options, the same PPO option as outlined above for the active employees (United Early Retiree Plan) and the United Value Plan.

The State will award at a maximum one vendor to administer the Medical coverage, one vendor to administer the Pharmacy coverage or one single vendor to administer both Medical and Pharmacy coverage. Therefore, the State reserves the right to award to multiple vendors, but only one in each category.

2.0 PROPOSAL PROCESS / SUBMISSION GUIDELINES

Procurement Process

General

This procurement for Rhode Island's Medical and Pharmacy administration will be conducted in accordance with the State's procurement regulations and laws available at www.purchasing.ri.gov

This section includes instructions for vendors to follow in preparing and submitting proposals. Failure to comply with these instructions in full may result in a vendor's disqualification. The State also reserves the right to reject any and all proposals received or to cancel this Request for Proposal (RFP) at any time in the best interests of the State.

INSTRUCTIONS AND NOTIFICATIONS TO VENDORS:

1. If a vendor intends to submit a proposal, they will need to request a disk from the State that contains non-public information (census, claims data, provider disruption, geoaccess, retail network disruption, formulary disruption). Therefore, vendors shall be required to sign the attached non-disclosure/confidentiality agreement in order to receive the non-public information.

Medical & Pharmacy plan administrators or third-party administrators may request the worksheets by emailing rfp.questions@purchasing.ri.gov, with a signed copy of the non-disclosure/confidentiality agreement attached. Vendors should state whether they would like the disk with the worksheets sent by mail or whether they will pick up the disk in person (please include the name of the person who will pick up the disk). An email confirmation will be sent with further instructions. The State reserves the right to investigate any requests for the worksheets in order to make sure the information contained therein will be used for its intended purposes.

2. Potential vendors are advised to review all sections of this RFP carefully and to follow instructions completely, as failure to make a complete submission as described elsewhere herein may result in rejection of the proposal.

3. Alternative approaches and/or methodologies to accomplish the desired or intended results of this procurement are solicited. However, proposals which depart from or materially alter the terms, requirements, or scope of work defined by this RFP will be rejected as being non-responsive.
4. All costs associated with developing or submitting a proposal in response to this RFP, or to provide oral or written clarification of its content shall be borne by the vendor. The State assumes no responsibility for these costs. Therefore, the State of Rhode Island, shall not be responsible in any way, for reimbursement or otherwise, for the Bidder's costs incurred by a Bidder during the procurement process or the contracting period.
5. Acceptance Period: In consideration of being allowed to submit a proposal, a submitted proposal shall remain valid from the proposal submission date through the first to occur of (i) the date of contract execution, (ii) the date the RFP is cancelled (which the Division may do at any time, in accordance with R.I. Gen. laws § 37-2-23), or (iii) one (1) year after the due date for proposals. Proposals containing an acceptance period of less than the aforementioned period shall be automatically disqualified and rejected. Proposals are considered to be irrevocable and may not be withdrawn, except with the express written permission of the State Purchasing Agent.
6. All pricing submitted will be considered to be firm and fixed unless otherwise indicated herein.
7. Proposals misdirected to other state locations, or which are otherwise not present in the Division at the time of opening for any cause will be determined to be late and will not be considered. For the purposes of this requirement, the official time and date shall be that of the time clock in the reception area of the Division.
8. It is intended that an award pursuant to this RFP will be made to a prime vendor, or prime vendors in the various categories, who will assume responsibility for all aspects of the work. Joint venture and cooperative proposals will not be considered. Subcontracts are permitted, provided that their use is clearly indicated in the vendor's proposal and the subcontractor(s) to be used is identified in the proposal.
9. All proposals should include the vendor's FEIN or Social Security number as evidenced by a W9, downloadable from the Division's website at www.purchasing.ri.gov. **Please include only one (1) W-9 in the original proposal.**
10. A signed and completed four-page RIVIP Vendor Certification Form with a letter of transmittal signed by an owner, officer or authorized agent of the firm or organization, acknowledging and accepting the terms and conditions of this Request, and tendering an offer to the Division. The signature of the official with legal authority to bind an organization into a contractual agreement should also be included. This form is downloadable at <http://www.purchasing.ri.gov>.
11. The purchase of services under an award made pursuant to this RFP will be contingent on the availability of funds.
12. Vendors are advised that all materials submitted to the State for consideration in response to this RFP may be considered to be Public Records as defined in Title 38, Chapter 2 of the General Laws of Rhode Island, and may be released for inspection immediately upon request after an award has been made. Prior to an award and at the time of proposal submission, only the name and location (State) of a Bidder will be made public. In its response to this RFP, each Bidder may designate any portion(s) of its proposal the Bidder deems proprietary or confidential, and which the Bidder believes to be exempt from disclosure, citing the specific statutory authority upon which it relies. A Bidder's assertion of exemption will not be binding on the Division, but will be considered in responding to an "Access to Public Records Request." If a Bidder does not appropriately designate confidential or proprietary portions of its proposal or fails to provide valid legal authority for such designation, all portions of the Bidder's proposal may be subject to disclosure.
13. Interested parties are instructed to peruse the Division of Purchases website on a regular basis, as additional information relating to this solicitation may be released in the form of an addendum to this RFP.

14. Equal Employment Opportunity (G.L. 1956 § 28-5.1-1, et seq.) – § 28-5.1-1 Declaration of policy – (a) Equal opportunity and affirmative action toward its achievement is the policy of all units of Rhode Island state government, including all public and quasi-public agencies, commissions, boards and authorities, and in the classified, unclassified, and non-classified services of state employment. This policy applies to all areas where State dollars are spent, in employment, public services, grants and financial assistance, and in state licensing and regulation. For further information, contact the Rhode Island Equal Opportunity Office at (401) 222-3090.

15. In accordance with Title 7, Chapter 1.2 of the General Laws of Rhode Island, no foreign corporation, a corporation without a Rhode Island business address, shall have the right to transact business in the State until it shall have procured a Certificate of Authority to do so from the Rhode Island Secretary of State (401-222-3040). This is a requirement only of the successful vendor(s).

16. The vendor should be aware of the State's Minority Business Enterprise (MBE) requirements, which address the State's goal of ten percent (10%) participation by MBE's in all State procurements. For further information, contact the MBE Administrator at (401) 574-8253 or visit the website www.mbe.ri.gov or contact charles.newton@doa.ri.gov.

17. Restrictions on Communications – No Bidder-initiated contact, other than normal business activities not associated with this procurement, will be allowed after the issuance of this RFP between Bidders and members of the State-commissioned evaluation team. Any such other contact shall be considered improper and may disqualify a Bidder from further consideration. The appropriate channel to direct any communications, concerns or questions regarding the RFP is through the email address provided below.

18. State employees are subject to the Rhode Island Code of Ethics, R.I. Gen. Laws § 36-14-1 et seq., § 36-14.1-1 et seq. and Sections 2 (Procurement Structure and Accountability) and 3 (Code of Ethics) of the State Procurement Regulations. Therefore, any gift or employment offer or proposing any business arrangement whatsoever to any member or employee of the State-commissioned evaluation team may be inappropriate. A Bidder making any such inappropriate offer or proposition may be disqualified from further consideration and/or may be otherwise sanctioned in accordance with State Procurement Regulations.

19. Non-Material and Material Deviations: Failure to furnish all required information or to follow the format specified in this RFP may disqualify a proposal. The Division may or may not (in its sole discretion) waive any material or non-material deviation in a proposal. The Division's waiver of any deviation shall not modify the RFP requirements nor excuse the proposing Bidder from full compliance with the Contract requirements.

20. Amendments to the RFP: The Division reserves the right to amend the RFP at any time prior to submission. Any amendments will be posted on the Division's website in the form of an addendum.

21. If a Bidder fails to notify the Division contact person of an error in this RFP which was known or reasonably should have been known to the Bidder, the Bidder shall submit a response at the Bidder's own risk. If awarded the contract, the Bidder shall not be entitled to additional compensation or performance time by reason of the error or its later correction.

Questions concerning this Request for Proposals may be emailed to the Division of Purchases at rfp.questions@purchasing.ri.gov no later than the date and time specified on the cover page of the solicitation. Questions should be submitted in a Microsoft Word attachment. Please reference the RFP number on all correspondence in the subject of the email. Questions received, if any, will be posted on the Division's website as an addendum to this RFP. It is the responsibility of all interested parties to download this information. For computer technical assistance, call the Help Desk at (401) 574-8100. Vendors should recognize that the only official answers to any questions are those made in writing and issued by the Division of Purchases which will be posted as an addendum on the purchasing website.

Interested vendors may submit proposals to provide the services covered by this Request on or before the date and time specified in the RFP cover page. Proposals received after this time and date will not be considered. Only one (1) proposal for each category or both may be submitted by each Bidder. If a Bidder submits more than one (1) proposal, all proposals from that Bidder may be rejected. Within the single proposal, the Bidder may identify offered options, including unsolicited products, services, features, or substitutions, which the Bidder believes may be appealing and useful to the State. Any unsolicited products, services, features, or substitutions will not be evaluated and will be considered only as a value add-on and not a requirement. For purposes of this RFP, the term "Bidder" is defined to include each direct and indirect parent corporations of the entity submitting a proposal in response to the RFP, and each direct and indirect subsidiary of each such parent corporation.

Responses (one original plus 8 copies) and two electronic copies on CDs or flash drives of a technical and a **separately sealed cost proposal** shall be mailed or hand-delivered in a sealed envelope marked "RFP # 7464385" to:

**Rhode Island Department of Administration
 Division of Purchases, 2nd Floor
 One Capitol Hill
 Providence, RI 02908-5855**

NOTE: Proposals received after the above-referenced due date and time will not be considered. Proposals misdirected to other State locations or which are otherwise not presented in the Division of Purchases by the scheduled due date and time will be determined to be late and will not be considered. Proposals faxed, or emailed to the Division of Purchases will not be considered. The official time clock is located in the reception area of the Division of Purchases.

3.0 BACKGROUND

The State employee and non-Medicare retiree populations consist of the following:

- Population I—Actives: Active employees, employees on a leave of absence, COBRA participants and their dependents, RI State Police (both active and early retirees receive the active plans), as well as Legislative, Judicial, and certain Disabled Retirees (these three groups receive active plans upon retirement)
- Population II—Early Retirees: Retirees under age 65 and their dependents, and retirees over 65 who are not Medicare eligible

<i>Subscriber Count</i>	
<i>Population I</i>	<i>Population II</i>
13,515	3,344

Types of Plans to Be Offered

The State seeks to offer a nationwide PPO medical and prescription drug plan to the active employees and the early retirees (Populations I and II).

The State seeks to continue to offer an additional, lower cost medical and prescription drug plan to non-Medicare retirees (Population II).

Service Profile

The State seeks vendors to provide medical benefit services including:

- Provision of a comprehensive national provider network with uniform quality;
- Provision of cost effective contracting arrangements that can be demonstrated to represent direct savings to the
- Provision of a comprehensive set of medical management services;
- Effective, efficient, and accurate claim processing;
- Payments of claims on a scheduled basis including issuance of reimbursement checks;
- Provision of Explanation of Benefits (EOB) Statements (available online in addition to print copies) to patients and Explanation of Account (EOA) Statements to providers;
- Level 1 and 2 claims appeals for plan members
- Provision of satisfactory and consistent member services support;
- Accessible current coverage reports;

- An active third party liability (TPL) coordination of benefits (COB) function encompassing identification of TPL, cost avoidance, and collections.

4.0 CONTRACT/RATE GUARANTEE PERIODS

The State plans to enter into an agreement with the selected vendor(s) effective January 1, 2014 for an initial period of 36 months. The State would like the vendors to guarantee contract period self-funded fees through December 31, 2016 in two sequential 18-month terms as outlined in the financial quote worksheets. If the vendor cannot provide guarantee fees for the full 36 months. Failure to offer guarantees for the full 36 months may negatively impact the analysis of bidders' financial proposal.

After the initial guarantee period through December 31, 2016, the State would like two (2) one-year "option" years to be exercised at the sole discretion of the State. Services shall commence upon completion of the award, contract, and the issuance of a State Purchase Order/Agreement by the Division.

5.0 EVALUATION & SELECTION

Evaluation Team

The State will establish and assemble an Evaluation Team, made up of State employees, to review proposals and to make recommendations for award of the contract.

Evaluation Process

General

The State has retained Aon Hewitt to assist in the evaluation process of the proposals.

The Evaluation Team described above will be responsible for conducting a comprehensive and impartial evaluation of all proposals. Aon Hewitt, in its capacity as a consulting firm, will also review the technical and cost proposals and deliver an analysis of each. Aon Hewitt will not be playing any role in making the final decision. The Division will be solely responsible for awarding contract(s).

The evaluation process will consist of two (2) separate components. Specifically:

1. Technical Evaluation
2. Cost Proposal Evaluation

To advance to the Cost Evaluation phase, the Medical and/or Pharmacy technical proposal must receive a minimum of 40 (80%) out of a maximum of 50 technical points. Any technical proposals scoring less than 40 points will not have the cost component either opened or evaluated and the proposal will be removed from further consideration.

Each evaluation component is described below.

The State is committed to the concept of managing medical benefits for value, appropriateness and cost-effectiveness. An organization's ability to minimize costs while offering uniform, high quality services is important. The evaluation of an organization's long-term value/cost health care management capability is separate and distinct from the cost evaluation.

Evaluation of Medical Technical Proposal

Each technical proposal will be evaluated to determine whether it is complete and comprehensive. The State may request clarification of proposals. Proposals deemed by the Evaluation Team to be incomplete, non-responsive, or not in accordance with proposal submission requirements will be disqualified.

Each proposal will undergo a technical review based on responses to the questions and requirements included below. The technical proposal is worth 50 points. The State reserves the right to waive any condition, if waived consistently across all proposals. The primary criteria are:

- Commitment to service the State and its members through high standards of performance;
- Flexibility and innovation in addressing the State's needs;
- Demonstrated ability to deliver on representations and commitments concerning vendor's service; and
- Availability of participating network providers and minimal member provider disruption.

Medical Technical proposal components are as follows:

Proposal Component	Points Assigned
Technical Proposal (50 points)	
Vendor Accountability & Performance Review	13
Questionnaire	20
Geographic Network Match	2
Provider Disruption	15

The Evaluation Team reserves the right to conduct written or oral discussions with some, all, or none of the vendors during the Technical proposal evaluation.

Evaluation of Medical Cost Proposals

Evaluation of cost proposals will be based on an analysis and assessment of the responses to the financial questions in the SoRI Administrative Fees and Financial PG worksheets. The cost proposal is worth 50 points. The cost proposal will not be evaluated unless the vendor achieves the Technical threshold score. The State reserves the right to waive any condition, if waived consistently across all proposals. The primary criteria are:

- Competitive administration fees;
- Evidence of cost savings achieved through competitive discounts; and
- Demonstrated ability to control costs and manage utilization.

Medical Cost components are as follows:

Proposal Component	Points Assigned
Cost Proposal (50 Points)	
Administrative Fees - Medical	15
Network Discounts - Medical	27
Discount Guarantee	3
Performance Guarantee Dollars at Risk	5

Unless all qualified proposals exceed the budget, there will not be any period of time after the submission of the cost proposal where the vendor will have a chance to improve upon their proposal. The cost proposal must reflect the most competitive and final terms the vendor is willing to offer.

The Medical technical proposal and cost proposal are worth a total of 100 points.

Evaluation of Pharmacy Technical Proposal

Each technical proposal will be evaluated to determine whether it is complete and comprehensive. The State may request clarification of proposals. Proposals deemed by the Evaluation Team to be incomplete, non-responsive, or not in accordance with proposal submission requirements will be disqualified.

Each proposal will undergo a technical review based on responses to the questions and requirements included below. The technical proposal is worth 50 points. The State reserves the right to waive any condition, if waived consistently across all proposals. The primary criteria are:

- Commitment to service the State and its members through high standards of performance;
- Flexibility and innovation in addressing the State's needs;
- Demonstrated ability to deliver on representations and commitments concerning vendor's
- Availability of participating retail network providers and minimal formulary disruption.

Pharmacy Technical proposal components are as follows:

Proposal Component	Points Assigned
Technical Proposal (50 points)	
Vendor Accountability	15
Administrative and Network Competencies	15
Managing Drug Mix	20

Evaluation of Pharmacy Cost Proposals

Evaluation of cost proposals will be based on an analysis and assessment of the responses to the financial questions in the PBM Questionnaire and Rx-Pricing, Traditional worksheets. The cost proposal is worth 50 points. The State reserves the right to waive any condition, if waived consistently across all proposals. The primary criteria are:

- Competitive performance guarantees;
- Evidence of cost savings achieved through competitive discounts; and
- Demonstrated ability to control costs and manage utilization.

Pharmacy Cost components are as follows:

Proposal Component	Points Assigned
Cost Proposal (50 Points)	
Financials	40
Performance Guarantee Dollars at Risk	5
Credits and Discounts	2.5
Additional Fees and Other	2.5

There will not be any period of time after the submission of the cost proposal where the vendor will have a chance to improve upon their proposal. The cost proposal must reflect the most competitive and final terms the vendor is willing to offer.

The Pharmacy technical proposal and cost proposal are worth a total of 100 points.

The State’s review team may conduct written or oral discussions with vendors.

6.0 TIMETABLE / DEADLINES

The State will implement the plan on January 1, 2014.

The following timetable is anticipated:

Event	Target Date
RFP Post Date	May 6, 2013
Pre-proposal conference	May 17, 2013
Deadline for questions via email	May 21, 2013
Deadline for RFP responses	Stated on page 1
Finalist Interviews Week of:	July 15th or July 22nd
Tentative Selection of Vendor	August 2013
Open enrollment/Employee	November - December
Plan Effective Date	January 1, 2014

This is a tentative schedule and all dates are subject to change at the sole discretion of the State. Finalists selected at the end of the vendor analysis may be asked to participate in vendor interview. Please keep the weeks noted above open for interviews.

7.0 PROPOSAL FORMAT

Medical

Your completed proposal will consist of 3 parts, all of which must be received by the deadline listed on page 1 of this RFP to be considered for this marketing. Below is an overview of what each of these three parts is intended to address.

Part 1: Medical Questionnaire File: The Questionnaire and a sheet to provide explanations are contained in this Excel file. You are expected to respond to the Questionnaire by entering your responses in this file. **The majority of the questions in the Questionnaire have been structured to elicit declarative responses through the use of drop down boxes.**

To record your response:

- * Click on the response cell in the Response column;
- * Click on the down arrow which appears directly to the right of the cell;
- * Click on the response that best describes your answer.

To enter your responses where a numeric, percent or ratio value is indicated as the answer format, simply enter the value in the corresponding response cell.

Next to each response cell, additional space is available for a brief text explanation. However, if the length of the explanation is greater than 400 characters, you must go to the **"Explanation"** worksheet to provide your detailed explanation. All explanations must be numbered to correspond to the questions to which they pertain and should be brief.

Part 2: Worksheet File: Worksheet(s) to enter your proposal are contained within the companion Excel file. Generally, the types of information that you will be entering into this file are your financial quotation, plan design deviations, provider reimbursement data, etc. You are expected to provide the requested information by completing this workbook. In addition, this file may also contain reference information (rate history, enrollment data, etc.) that will assist you in putting together your quote.

Part 3: Electronic File Attachments: Any attachments that you are being asked to provide about your organization must also be submitted electronically. An explanation of each attachment that you are required to provide appears in the Questionnaire; please be sure to follow the naming conventions that are provided for each attachment.

In order to help you organize your proposal and ensure that it is complete, please review the following list to ensure that you have provided each required item.

Part 1. Questionnaire

Information		Name of Worksheet
Introduction	A-1	Intro
Non-Disclosure Agreement	A-2	NDA
Current Plan & Deviations	A-3	Gen Plan Info
Qualifications	A-4	Min Qualifications
Questionnaire	A-5	Medical Questionnaire
Explanations, if necessary	A-6	Medical Questionnaire Explanation

Part 2. Worksheet Files:

Information		Name of Worksheet
State of Rhode Island Administrative Fees	B-1	SORI Admin Fee - Med Only Worksheet and SORI Admin Fee - MedRx Worksheet (only if proposing on both lines of coverage)
Plan Design Deviations	B-2	See Plan Design Deviations Worksheet
Proposed Plan Change	B-3	See Proposed Plan Change Worksheet
Geo Access Files	B-4	See Geo Access File Worksheets

Disruptions Analysis	B-5	See Disruption File Worksheets
Network Discounts	B-6	See Network Discount Worksheet
Performance Guarantees	B-7	See Performance Guarantee Worksheets
Census	B-8	See Census Worksheet
Claims and Enrollment Data	B-9	See Claims and Enrollment Data Worksheet
Special Terms and Conditions	B-10	See State of Rhode Island Special Terms Worksheet

Part 3. Electronic File Attachments to be included in the RFP

Listing of Required	
Transmittal Letter/Bid	C-1
Transitional Care	C-2
Provider Directories	C-3
Service Area Summary	C-4
Implementation	C-5
Account Manager Bio	C-6
Audited Financial Statement	C-7

Pharmacy

Your completed proposal will consist of 2 parts, all of which must be received by the deadline listed on page 1 of this RFP to be considered for this marketing. Below is an overview of what each of these parts is intended to address.

Part 1: PBM Questionnaire File: The Questionnaire and a sheet to provide explanations are contained in this Excel file. You are expected to respond to the Questionnaire by entering your responses in this file. The majority of the questions in the Questionnaire have been structured to elicit declarative responses through the use of drop down boxes.

To record your response:

- * Click on the response cell in the Response column;
- * Click on the down arrow which appears directly to the right of the cell;
- * Click on the response that best describes your answer.

To enter your responses where a numeric, percent or ratio value is indicated as the answer format, simply enter the value in the corresponding response cell.

Next to each response cell, additional space is available for a brief text explanation. However, if the length of the explanation is greater than 400 characters, you must go to the "**Explanation**" worksheet to provide your detailed explanation. All explanations must be numbered to correspond to the questions to which they pertain and should be brief.

Part 2: Electronic File Attachments: Any attachments that you are being asked to provide about your organization must also be submitted electronically. An explanation of each attachment that you are required to provide appears in the Questionnaire; please be sure to follow the naming conventions that are provided for each attachment.

Section 1. Electronic Request for Proposal (RFP)

Worksheets	Name of Worksheet
Questionnaire (RFP)	PBM Questionnaire

Explanations, if necessary	PBM Questionnaire Explanation
Financial Rx-Pricing, Traditional	Rx-Pricing, Traditional - Rx Only and Rx-Pricing, Traditional - MedRx (only if proposing on both lines of coverage)
Specialty Drugs	Specialty Drugs
Retail Network Disruption	Worksheet - Retail Network Disruption Analysis
Formulary Disruption	Worksheet - Formulary Disruption Analysis
Hold Harmless Language	Hold Harmless

Section 2. Electronic File Attachments from Vendor

Attachments	Name of Electronic File
Financial Statement	[Your Organization's Name]_Financial Statement
Implementation Plan	[Your Organization's Name]_Implementation Plan
Standard Setup Forms	[Your Organization's Name]_Standard Setup Forms
Sample Employer Contract	[Your Organization Name]_Sample Employer Contract
Account Management Plan	[Your Organization Name]_Acct Management Plan
Bio of Account Manager	[Your Organization Name]_Bio of Account Manager
Bio of Secondary Account Manager	[Your Organization Name]_Bio of Secondary Account Manager

8.0 EVALUATION FORMAT AND CONTENT

Your proposal will be scored based on each answer provided within the questionnaire or explanation document. Do not refer to vendor provided attachments in response to the questions. Responses should reflect data specific to the market(s) to which you are responding. Do not default to nationally collected data or statistics unless the information or processes are identical. **YOU MUST CLEARLY IDENTIFY ANY QUALIFICATIONS OR CONTINGENCIES ON YOUR PROPOSED FEES, PLAN DESIGN, AND PERFORMANCE GUARANTEES**. Failure to do so could result in disqualification.

9.0 CURRENT AND PROPOSED MEDICAL AND PHARMACY PLAN DESIGNS

A detailed description of current plan designs can be found in the workbook name "**SORI RFP Worksheets**". Please quote the current plans as noted in the "**Plan Design Deviation**" worksheet. Deviations should be clearly noted and explained. Please confirm the proposed plan design changes to the current can be administered in the "**Proposed Plan Change**" worksheet. The State is considering offering alternate options that may include: a Tiered benefit plan design; a Tiered network plan; a high deductible plan or other innovative plan options. Please provide the quoted design in the "**Proposed Plan Change**" worksheet.

10.0 CENSUS, CLAIMS, AND ENROLLMENT DATA

The "**Census**" worksheet summarizes the type of census data provided by the State and the format of the file. The "**Claims and Enrollment**" worksheet summarizes the claims and enrollment information provided by the State and the format of the file. The census, claims and enrollment data is provided in Excel format and sent on CD by the State. Information on the CD may only be used in response to this RFP.

11.0 SUMMARY OF ELIGIBILITY REQUIREMENTS

State employees are eligible for coverage the first day of employment if they work 20 hours or more. Full time and part time employees have the same coverage.

12.0 GOVERNING CONDITIONS

The State's General Conditions of Purchase contain the specific contract terms, stipulations and affirmations to be utilized for the contract awarded to the RFP. The State's General Conditions of Purchases/General Terms and Conditions can be found at the following URL:
<https://www.purchasing.ri.gov/RIVIP/publicdocuments/ATTA.pdf>

Additionally, the "Special Terms and Conditions" worksheet provides additional terms and conditions for this RFP. The State reserves the right to specify special terms and conditions as part of making the award, in addition to those specified in the RFP worksheets. If the award includes any special terms and conditions, the award will not be considered official until the vendor complies with these terms and conditions.

The contents of vendor's bid response, including all performance guarantees, will be incorporated by reference into the Agreement between the State and Vendor. If there are any explicit discrepancies between terms laid out in the Agreement and the bid response, the bid response will take precedence.

Insurance Requirements

Errors and Omissions Coverage: vendor shall obtain, at vendor's expense, and keep in effect during the term of this Contract errors and omissions insurance covering any damages caused by an error, omission or any negligent acts of vendor, its subcontractors, agents, officers or employees under this Contract. Combined single limit per occurrence shall not be less than \$1,000,000. Annual aggregate limit shall not be less than \$1,000,000.

Workers Compensation and Employers Liability: vendor shall obtain statutory Workers Compensation coverage in compliance with the compensation laws of the State of Rhode Island. Coverage shall include Employers Liability Insurance with minimum limits of \$100,000 each accident, \$500,000 disease or policy limit, \$100,000 each employee.

The State will be defended, indemnified and held harmless to the full extent of any coverage actually secured by the vendor in excess of the minimum requirements set forth above. The duty to indemnify the State under this agreement shall not be limited by the insurance required in this agreement.

The insurance required in this agreement, through a policy or endorsement shall include:

- A) A Waiver of Subrogation waiving any right to recovery the insurance company may have against the State.
- B) A provision that vendor's insurance coverage shall be primary as respects any insurance, self-insurance or self-retention maintained by the State and that any insurance, self-insurance or self-retention maintained by the State shall be in excess of the vendor's insurance and shall not contribute.

There shall be no cancellation, material change, potential exhaustion of aggregate limits or non-renewal without thirty days (30) written notice from the vendor or its insurer(s) to the Department of Administration. Any failure to comply with the reporting provisions of this clause shall be grounds for immediate termination of this contract.

As evidence of the insurance coverage required by this contract, the Successful Bidder shall furnish Certificate(s) of Insurance to The Department of Administration, Purchasing Division at least 48 hours prior to the commencement of work. A copy of additional insured wording from the commercial liability insurance policy will be sent along with the insurance certificate. Failure to comply with this provision shall result in rejection of the bid offer.

Insurance coverage required under the contract shall be obtained from insurance companies acceptable to the Department of Administration.

The vendor shall pay for all deductibles, self-insured retentions and/or self-insurance included hereunder.

The Purchasing Agent reserves the right to consider and accept alternative forms and plans of insurance or to require additional or more extensive coverage for any individual requirement.

13.0 Vendor Responsibilities

Conditions Governing Subcontracting

If the vendor intends to use any subcontractor, the vendor must clearly identify the subcontractor in the response to the RFP and provide documentation of their skill sets and applicable experience. The vendor retains responsibility for the completion and quality of any work assigned to subcontractors. The vendor is expected to supervise the activities of subcontractors and employees in order to ensure quality. For all sub-contractors the State reserves the right to review and approve of contractual documentation between vendor and subcontractor.

For any subcontractor not specifically named in the bid, or any subcontractor to be named during the term of the contract, the State reserves the right to monitor the vendor's procurement process, and expressly approve any subcontractors to be used.

Compliance with Statutory, Regulatory and Other Standards

The vendor must comply with all applicable State and Federal regulations and statutes.

Confidentiality and Protection of Public Health Information (PHI) and Related Data

The vendor shall be required to execute a Business Associate Agreement Data Use Agreement. Among other requirements, such agreement shall require the successful vendor to comply with 45 C.F.R 164.502(e), 164.504(e), 164.410, governing Protected Health Information ("PHI") and Business Associates under the Health Insurance Portability and Accountability Act of 1996 (P.L. 104-191), 42 U.S.C. Section 1320d, et seq., and regulations promulgated there under, and as amended from time to time, the Health Information Technology for Economic and Clinical Health Act (HITECH) and its implementing regulations, and regulations promulgated there under, and as amended from time to time, 45 C.F.R. 155.260 as it may be amended from time to time, and the Rhode Island Confidentiality of Health Care Information Act, R.I. General Laws, Section 5-37.3 et seq. The successful vendor shall be required to ensure, in writing, that any agent, including a subcontractor to whom it provides Protected Health Information received from or created or received by and/or through this contract, agrees to the same restrictions and conditions that apply through the above-described Agreements with respect to such information. Any information provided by the State to the vendor for otherwise shared with outside parties.

The vendor shall comply with all relevant Federal and State laws, regulations, and policies such as HIPAA, PHI, PII, and PCI and comply with best practices surrounding information transfer and patient confidentiality.

Data and Reports

Data, information, and reports collected or prepared by the vendor in the course of performing its duties and obligations and paid by the State under this contract shall be deemed to be owned by the State of Rhode Island. This provision is made in consideration of the vendor's use of public funds in collecting and preparing such data, information, and reports.

Travel

All travel costs for vendor staff, including in-state and out-of-state travel necessary to carry out the tasks within the contract, shall be included in the vendor's cost proposal.

14.0 PROPOSAL SUBMISSION INSTRUCTIONS

Your proposal MUST be submitted in the requested RFP format. Do not edit the RFP files in any way such as adding or deleting rows, columns, or cells, or otherwise changing the file format. Failure to comply with the specifications provided will negatively impact the analysis of bidders' proposal.

Vendor Requirements

Qualified vendors must provide a proposal that includes either medical coverage for the two eligible populations (Active and non-Medicare retirees), prescription drug coverage or both medical and prescription drug coverage.

If the Vendor is proposing on the Medical administrative services only, please complete all of the Medical tabs and requirements listed in the Medical portion of 8.0 Proposal above.

If the Vendor is proposing on the Pharmacy services only, please complete all of the Pharmacy tabs and requirements listed in the Pharmacy portion of 8.0 Proposal above.

If the Vendor is proposing on both the Medical and Pharmacy services, please complete all of the Medical and Pharmacy tabs and requirements listed in 8.0 Proposal above.

Proposal Submission

Proposals must include:

- A signed and completed four-page RIVIP Vendor Certification Form with a letter of transmittal signed by an owner, officer or authorized agent of the firm or organization, acknowledging and accepting the terms and conditions of this Request, and tendering an offer to the Division. The signature of the official with legal authority to bind an organization into a contractual agreement should also be included. This form is downloadable at <http://www.purchasing.ri.gov>.
- A completed and signed W-9 (included in the original proposal only) downloaded from the RI Division of Purchases Internet home page at www.purchasing.ri.gov.
- **A Technical Proposal** (original and 8 copies in paper form and bound) includes the Medical and Pharmacy Questionnaire, Minimum Qualifications, Performance Guarantees, Plan Design Deviations, Proposed Plan Changes, GeoAccess Match, Provider Disruption, Formulary Disruption and Retail Network Disruption. Two electronic copies of the Technical proposal should be placed with the original.
- **A separately sealed Cost Proposal (original and 8 copies in paper form and bound)** reflects the Administrative Fees, the Contract, the Discount Guarantee, Pharmacy Financials and Specialty Drugs. Two electronic copies of the Technical proposal should be placed with the original.
- **The Technical Proposal and Cost Proposal shall be separately sealed and clearly marked**, but may be shipped in the same container. There shall be no reference to price(s) in the Technical Proposal.

Note: The State makes no representations regarding the data or the format in which the data is prepared.

Submission Date

All proposals are due in accordance to the date and time stated on page 1 of this RFP. The opening of proposals shall be limited to revealing the names of vendors submitting a proposal in response to the RFP which will also be posted on the Division's website. Proposals shall not be available for public inspection at the proposal opening.

Oral Presentation

The State may require some or all vendors to make oral presentations of their proposal. If a presentation is required, the State will contact the vendor. Final notice and exact time schedule shall be communicated in advance.

Proposal: Clarification and Revisions

The State may ask some or all vendors to clarify in writing portions of their technical proposal at any time prior to awarding of contracts. If such a clarification is requested, the vendor will be given a reasonable amount of time to formulate a response.

Contract Awards

- The review team will present written findings, including the results of all evaluations, to the State Purchasing Agent or designee, who will make the final selection for this solicitation. When a final decision has been made, a notice will be posted on the Rhode Island Division of Purchases web site.
- Because the evaluation takes into consideration both the technical and cost components in a value based approach, the lowest cost vendor may not necessarily be awarded the contract.
- Notwithstanding anything above, the State, and its agents reserve the right to either accept or reject any, or all, bids, proposals, award on cost alone, cancel the solicitation and to waive any technicality in order to act in the best interests of the State and to conduct additional negotiations as necessary.

LIMITED USE, CONFIDENTIALITY AND NONDISCLOSURE AGREEMENT

This Confidentiality and Nondisclosure Agreement (“Agreement”) is entered into for the benefit of the State of Rhode Island (“State”), by and through Division of Purchases, and the _____ (“Vendor”) (collectively hereinafter “Parties”).

The Parties acknowledge that certain confidential and/or sensitive information and/or material may be disclosed to the Vendor during the request for proposal process for Medical and Pharmacy Plans for the State of Rhode Island, in order to assist the Vendor in formulating a proposal. The State will release this “Confidential Information,” as defined below, to the Vendor for the limited purpose of assisting the Vendor in formulating a proposal and pursuant to the terms and conditions contained in this Agreement.

NOW THEREFORE, in consideration of the above premises and the promises contained herein, the Contracting Parties agree as follows:

1. Whenever used in this Agreement, the term “Confidential Information” shall mean (i) information exempt from disclosure to the public or other unauthorized persons under either the Rhode Island General Laws or federal statutes; or (ii) information in any medium related RFP# 7464385; or (iii) any other information which the State has identified to the Vendor in writing as confidential at the time Confidential Information is released to the Vendor or within thirty (30) days after such release; or (iv) information that would ordinarily be reasonably considered confidential or proprietary in the light of the circumstances surrounding its release to the Vendor. Confidential Information may take the form of, but is not limited to, plans, calculations, charts, concepts, know-how, inventions, licensed technology, design sheets, design data, diagrams, system design, materials, hardware, manuals, drawings, processes, schematics, specifications, instructions, explanations, research, test procedures and results, equipment, identity and descriptions of components or materials used, any and all personal and/or confidential information pertaining to personnel. Confidential Information may be in tangible or intangible form. The State’s failure to expressly identify Confidential Information as such shall not in any way lessen or negate the Parties’ obligation to keep such information confidential in accordance with this Agreement.

2. Notwithstanding the foregoing, the term Confidential Information shall not be construed to include information that (i) is or becomes readily available in public records or documents, other than as a result of an inappropriate disclosure by the Parties or other entity or persons acting on behalf of the Parties, or (ii) can be documented to have been known by the Parties prior to its release to the Parties by the State, or (iii) is disclosed pursuant to applicable Rhode Island law and/or federal law, judicial action or government regulations.

3. The Parties acknowledge that the Confidential Information is confidential and proprietary information and that its protection is essential. The purpose of this Agreement is to enable State to make disclosure of the Confidential Information to the Vendor for the limited purpose of formulating a proposal in response to RFP# 7464385, while still maintaining rights in and control over the Confidential Information in conformance with such mandate. The purpose is also to preserve confidentiality of the Confidential Information and to prevent its unauthorized disclosure during the RFP# 7464385 process. The vendor shall not use the Confidential Information for any other purpose as stated herein. It is understood that this Agreement does not grant the Parties an express or implied license or an option on a license, or any other rights to or interests in the Confidential Information.

4. The Parties shall require its employees, officers, independent contractors, and subcontractors, agents and any other entities acting on its behalf (collectively "Affiliates") to:

(a) Copy, reproduce or use Confidential Information only for the purpose described herein and not for any other purpose unless specifically authorized to do so in writing by the State; and

(b) Not permit any other person to use or disclose the Confidential Information for any purpose other than those expressly authorized by this Agreement; and

(c) Disclose such Confidential Information only to those of its Affiliates who require knowledge of the same for the purpose described in herein; provided such Affiliates are obligated to maintain the confidentiality of the Confidential Information and otherwise comply with the terms of this Agreement; and

(d) Implement physical, electronic and managerial safeguards to prevent unauthorized access to or use of Confidential Information, including without limitation, providing Affiliates a copy of the terms of this Agreement and any other non-disclosure agreement the State may provide for said Affiliates' signature. Such restrictions will be at least as stringent as those applied by the Parties to its own most valuable confidential and proprietary information.

5. The acts or omissions of the Parties' Affiliates with respect to the Confidential Information shall be deemed to be acts or omissions of the Party.

6. The Parties will not remove, obscure or alter any confidentiality or trade secret notation from the Confidential Information without the State's prior written authorization.

7. Confidential Information will remain the exclusive property of the State unless as otherwise provided for in any agreement and/or the contract between the State and the Vendor; upon completion of the review of the Confidential Information, or whenever requested by the State, the Parties will promptly destroy or return to the State all Confidential Information and all copies

thereof, including summaries, reports or notes based thereon, unless otherwise expressly authorized otherwise by the State in writing.

8. The Parties agree that the breach of the terms of this Agreement would cause irreparable damage to the State. Therefore, the Parties agree that the State has the right to seek an order to restrain the Vendor from breaching this Agreement. If the State does seek such an order, the Parties agree at this time to waive any claim or defense that the State has an adequate remedy at law or in damages. The State shall have the right to commence any and all legal action, whether in law and/or in equity, the State determines is necessary and required pursuant to this Agreement, to include but is not necessarily limited to, any alleged violation of this Agreement by the any of the Parties and/or Affiliates.

9. This Agreement sets forth the entire agreement of the Parties with respect to the use and disclosure of the Confidential Information and may be modified only by a writing signed by the Parties. This Agreement will be construed and enforced in all respects in accordance with the laws of the State of Rhode Island. The Parties consent to the exclusive jurisdiction of the Superior Court of the State of Rhode Island and exclusive venue in Providence County, Providence, Rhode Island.

10. The term of this Agreement shall be concurrent with award of a contract by the State under RFP# 7464385.

Signed and agreed by an authorized agent of the Vendor,

By: _____

Vendor Name: _____

DATE: _____